MOVING TO WORK

ANNUAL PLAN

2026

Fiscal Year January 1 – December 31, 2026

Approved by the MPHA Board of Commissioners:

Submitted to HUD:

Revised and submitted to HUD:

EQUAL HOUSING OPPORTUNITY – EQUAL EMPLOYMENT OPPORTUNTY

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MISSION STATEMENT

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.

ABOUT THE MOVING TO WORK PROGRAM

Congress created the Moving to Work (MTW) Demonstration Program in 1996. The program allows designated housing authorities to design and test innovative, locally developed strategies for providing low-income families with affordable housing. MTW permits agencies to waive most HUD regulations in pursuit of one of these three statutory objectives:

1. Increase housing choice.
2. Create opportunities for families with children to become self-sufficient.
3. Increase the cost-effectiveness of the agency.

MTW status does not increase funding from HUD. Instead, an MTW agency can reallocate funds among its programs, within specific guidelines, to better meet local needs. This provides MPHA with additional flexibility to design programs that better serve the Minneapolis community and to withstand federal funding fluctuations.

Each year, MTW agencies must submit two documents to HUD. In the fall, MPHA submits an MTW Annual Plan outlining how we intend to use its MTW flexibilities in the coming year. This plan includes a detailed overview of the agency's programs, operations, major capital investments, and any proposed new MTW initiatives. Each spring, MPHA submits an MTW Annual Report assessing program compliance, summarizing operational information, and providing updates on previously authorized MTW activities. The components of both documents follow the criteria of HUD form 50900.

For more information, contact: MPHA staff at (MTW@mplspha.org)

MPHA 2026 MTW Annual Plan

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I. Introduction

Minneapolis Public Housing Authority houses the state's most vulnerable. Both residents and participants face systemic barriers that greatly affect their quality of life. From financial constraints, health disparities, social isolation, and more. Leveraging partnerships to address needs beyond housing is crucial for creating communities where people can thrive.

The current strategic plan outlines MPHA's five-year vision through 2027 to allow the agency to preserve and expand its housing portfolio while uplifting its current and future clients. To ensure a diversity of voices and perspectives when shaping this plan, surveys were distributed to every resident, program participant, MPHA employee, and commissioner. To further make meaning of the collected data, listening sessions were conducted before an analysis identified the agency's unique strengths, weaknesses, opportunities, and threats. This people-centric approach grounds the housing authority as an anchor institution of the city committed to delivering quality, well managed homes.

To balance innovation with the need to maintain core business functions, MPHA acknowledged people are central to its mission. Building on the agency's decade-long reputation of being a high-performer, MPHA is committed to being an employer of choice and to upholding a high standard of customer service, both internally and externally. Training sessions spanning from Information Technology, property management, and HR have contributed to staff's success and the continued pursuit of the agency's mission.

As the development monitors the success of the eighty-four new Family Housing Expansion Project units, the team continues to embark on the agency's latest Rental Assistance Demonstration (RAD) project. Staff engaged with residents of 809 and 828 Spring Manor to align the redevelopment to residents' needs and wants, while bringing the property's modern and upgraded amenities. With construction commencing in July 2025, MPHA is excited to preserve units as well as leverage the opportunity to provide new units as this site. This use or Restore-Rebuild, adds to the deeply affordable housing stock for the elderly and disabled. In 2026, MPHA will continue to engage with residents at the Glendale Townhomes in hope of finding a redevelopment option that works best for the community and residents who reside there—to bring the updates that the aging property needs.

MPHA's commitment to utilizing the Department of Housing and Urban Development HUD tools available to the agency to continue to serve Minneapolis well ensures the impact of the authority's mission is upheld. This devotion has been essential in strengthening partnerships to connect residents to resources that match their needs. Minneapolis City Council reinstated the $5 million annual tax levy for the first time in over a decade in 2024. This ongoing funding helps the agency deliver on a multitude of priorities including capital backlog needs, investing in new-unit production, and other core business functions. Without resident advocacy, the renewal of this local funding could not have been accomplished. MPHA looks forward to grounding future work in resident voices to continue being a people-centric agency. MPHA's Moving to Work status has been essential to innovative collaboration to serve the city's lowest earners.

Notable MTW-Specific Updates

MPHA is committed to implementing HUD's new guidelines outlined in the final Housing Opportunity Through Modernization Act (HOTMA) and National Standards for the Physical Inspection of Real Estate (NSPIRE) notices. These new directives will be integrated in a manner that minimizes stress for clients, without contributing additional inefficiencies in a federal environment with continued funding shortfalls. It is MPHA's responsibility to serve individuals at a high standard while maintaining fiscal stability to ensure we can serve residents for years to come.

As an MTW housing authority, MPHA may waive certain federal regulations to meet local needs and better serve the Minneapolis population. In 2026, MPHA is interested in exploring:

- **MHOP:** The agency continues to tackle the Metropolitan Housing Opportunities Program (MHOP) alongside Metropolitan Council's Housing and Redevelopment Authority (Metro HRA) in hopes of executing a pathway to better serve current and future residents. Completing this work is essential toward keeping these units long-term affordability, prevent displacement of residents, increase resident choice, and allow for more effective property management. Although the process is long, MPHA stays determined to find a way to successfully convert these units to better meet resident and owner needs.

The agency's focus on providing safe, quality housing to its residents, allows MPHA to engage with households who count on MPHA for affordable housing. Through listening sessions and collaboration, the agency seeks to understand the lived experience of individuals to find the right support systems and tools to aid them in achieving their goals. Promoting a people-centric culture gives MPHA the tools to collaborate creatively with partners to fulfill its mission.

Housing Preservation and Creation

Historically, federal capital funds have met about ten percent of the capital needs of MPHA's public housing portfolio. Despite persistent funding challenges, MPHA has maintained high standards throughout its history. In 2026, this strong tradition will continue through the leverage of available programs and funds, in combination with federal dollars, to provide housing for the city's lowest earners.

Any MPHA development activity must adhere to the board-approved Guiding Principles for Redevelopment and Capital Investments. This ensures MPHA residents and community stakeholders have a clear understanding of the work ahead and feel confident that resident rights are protected. An added layer of protection for residents is the Memorandum of Understanding (MOU) between the city and MPHA, which expresses the shared commitment to investing in public housing, maintaining long-term public control, and protecting the rights of every resident.

Notable achievements related to *Housing Preservation and Creation* include:

Elliot Twins Conversion & Renovation: MPHA celebrated the comprehensive rehabilitation and expansion of the Elliot Twins in June 2022. Utilizing the Rental Assistance Demonstration (RAD)/Section 18 (S18) Blend program, updated 174 units while adding another 10 fully accessible units. The RAD/S18 conversion permitted MPHA to access state housing bonds and Low-Income Housing Tax Credits to complete this $27 million renovation, the largest single public housing investment in Minnesota history at that time. Most residents chose to remain on-site during construction; MPHA demonstrates a commitment to offering temporary housing options that meet each household's unique needs when construction affects their unit. MPHA uses a single point of contact for residents whose building is going through conversion to ensure no permanent displacement occurs while also providing clear, direct communication during the project timeline. After the conversion, MPHA continues to manage the property, with long-term affordability ensured by a 99-year ground lease.

MPHA's Family Housing Expansion Project: In October 2020, MPHA completed a Section 18 conversion of over 700 family housing units, transferring ownership to its non-profit entity, Community Housing Resources (CHR). A subsequent analysis identified 16 sites for redevelopment and densification, which would ultimately result in 84 new scattered-site family units subsidized by Project-Based Vouchers (PBV). This project, financed through bonds, Low-Income Housing Tax Credits, and other sources, broke ground in December 2022. Due to the use of innovative modular construction, the units were constructed and fully occupied by the end of April 2024. It is estimated that about 420 families will be served in these units over the next 30 years. MPHA continues to explore redevelopment and infill opportunities in this portfolio. In 2025, MPHA further advanced two single-family sites for redevelopment, which will result in five new family units. Construction is anticipated to start in late summer/early fall 2025 with units coming online in mid-2026. Additionally, another five sites have been identified

Springs Expansion: Building upon the success of MPHA's Elliot Twins conversion, preservation and expansion, in late 2023, MPHA began to advance its next RAD/Section 18 Blend conversion and preservation project at two high-rise properties located in northeast Minneapolis. The two adjacent properties – located at 828 Spring Street NE, with 189 apartments and 809 Spring Street NE, with 32 apartments – were built in 1970 and 1967, respectively and, like many of MPHA properties, have extensive capital needs. Similar to Elliot Twins, the properties will undergo comprehensive rehab including upgrades to all building systems, the addition of in-unit cooling and direct fresh air ventilation, enhanced indoor and outdoor community spaces and new resident amenities. Additionally, utilizing HUD's Restore-Rebuild (previously Faircloth-To-RAD) program, 15 new, fully accessible units will be constructed at the 828 Spring site, in a four-story addition that will sit adjacent and connect to the 828 high-rise. This addition will also house new resident amenities including an exercise room and bicycle storage on the first floor. Similar to MPHA's recent redevelopments, the project will be financed with State housing bonds, 4% Low-Income Housing Tax Credits, debt, and City of Minneapolis soft funding. The project will also utilize public housing tax levy proceeds. At the time of this publication, MPHA had just recently closed on the conversion and financing, with construction underway in mid-July. At $78M total development costs, the Springs Expansion marks MPHA's largest ever investment and redevelopment project.

Renovation Program for Scattered Site Homes: With additional tenant protection voucher funds generated by a Section 18 conversion, MPHA continues to explore options to leverage additional financing to complete major repairs and renovations on scattered sites. The conversion has allowed the agency to annually allocate CHR resources for essential replacements like kitchen and bathroom renovations and plumbing and electrical upgrades at unit turnover. Successful advocacy at the city and state levels in recent years has also increased available funding to address exterior component replacements such as siding, roofing, and windows, expanding the number of households and work that can be completed to enhance operational sustainability.

Additional Highrise RAD Applications: MPHA's 2023-2027 Strategic Vision prioritizes both housing preservation and creation, making HUD's RAD/S18 Blend Program a critical tool. In 2026, MPHA intends to advance its next conversion of two Horn AMP properties (MN002000007). The process adheres to HUD's required disclosures, public, and resident engagement.

Ongoing Public Housing Capital Improvements: MPHA will invest in high-priority repairs and modernizations, including building systems, elevators, windows, masonry, and fire safety, utilizing limited federal funds. In addition, potential grants from the Minnesota Publicly Owned Housing Program (POHP) or elsewhere will support this work, including the recent 2024 POHP allocation for 630 Cedar electrical systems work. In early 2025, MPHA submitted POHP cash funding applications to support capital investments at five high-rise properties, a total ask of over $9M with awards announced in August 2025. Appendix F details planned 2026 capital activities and expenditures. Through partnerships with Frontier Energy and Xcel Energy, we aim to replace aging appliances with energy-efficient models as well.

Long-range Planning for Other Sites: MPHA is actively engaged in discussions with community partners and stakeholders to develop long-term strategies for asset preservation and optimization. This includes stabilizing and converting subsidies for Metropolitan Housing Opportunities Program units, collaborating on a plan for Heritage Park to address capital needs, and exploring optimal uses for the agency's Faircloth Authority, including potential Restore-Rebuild conversions. Additionally, MPHA has been in discussion with residents about long-term plans at Glendale townhomes, committed to a vision aligned with resident feedback that addresses needs of current and future families in this vibrant neighborhood.

Project-Based Voucher (PBV) Awards: PBVs allow MPHA to1) incentivize the creation of new affordable housing to meet demonstrated community needs, and 2) ensure a portion of that housing is deeply affordable to serve those earning below 30% of the Area Median Income (AMI). This powerful tool enables MPHA and partners to leverage deeply affordable housing with private financing, maximizing opportunities for Minneapolis residents in need. MPHA closed its Request for Proposals (RFP) in December 2024 in anticipation of receiving Bring It Home vouchers. MPHA looks forward to previously awarded projects to come to completion and continues to be dynamic on how it partners to bring new affordable housing developments to the Minneapolis community.

Exploring New Development Opportunities: Restore-Rebuild (formally called Faircloth-to-RAD) is a new HUD initiative enabling Housing Authorities to expand affordable housing. MPHA can leverage this tool to develop up to ~1,000 additional units, thanks to increased Faircloth authority from the Section 18 dispositions, that moved 700+ units to MPHA's non-profit affiliate Community Housing Resources (CHR) as well as strategic conversion blends. Aligned with the agency's strategic plan, MPHA is exploring optimal Restore-Rebuild strategies to increase deeply affordable housing in the region. This includes potential MTW flexibility to fund rents, capital costs, or ease administrative burden. MPHA may leverage Project Based Vouchers to adjust HAP contract terms above the Fair Market Rent (FMR) using MTW Single-Fund flexibility. To refine our approach, MPHA with use its experience with the Restore-Rebuild Program at the Spring's Expansion Project to help determine how to effectively use this tool to further agency development goals.

Education, Employment, and Health

MPHA will continue initiatives and partnerships devoted to economic opportunity, health and wellbeing of seniors, persons with disability, families, and all households served. In 2026, the following activities will continue to be of focus:

Growth and Learning: *Stable Homes Stable Schools*: *Stable Homes Stable Schools (SHSS)* is a partnership with the City of Minneapolis, Hennepin County, Minneapolis Public Schools, and YMCA of the North. MPHA and the city jointly fund rental subsidies for families identified by the schools as experiencing homelessness. The YMCA provides case management services. Parents commit to engagement in their child's education. After the initial pilot period ended, SHSS expanded to serve additional families as well as additional schools based on growing community need and the initial success noted by preliminary assessments. MPHA looks forward to strengthening these partnerships for years to come based on long-term evaluation outcomes.

Expansion of Work by the Highrise Health Alliance: The Highrise Health Alliance, a collaboration between the Minneapolis Health Department, Minneapolis Highrise Representative Council (MHRC), and healthcare partners, is dedicated to improving health outcomes for MPHA's elderly and disabled residents. By simplifying access to care, this cross-sector initiative addresses the disproportionate health challenges faced by high-rise residents, including high rates of emergency room visits and hospitalizations. The alliance's efforts to mobilize vaccination clinics on-site in the height of the pandemic exemplify the power of partnership to meet community need. To sustain these initiatives, the group has actively sought grant funding and will continue to bring together leaders from various sectors to identify priorities, align resources, and engage residents.

Evolution of the Twin Cities Section 3 Collaborative: Under HUD's Section 3 program, MPHA will continue to prioritize training, employment, contracting, and other economic opportunities for low-income individuals, including but not limited to residents and participants. In addition, MPHA will remain committed to making a concerted effort and invest considerable time in educating both potential contractors and current vendors on the impact Section 3 has on the community and what it means to be both a Section 3 business and a Section 3 Worker – this occurs through open solicitations and vendor/diversity fairs held throughout the year. MPHA remains a leading member of the Twin Cities Section 3 Collaborative. Through this partnership with regional housing authorities and local governments, the agency streamlines enrollment and search processes to enhance access to Section 3 opportunities for qualified individuals and businesses.

Community Choice Demonstration: In Spring of 2022, MPHA and Metro HRA received $5.2 million from the U.S. Department of Housing and Urban Development (HUD) to participate in a demonstration program. This work builds on research linking neighborhood quality to quality-of-life outcomes for children. The program aims to increase housing options for low-income families by providing mobility-related supports. A robust independent evaluation will assess program effectiveness to help influence policy recommendations on most effective strategies. The program launched in September 2022, with the first families moving in Spring of 2023. Initially anticipated to extend through 2028, HUD provided an update they now expect to sunset the study in 2026. MPHA looks forward to the lessons learned from this program to better serve the voucher population.

Operational Excellence

MPHA's 300+ employees are the heart of the agency. Investing in the way business is conducted can lead to cost savings that can allow for additional funding to community priorities that better serve Minneapolis. In 2026, the agency anticipates continuing the following initiatives:

Leveraging Technology to Increase Efficiency: In January 2021, MPHA transitioned to Yardi Voyager Software. This new technology has streamlined operations through online waiting lists, recertifications, mobile work orders, and inspections. The agency continues to systematically convert paper files to electronic documents as well as integrate process improvements through this platform. For example, to enhance efficiency and payment options, MPHA integrated a payment processing function into Yardi last year. Now that the system has been implemented, increased resident utilization of this service can continue in 2026.

Properties for Which MPHA May Apply for Housing Preservation Programs in 2026

The purpose of this MTW Annual Plan is to forecast for HUD and the public, MPHA's possible actions in the short- and long-term. In consideration of the agency's strategic vision, the properties listed below *may be considered* in 2026 or 2027 for repositioning, redevelopment, and/or recapitalization. These activities include federal programs (such as RAD, RAD/S18 Blend and Section 18), federal/state/local grants, and other opportunities.

Development	AMP	Units
Heritage Park – Sumner Phase IA	MN002000008, Heritage Park AMP	60
Heritage Park – Basset Creek	MN002000008, Heritage Park AMP	45
Heritage Park – Sumner II	MN002000008, Heritage Park AMP	57
Heritage Park – Heritage Park III	MN002000008, Heritage Park AMP	38
Snelling Manor	MN002000007, Horn	28
37th Street Manor	MN002000007, Horn	28
Glendale Townhomes	MN002000001, Glendale	184

If RAD or RAD/S18 is identified as the best program to meet development needs, as with any conversion, the process must satisfy stringent federal requirements to protect residents, including:

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

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

Information on the MPHA MTW Budget

Fiscal Year 2026 MTW Budget Estimate

The MTW program provides MPHA financial flexibility to expend HUD public housing operating and capital resources and HCV program resources interchangeably among these programs, rather than limit spending to the program "silos" from which the funds were derived. The combination of the three programs at the local level creates an MTW local block grant that expands the agency's allowable use-of-funds beyond that of non-MTW housing authorities. This gives MPHA the opportunity to design and test innovative, locally designed strategies that use federal dollars more efficiently and provide opportunities for program creativity and innovation.

The MTW Budget presented for 2026 allocates resources to carry out:

- the daily operation and major building rehabilitation activities that are planned for MPHA's public housing program;
- the administration and housing assistance payments for the HCV Program; and
- innovative, locally designed strategies to meet the mission of MPHA.

Although Congress has not yet passed a funding bill for 2026, MPHA's 2026 MTW Budget estimates funding levels considering prior year appropriations and 2026 appropriation bills presented in each chamber. The 2026 MTW Budget estimates HUD will provide Public Housing Operating Subsidy at 90% of the full formula eligibility amount. The HCV Program housing assistance payment (HAP) subsidy is anticipated to be funded at 100 percent of the formula amount with a 3% inflation factor, and the program administrative fees funded at 2025 levels. The budget also estimates that the public housing Capital Fund award will match the amount awarded to MPHA in 2025 (approximately $20 million). Because of the uncertainty and significant variation in possible federal funding levels, the budget presented may change in significant ways from what is ultimately planned once federal funding is decided by Congress.

The budgeted sources of funds are slightly greater than $162 million. It is anticipated that $31 million will come from Capital Fund Grant resources (most of which from prior year awards), nearly $20 million from tenant rents, $19 million from public housing operating subsidy, and just under $71 million in Housing Choice Voucher funding. The remaining funding for the activities comes from local sources, interest earnings, and repayment of housing assistance from other housing authorities whose voucher holders rent in Minneapolis.

On the spending side, the 2026 MTW Budget estimates spending at nearly $155 million. The budget assumes housing assistance to cover 4,614 MTW vouchers on average each month and continues MPHA's rent reform initiative with payment standards increased approximately 3% higher than the 2025 budget. Public Housing Operations is funded at 4.5% less than the current 2024 budget. Some of the decrease is attributable to the conversion of 809 and 828 Spring to the Housing Choice Voucher program. The planned expenditures for major public housing and CHR building rehabilitation and redevelopment is $31.6 million and are detailed in Appendix F ("Planned Capital Expenditures") of this MTW annual plan. In response to insufficient HUD funding for the public housing program's building improvements and operations and for the administration of the HCV Program, MPHA estimates it will use its MTW spending flexibility to transfer HCV HAP subsidy to cover these shortfalls for fiscal year 2026 (MPHA's fiscal year is January to December). Additionally, HCV HAP subsidy will be used to fund locally designed MTW Initiatives. A breakdown of the use of HCV HAP subsidy is presented in the following schedule.

Estimated	**Use of HCV HAP Funding**
MTW HAP Subsidy	70,867,900
MTW Paid HAP Expenses (excludes Port-In)	57,667,100
MTW HAP Gain/(Loss)	**13,200,800**
Used for Capital Improvements	-
Used for HCV Administration	(1,345,700)
Used for Public Housing Operations	(11,474,400)
Used for Locally Designed MTW Inititatives and Program Administration	(380,700)
Net Gain/(Loss)	-

Please see Section V Sources and Uses of MTW Funds of this MTW annual plan for a line-item breakdown of the estimated sources and uses of MTW Funds in the HUD required format.

In order to balance the MTW Budget, a planned $1.9 million will be needed from the MTW reserves. MTW reserves are projected at fiscal year-end to be $14.2 million. MPHA's reserves play an essential role at the organization, including availability to support housing authority operations in the event of a funding crisis (such as a government shutdown) and strategic, measured investment in long-term agency priorities. All agency reserves must be spent on public purposes, and most are further limited by the eligible uses in the grant award. By way of comparison, MPHA plans to have $14.2 million in reserves in the context of a $155 million annual MTW budget and estimated $290 million in capital needs.

The following schedule presents the 2026 MTW Budget in a slightly different format from what HUD requires on the HUD-50900.

2026 DRAFT MTW Budget Summary

	MTW Single Fund				
	Public Housing Operations	MTW Housing Choice Vouchers	Capital Fund Program	MTW Initiatives	Total MTW Programs
Sources					
Tenant Revenue -Rents & Other	20,359,000	-	-	-	20,359,000
Federal - Operating Subsidies & Grants	19,430,100	-	2,075,600	-	21,505,700
Federal - Section 8 Admin Fee Subsidy	-	4,141,300	-	-	4,141,300
Federal - Section 8 HAP Subsidy	-	70,867,900	-	-	70,867,900
Federal - Capital Grants	-	-	29,475,000	-	29,475,000
City Contribution	375,000	1,460,500	-	-	1,835,500
Interest Income	500,000	-	-	-	500,000
Central Office Fee Revenue	-	-	-	-	-
Property Management Services Revenue	-	-	-	-	-
Other Revenues, Fees, & Grants	600,000	12,786,100	-	-	13,386,100
Total Sources	**41,264,100**	**89,255,800**	**31,550,600**	-	**162,070,500**
Uses					
Property Management and Program Admin	9,880,300	5,147,500	10,000	375,700	15,413,500
Administration	-	-	-	-	-
Development Administration	-	-	-	-	-
Fees to COCC	5,869,900	1,063,300	2,065,600	-	8,998,800
Tenant Services	1,118,800	-	-	5,000	1,123,800
Utilities	8,740,100	-	-	-	8,740,100
Maintenance	15,749,100	10,000	-	-	15,759,100
Protective Services	5,644,400	-	-	-	5,644,400
Insurance & Casualty Loss	2,759,900	52,300	-	-	2,812,200
Other General	2,897,000	-	-	-	2,897,000
Debt Service	1,686,000	-	-	-	1,686,000
Housing Assistance Payments	-	71,127,600	-	-	71,127,600
Capital Improvements & Equipment	300,000	-	20,288,500	-	20,588,500
Total Uses	**54,645,500**	**77,400,700**	**22,364,100**	**380,700**	**154,791,000**
Net Operating Sources/(Uses)	**(13,381,400)**	**11,855,100**	**9,186,500**	**(380,700)**	**7,279,500**
Transfer in/(Out) for MTW Single Fund	11,474,400	(11,855,100)	(1,686,500)	380,700	(1,686,500)
Net Operating Sources/(Uses) after Transfers	**(1,907,000)**	-	**7,500,000**	-	**5,593,000**
Loan to Discretely Presented Component units	-	-	7,500,000	-	7,500,000
Estimated Reserves[1] as of Dec. 2025	**15,385,000**	**743,000**	-	-	**16,128,000**
Budgeted Changes in Reserves	(1,907,000)	-	-	-	**(1,907,000)**
Estimated Reserves[1] as of Dec. 2026	**13,478,000**	**743,000**	-	-	**14,221,000**

[1] Reserves are defined as Unrestricted Net Position less Affiliate loans receivable only payable from surplus cash as available

II. General Operating Information

A. Housing Stock Information

i. Planned New Public Housing Units

New public housing units that the MTW PHA anticipates will be added during the Plan Year.

Asset Management Project (Amp) Name and Number	Bedroom Size						Total Units	Population Type	# Of Uniform Federal Accessibility Standards (UFAS) Units	
	0/1	2	3	4	5	6			Fully Accessible	Adaptable
MN002000004 AMP 4 Northeast	9	6	0	0	0	0	15*	Family	15	0

**These units are anticipated to be added through HUD's Restore-Rebuild Program. They will be new public housing units briefly before they convert to RAD project-based vouchers.

ii. Planned Public Housing Units to be Removed

Public housing units that the MTW PHA anticipates will be removed during the Plan Year.

Amp Name and Number	Number of Units to be Removed	Explanation For Removal
MN002000007 AMP 7 Horn (Snelling Manor & 37th Street Manor)	56	In 2026, MPHA intends to submit a RAD/Section 18 blend application for the two mid-rises located at 3755 Snelling Avenue and 3205 East 37th Street. Like most of MPHA's high-rises, the properties are ~60 years old and have capital needs that cannot be adequately addressed with limited federal resources. This conversion and preservation project presents an opportunity to create enhanced livability for residents, add new community amenities, and comprehensively address property needs, to better serve tenant needs. MPHA will meet with residents at every step of the process to ensure resident priorities are incorporated into the improvements.
MN002000009 AMP 9 MHOP	106	MPHA currently holds the ACC for 106 units which were a result of the Hollman v. Cisneros Consent Decree. Many are located outside the City of Minneapolis. MPHA is working to operationalize a transition of the MHOP portfolio to convert the units to the Section 8 program. The aim is to streamline operations for the housing authority, owners, and residents. Potentially, this may include MPHA completing a partial voluntary transfer of some of these units to a PHA that operates in the property's jurisdiction.

MN002000009 AMP 8 Heritage Park	200	MPHA currently holds the ACC for 200 units at Heritage Park which were a result of the Hollman v. Cisneros Consent Decree. The agency neither owns nor manages these units. In its efforts to ensure residents are living in units to the standard MPHA provides in its managed/owned units staff work tirelessly with partners to collaborate for a viable solution to improve the condition of the Heritage Park property.
	362	Total Public Housing Units to be Removed in the Plan Year

iii. Planned New Project Based Vouchers

Tenant-based vouchers that MPHA anticipates project-basing for the first time during the Plan Year. These include only those in which at least an Agreement to enter a Housing Assistance Payment (AHAP) will be in place by the end of the Plan Year.

MPHA continues to pursue opportunities to densify the scattered site family housing portfolio owned by Community Housing Resources (CHR) and managed by MPHA. MPHA/CHR is planning the replacement of a single-family home that was damaged by fire with a duplex and the replacement of a high capital needs single family home with a three-unit building. It will commit project-based vouchers to the projects, to support the new units created with redevelopment. Additionally, in 2025, MPHA began to advance a five-site redevelopment and densification effort, known as the Scattered Sites Missing Middle Project, that will replace seven existing units with 25 brand new units. Each of the sites will include a fully accessible unit as well as one five-bedroom unit, to better serve MPHA's larger families.

Property Name	# of PBV Vouchers	RAD?	Description	AHAP?
MN002000009 AMP 9 MHOP	106	No	MPHA currently holds the ACC for 106 units it neither owns nor manages. These units were a result of the Hollman v. Cisneros Consent Decree. MPHA is working in partnership with Metro HRA and HUD to operationalize a plan for these units to better meet the needs to provide quality, affordable housing to residents.	No

MN002000008 AMP 8 MHOP: Heritage Park	200	Yes	MPHA currently holds the ACC for 200 units it neither owns nor manages. These units were a result of the Hollman v. Cisneros Consent Decree. MPHA is working in partnership with the Owners, City of Minneapolis, and HUD to operationalize a plan to better meet the needs current and future households to provide quality, affordable housing.	No
CHR Properties	3	No	Redevelopment of two existing CHR-owned, single family homes with a total of five new units.	Yes
Scattered Sites Missing Middle	18	No	Redevelopment of seven existing CHR-owned units with a total of 25 new units, across five sites	Yes
MN002000004 AMP 4 Northeast (Spring Manor I & II)	15	Yes	MPHA completed a RAD/Section 18 blend conversion for Spring Manor I & II in July 2025, for 221 existing units. These units were transferred to Project-Based Vouchers. the project includes the addition of 15 new units, and MPHA is utilizing HUD's Restore-Rebuild Program to support the development of these new units. Post construction, the units will be converted to Project-Based Vouchers.	No

Snelling Manor & 37th Street Manor	56	Yes	MPHA intends to submit a RAD/Section 18 Blend for the two mid-rises located at 3755 Snelling Avenue & 3205 East 37th Street. These units will be transferred to Project-Based Vouchers. Resident engagement and rehab scope development will be initiated in 2025, with conversion and closing targeted for late 2026 or early 2027.	No
Clare 5	15	No	HIV and HPH	No
Sabathany	18	No	Low income	No
Loma	16	No	Low income	No
1345 Central	16	No	Low income	No
Zaria	20	No	Low income, families	No
			Total New Vouchers to be Project-Based	483

iv. Planned Existing Project Based Vouchers

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP is already in place at the beginning of the Plan Year. Indicate whether the unit is included in RAD.

Property Name	# of Project Based Vouchers	Planned Status at the End of Plan Year	RAD?	Description of Project
Agate Housing (Valiance)	22	Committed	No	Long term homeless and disabled
Agra (Rivkin)	38	Leased/Issued	No	Low income
Archdale	13	Leased/Issued	No	Serves homeless youth
Armadillo Flats - 2727	4	Leased/Issued	No	Serves low-income people
Armadillo Flats - 2743	4	Leased/Issued	No	Serves low-income people
Barrington	3	Leased/Issued	No	Serves low to moderate income

Bloom Lake Flats	25	Leased/Issued	No	HIV/AIDS, High Priority Homeless, Low Income
Bottineau Lofts	9	Leased/Issued	No	Serves low-income people
Boulevard	6	Leased/Issued	No	Serves low-income people
Calvary Apartments (Belfry)	26	Leased/Issued	No	Low income
Canvas Apartments	11	Leased/Issued	No	Low income
Catholic Eldercare	22	Leased/Issued	No	Assisted living facility for elderly
Central Ave Apts	61	Leased/Issued	No	Serves low-income people
Central Ave Lofts	8	Leased/Issued	No	Serves low-income people
Clare Apts	12	Leased/Issued	No	Serves single adults who have HIV (Project also has 20 project-based NED Vouchers)
Collaborative Village	16	Leased/Issued	No	Serves homeless individuals and families
Creekside Commons	6	Leased/Issued	No	Serves low-income people
Currie Commons (Ernestine)	40	Leased/Issued	No	Disabled, high priority homeless, low income
Downtown View	25	Leased/Issued	No	Serves homeless youth
Emanuel Housing	6	Leased/Issued	No	Serves Veterans and Low-income
Emerson Village	40	Leased/Issued	No	Low income
Endeavors (previously Exodus 2)	16	Leased/Issued	No	High priority homeless, disabled, Project also has 19 PBV VASH units
Families Moving Forward	12	Leased/Issued	No	Serves homeless individuals and families
Family Housing Resources	84	Leased/Issued	No	Serves low-income people
Franklin Portland	7	Leased/Issued	No	Serves low-income people

Gateway Northeast	26	Leased/Issued	No	Preservation. Low-income, incl. long-term homeless.
Hiawatha Commons	24	Leased/Issued	No	Serves low-income people
Jeremiah	30	Leased/Issued	No	Serves low-income single women with children
Journey Homes	12	Leased/Issued	No	Supportive services for disabled,
Kyle Garden Square	27	Committed	No	Low income
Ladder 260	18	Leased/Issued	No	Low income
Lakefield (fka 550 West Lake)	18	Committed	No	Low income
Lamoreaux	13	Leased/Issued	No	Serves homeless individuals
Lindquist	24	Leased/Issued	No	Serves low-income people
Lonoke	4	Leased/Issued	No	Serves low-income people
Loring Towers	43	Leased/Issued	No	Serves low-income people
The Louis	10	Leased/Issued	No	Serves low-income families
Lutheran Social Services	12	Leased/Issued	No	Serves homeless families
Lydia	80	Leased/Issued	No	Serves disabled homeless
Many Rivers East	7	Leased/Issued	No	Serves low-income people
Many Rivers West	3	Leased/Issued	No	Serves low-income people
MN Indian Women's Resource Center	10	Committed	No	Serves homeless, Native American Families,
Maya Commons	4	Leased/Issued	No	Serves low-income people
Minnehaha Commons	10	Leased/Issued	No	Homeless, senior, disabled, VASH.
Native American Community Clinic & Housing (NACC – H)	16	Committed	No	Low income families

Opportunity Crossing (3030 Nicollet)	12	Committed	No	Low income
Olson Court (North Creek)	40	Committed	No	High Priority Homeless and Low income
Park Avenue Apartments (LSS)	10	Leased/Issued	No	Addition to existing HAP. Serves low-income people.
Park Plaza (phase I)	24	Leased/Issued	No	Serves low-income people
Park Plaza (phase II)	41	Leased/Issued	No	Serves low-income people
Park Plaza (phase III)	11	Leased/Issued	No	Serves low-income people
Passage	10	Leased/Issued	No	Serves low-income women
Penn Avenue Station	4	Leased/Issued	No	Serves low-income people.
Phillips Family	17	Leased/Issued	No	Serves low-income people
Phillips Redesign	15	Leased/Issued	No	Serves low-income people
Pinecliff	7	Leased/Issued	No	Serves low-income people
Peregrine Apts	34	Leased/Issued	No	Low Income Families
Plymouth Ave Apartments	7	Leased/Issued	No	High Priority homeless, disabled, low income
Portland Village	25	Leased/Issued	No	Low-income families
PPL Foreclosure	16	Leased/Issued	No	Serves low-income people
PPL Fourth Ave	6	Leased/Issued	No	Serves low-income people
The Redwell	22	Leased/Issued	No	Serves low-income people.
River Run	16	Leased/Issued	No	Serves low-income people
Shelby Commons	12	Leased/Issued	No	High priority homeless (HPH), disabled, low income

Snelling Yards (Workforce)	12	Committed	No	HPH and also has 13 VASH vouchers
Spirit on Lake	5	Leased/Issued	No	Serves low-income people
St. Anthony Mills	17	Leased/Issued	No	Serves low-income people
St. Barnabas	39	Leased/Issued	No	Serves homeless and at-risk youth
The Rose	15	Leased/Issued	No	Serves low-income people
Trinity Gateway	16	Leased/Issued	No	Serves low-income people
Timber & Tie (Formerly 14th and Central)	25	Leased/Issued	No	Low-income housing. projected
Wadaag Commons	24	Leased/Issued	No	Long term homeless, disabled, low income, families
Whittier Community Housing II	40	Leased/Issued	No	High priority homeless, low income
The Hillock (fka, Snelling Yards) (Senior Housing)	0	Leased/Issued	No	Homeless veterans (Project has 11 PBV VASH units).
Scattered Sites	689	Leased/Issued	No	Low-income families.
Elliot Twins	184	Leased/Issued	Yes	Low Income
Spring Majors	221	Leased/Issued	Yes	Low Income
	2523	**Planned Total Existing Project-Based Vouchers**		

*Select “Planned Status at the End of Plan Year” from: Committed, Leased/Issued

v. Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year:

None

Planned Other Changes to MTW Housing Stock Anticipated in the Plan Year
MPHA will continue to explore developing new or purchasing existing structures as opportunities arise to add units to our portfolio. Examples may include augmenting MPHA's stock of much-needed scattered site housing through redevelopment strategies that could include acquiring land adjacent to existing properties and/or developing small clusters of townhomes or other multi-unit developments. It may also include acquisition of existing land and/or structures adjacent to our high-rise sites or developing new units on existing high-rise land holdings. Funding sources for any such opportunities could include the Minnesota Housing Finance Agency, City of Minneapolis, Hennepin County, and other government and private funders.
MPHA continues to operate a homeownership program; Lease-to-Own, which provides a pathway from rental to homeownership. MPHA anticipates that as of 2026, 18 units of the original 20 will have been sold.
MPHA continues to work with its partners that own the existing 440-unit, mixed income development located in Heritage Park on recapitalization strategies, which includes a potential RAD/S18 conversion or S18 disposition of the existing 200 public housing/ACC units. This conversion or disposition may be initiated in 2026 should financial resources be secured for recapitalization of a portion of the units. Additionally, although there are currently no specific plans for these properties, MPHA continues to contemplate the long-term vision for the entire Heritage Park neighborhood including the Phase III and IV parcels located south of Olson Highway and the 4.3-acre 555 Girard Terrace site. Options may include disposition and/or development and MPHA will continue studying them into 2026.
MPHA may hold units vacant due to modernization at other sites where construction activities or pre-development planning work will be underway in 2025/26 These include: Glendale Townhomes (MN2-1, AMP 1), 1717 Washington Street NE (MN2-32, AMP 4), 1515 Park Avenue South (MN2-16, AMP 6) and 3755 Snelling & 3205 East 37th Street (MN2-18.4 & MN 2-22, AMP 7)

vi. General Description of All Planned Capital Expenditures During the Plan Year

Narrative general description of all planned capital expenditures of MTW funds during the Plan Year.

General Description of All Planned Capital Expenditures During the Plan Year
MPHA bases its capital activities on an expected Capital Fund Program (CFP) allocation of ~$20 million for 2026, as well as previously secured resources to support our work including Public Housing Tax Levy proceeds, City of Minneapolis funds, POHP resources, and Capital activities that were initiated under previous funding cycles, but not fully completed in prior years, will carry over and experience expenditures in 2026. Additionally, a portion of the activities slated for 2026's ~$20 million CFP budget will not be fully expended in 2026 and will carry into 20267. MPHA has estimated approximately $30.2 million in capital expenditures for FY2026 targeting specific projects in six Asset Management Projects (AMPs). These capital activities and expenditures are based on assumptions including final formula amounts at the 2025 levels and receipt of grant by the end of March 2026; and MPHA's ability to complete identified improvements within noted budgets at its properties despite challenges associated with construction and commodity markets in historic fluctuation. Further, the plan and expenditures are subject to change as the agency goes through its annual budgeting process including budget approval by the MPHA Board of Commissioners. MPHA also continues to pursue additional, non-federal resources to support its work, including state and other local funding. The plan and expenditures may also be impacted if additional resources are made available in 2025/26. Included in the $30.2 million capital expenditures are pre-development work associated with any RAD/S18 conversions the agency pursues, other development activities including but not limited to new unit production, building systems (HVAC, plumbing, electrical, fire) upgrades, roof and window replacements, exterior façade restoration, elevator modernization, flooring replacements and other

interior renovations, security enhancements, and physical needs assessments. Details of this activity can be found in Appendix F. In performing its capital work, MPHA adheres to Federal, State and Local code and regulatory processes.

B. Leasing Information

i. Planned Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA plans to serve at the end of the Plan Year.

Planned Number of Households Served Through:	Planned Number of Unit Months Occupied/Leased*	Planned Number of Households to Be Served**
MTW Public Housing Units Leased	55,956	4663
MTW Housing Choice Vouchers Utilized	87,432	7,286
Local, Non-Traditional: Tenant-Based^	2,400	200
Local, Non-Traditional: Property-Based^	1344	112
Local, Non-Traditional: Homeownership^	24	2
Planned Total Households Served		

"Planned Number of Units Months Occupied/Leased" is the total number of months the MTW PHA plans to have leased/occupied in each category throughout the full Plan Year.
** "Planned Number of Households to be Served" is calculated by dividing the "planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year.
^ In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the MTW PHA should estimate the number of households to be served.

Local, Non-Traditional Category	MTW Activity Name/Number	Planned Number of Unit Months Occupied/Leased*	Planned Number of Households to be Served*
Tenant-Based	2020-3 Flexible Subsidy (TBD)	0	0
	2018-2 GO Housing (SHSS)	2400	200
Property-Based	2020-3 Flexible Subsidy (Hook & Ladder/ZoomHouse))	300	25
	2018-2 GO Housing (GRL)	444	37
	2016-3 Supp. Housing for Youth	600	50
Homeownership	2010-4 Lease-To-Own Initiative	24	2

The sum of the figures provided should match the totals provided for each local, non-traditional categories in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing
Discussions of any anticipated issues and solutions in the MTW housing programs listed.

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
MTW Public Housing	MPHA has established a creative partnership with the Northside Achievement Zone (NAZ) which is a collaboration of organizations and schools helping families in a geographic "Zone" of North Minneapolis to prepare children to graduate from high school ready for college. Families who agree to move into the NAZ area are allowed to apply even when the waiting list is closed, with the requirement that they accept a unit in the "zone". The MPHA public housing elderly/disabled waiting list remains open.
MTW Housing Choice Voucher	Minneapolis has a tight rental market with a vacancy rate of less than 5%. MPHA's efforts include investing in dedicated resident mobility and owner outreach positions to create new housing opportunities, completing a study of the local rental market with a consideration for alternate payment standards, an incentive fund for property owners, a focus on supporting the development of project-based and sponsor-based units, and regional partnerships.
Local, Non-Traditional	Given the tight rental market, the local non-traditional programs such as Stable Homes Stable Schools have focused on leveraging partnerships to reach out to property owners. Experience shows property owners have shown greater willingness to participate in programs with a mission to serve a specific population, like children experiencing homelessness or veterans. Using MTW flexibility, MPHA will explore flexible subsidies that can be tailored to the needs of families, priorities of the community, and experience of non-profit partners.

C. *Waiting List Information*

i. Waiting List Information Anticipated

Snapshot information of waiting list data as anticipated at the beginning of the Plan Year. The "Description" column should detail the structure of the waiting list and the population(s) served.

Waiting List	Description	Number of Households on Waiting List	Waiting List Open, Partially Open or Closed	Plans to Open the Waiting List During the Plan Year
Public Housing Elderly/Disabled	Disabled persons between the ages of 18 and 49, Near Elderly and Elderly persons age 50 or over	7,869	Open	Yes
Public Housing Family	Families with at least one dependent	4,349	Closed	No
Housing Choice Voucher Program	Income eligible households	377	Closed	Yes

Please describe any duplication of applicants across waiting lists:

Families and individuals may apply to multiple lists if they meet the eligibility criteria.

Planned Changes to Waiting List in the Plan Year

Please describe any anticipated changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

Waiting List Name	Description of Planned Changed to Waiting List
Heritage Park (Site-Based)	MPHA may explore and, if feasible, implement a site-based waiting list for the 200 MHOP public housing units at Heritage Park. MPHA would establish such a waiting list consistent with all applicable civil rights and fair housing laws and regulations, including the marketing, analysis, and reporting requirements in 24 CFR 903.7(b)(2).
Housing Choice Voucher Program	In accordance with Notice PIH 2025-19 and dependent on participant needs, MPHA may open the HCV waiting list exclusively to households currently being served by the Emergency Housing Voucher Program prior to and separate from any general opening of the HCV waiting list.

III. Proposed Activities

None for 2026.

IV. Approved MTW Activities

Implemented Activities

Implemented Activities	*Approved*	*Implemented*
Homeownership Program	*2025*	*2026*
Affordable Housing Creation & Preservation Toolkit	2020	2020
Triennial Income Recertification (Public Housing)	2018	2018
Conversion of Subsidy and Capital for MHOP Units	2018	2018
Flexible Subsidy for Community Priorities	2020	2020
Goal-Oriented (GO) Housing Initiative	2018	2018
Inspections and Rent Reasonableness for MPHA Owned Properties	2020	2022
Lease-to-Own Initiative	2010	2012
Local Project-Based Voucher Program	2018	2018
Low-Rent Annual to Three-Year Certifications	2009	2010
Minimum Rent Initiative for Public Housing Residents	2010	2011
Mobility Voucher Program	2009	2010
Property Owners Incentive Program	2018	2018
Public Housing Working Family Incentive	2010	2011
Rent Reform Initiative	2014	2014
Shelter to Home – Public Housing	2015	2017
Supportive Housing for Youth	2016	2016

Activities Not Yet Implemented

Activities On-Hold

Closed-Out Activities

Closed-Out Activities	*Approved*	*Implemented*	*On-Hold/Closed*
Asset Verification	2018	2018	2024
Absence from Unit Initiative	2011	2011	2017
Biennial HQS Inspections	2012	2012	2014
Block Grant & Fungible Use of MPHA Resources	2009	2009	2017
Combine Homeownership Programs	2009	2009	2012
Conversion of Mixed-Financed PH Units to PBV	2010	2019	2020
Earned Income Disallowance Simplification – HCV	2012	2012	2016
Foreclosure Stabilization PBV Demonstration Program	2010	2011	2017
MPHA/Hennepin County Transitional Housing	2013	2014	2016
Public Housing Self-Sufficiency Program	2009	2009	2012
Alternate Income Verifications	2013	2010	2017
Public Housing Earned Income Disregard	2009	2010	2017
Reintegration of Offenders	2016	2017	2020
Shelter to Home – Project-Based Vouchers	2016	2016	2020
Replace the Form of the DOT with a LURA	2019	2020	2022
Soft-Subsidy Initiative	2011	2013	2020
Targeted Project-Based Initiative	2011	2012	2020

A. Proposed Activities

No new activities are proposed in Plan Year 2026.

B. Implemented Activities

HCV Homeownership Pilot (2026-1)

Objective: Housing Choice, Self-Sufficiency

MPHA intends to utilize MTW flexibilities to build programmatic structures for homeownership for MPHA clients. The wealth-building nature of homeownership will benefit residents to accumulate equity over time, allowing for greater financial stability and mobility, as well as increasing housing options. It also contributes to the building of generational wealth, increasing positive child outcomes. MPHA plans to develop best practices by drawing on both MTW and non-MTW agencies to adapt and modify a homeownership program that meets household needs in MPHA's jurisdiction in consideration of the unique economic and real estate-related challenges.

The pilot of this program intends to:

- Identify households who qualify
- Increase education on buying options
- Determine scalability

Description/update

Supporting transition from renting into homeownership through ongoing subsidy for households will maximize the success rates of first-time buyers. The goal of this initiative is to build opportunities for any resident utilizing MPHA affordable-housing services to access homeownership. Serving a demographic where over 87% identify as people of color, MPHA wants to pursue this program to offset racial disparities in homeownership. Mortgage practices are historically entrenched in discrimination that continue to have effects on Black, Indigenous, and other People of Color (BIPOC). Through this pilot program, MPHA seeks to promote, recruit and enroll households into education courses to help residents make the best decision for their household's unique needs by providing knowledge and tools to help them navigate the buying landscape. In 2026, the initiative does not anticipate any cost implications neither positive nor negative due to the lengthy process from program initiation to finding a qualifying home in the market.

MPHA will identify and work with those interested in homebuying to connect them to a third party who can counsel them on the process of making their goal a reality. As MPHA respects client choice, where families may have other goals, they'd prioritize over owning a home, the aim is to reduce the wealth gap by providing materials and counseling to allow informed choice. Education on how to budget and determine preparedness to purchase increases the number of pathways available to households. When successful in purchasing, the equity gained from homeownership allows for wealth accumulation and increases the likelihood of subsequent generations owning homes and accumulating wealth. This program, in tandem with existing public and private down payment assistance programs, will increase success for households by providing monthly subsidy for the initial terms of the mortgage.

MPHA will operate under the authorizations as outlined in Attachment C Statement of Authorizations Section D 8 (a) and (b) to incentivize self-sufficiency to very low-income households. Specifically, this includes the authorization to allow current public housing residents and vouchers holders to be eligible for participating by waiving certain provisions of Sections 8(0)(15) and 8(y) of the 1937 Act and 24 C.F.R.
982.625 through 982.643.

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
Number of households that complete educational program	0	15	N/A to Plan	N/A to Plan

HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households that purchased a home as a result of the activity	0	2	N/A to Plan	N/A to Plan

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided	0	0	N/A to Plan	N/A to Plan

*Self-sufficiency here is defined as ending the program.

Affordable Housing Creation and Preservation Toolkit (2020 – 2)

Approved and Implemented in 2020

Objective: Housing Choice

Description/Update

In the years ahead, MPHA will use its flexibility as an MTW agency to preserve and create deeply affordable housing for the Minneapolis community. Whether renovating or redeveloping to preserve existing public housing, allowing use of funds for local, non-traditional activities (approved as part of MPHA's Second Amendment to the MTW Agreement), expanding current properties, acquiring new properties for purposes that serve our mission and families, MTW authorizations will be employed when necessary to execute projects that optimize the goals of housing choice and quality.

This activity, as its name conveys, will be the "toolkit" within which we will house these authorizations and report on their outcomes. Having certain authorizations in place also provides clarity and reassurance on the front-end to partners and to families that MPHA has the tools and flexibility to make visions a reality.

The primary MTW components of this activity, as currently approved and implemented, are:

- Single Fund Flexibility, by which MPHA will mitigate financing gaps by using MTW funds for development, acquisition, financing, or renovation costs.
- Development-related authorizations pertaining to partnership and property acquisition. Notes on these two components follow.

All activities related to acquisition and development will comply with PIH Notice 2011-45 in addition to Attachment C of the MTW Agreement. Further, activities will comply with PIH 2017-21 and the required input and documentation of project-based vouchers (PBV) units at all PBV properties.

Under HUD's Faircloth limit, the Minneapolis Public Housing Authority (MPHA) could operate additional public housing units over its current stock and receive additional subsidy for the units, if these units could be developed. Another premise proposed under this activity is that MPHA use its MTW authority to work with local affordable housing developers to include Faircloth units in affordable housing projects in the City of Minneapolis; these developments would be dependent upon the developer receiving other non-public housing financing.

Partnership: MPHA envisions working with tax-credit and other partners to create mixed-finance developments that preserve MPHA housing and potentially expand service to the community. The agency may also develop properties with an eye to facilitating work by service-provider partners who can reach residents with resources that improve quality of life. The MTW authorization under Attachment C - C.7(a) provides assurance to all partners, and to residents, that any MTW waivers MPHA brings to bear in a development will be unimpeded by the partnership. Residents and partners can feel confident under this authorization that MPHA's policies and programs remain fully applicable, notwithstanding the presence of a partner with an ownership stake.

Acquisition: Opportunities for property acquisition, by their nature, can arise quickly and are difficult to project with certainty. MPHA fully anticipates that it could be in a position to acquire, at good value to the public, properties that can be purposed for our community's housing priorities. For example, MPHA will look for opportunities to augment its stock of much-needed scattered site housing through redevelopment strategies that could include acquiring land adjacent to existing properties and/or developing small clusters of townhomes or other multi-unit developments. A waiver related to site acquisition requirements will allow MPHA to move quickly in such cases, acquiring sites without prior HUD approval (while understanding the agency must still meet all site-selection requirements).

The authorizations contemplated by this activity are integral to MPHA's Strategic Vision for the preservation of public housing properties, and lays out the steps the agency will take and the mechanisms leveraged to accomplish that vision. The 2023 – 2027 Strategic Plan is a board-approved document available to the public. This Affordable Housing Creation and Preservation Toolkit is the framework under which any waivers needed to pursue the vision will be vetted, approved, and implemented.

Changes to Activity/Metrics/Data – Planned: MPHA does not plan any changes to the metrics, or data in the plan year. However, in addition to this Activity's potential role in the preservation of MPHA' s public housing properties, MPHA may use funds for local, non-traditional activities, which was approved as part of MPHA's Second Amendment to the MTW Agreement. In addition, MPHA may use this activity to commit MTW Funds for pledging and satisfying guarantee commitments related to Section 8 and Section 9 housing units and for other affordable housing eligible as local, non-traditional activities. MPHA will exclude from any such pledge or guarantee commitment the ability of any beneficiary to foreclose public housing assets as a means of fulfilling the pledge or guarantee.

HC#1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household give that type in this box.	0	36 Housing Units: 15 High-rise Housing Units that are part of the Springs conversion, preservation, and expansion. All 15 of these units will be ADA compliant. This also includes 21 Family Units as part of three scattered site infill projects. Eight of the 21 total units will also be ADA compliant.	N/A for the Plan	N/A for the Plan

HC#2: Units of Housing Preserved				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box.	65	56 High-rise Housing Units for Conversion and Preservation; 9 Family Housing Units for Redevelopment	N/A for the Plan	N/A for the Plan

Triennial Income Recertification for Households in Public Housing (2018 – 3)

Triennial Income Recertifications Approved and implemented, 2018. Amended, 2022

Objective: Cost-effectiveness, Self-Sufficiency

Description/Update

This initiative, which was approved and implemented in 2018, changed income certification of non-elderly, non-disabled families to every other year, rather than annually. In 2022 this initiative was changed to triennial and combined with the initiative for residents on fixed income. Residents may still request interim recertifications or utilize a hardship policy if they believe they are adversely affected by this schedule. The change is intended to save the agency time and allow more cost-effective utilization of its resources. This activity reduces the number of annuals done per Eligibility Technician (ET), allowing the ETs to follow up on long-term minimum-rent-payers and interim recertification requests. By allowing residents to retain more earnings in the near term, we also anticipate that the change may encourage modest increases in earned income by public housing residents, contributing to greater self-sufficiency.

In 2018, MPHA began phasing in the implementation of this initiative for recertifications for fixed-income households at each new, interim, or recertification. It is fully phased in.

MPHA must reexamine the status of each tenant family relating to eligibility for continued occupancy, the rent charged and the household composition, once every three years for families who are not paying Flat Rent.

MPHA has maintained its policy of reporting changes in income. Tenant Family Members must report all changes in income, changes in source of income, or changes in household composition within five days. MPHA will not reduce Rent at an interim recertification when the tenant has not cooperated with the scheduled recertification During an interim recertification, only the information affected by the changes being reported will be reviewed and verified.

MPHA continues interim recertifications for any household that is required to be recertified or who requests recertification due to a change in circumstances. Residents may still request interim recertifications or utilize a hardship policy if they believe they are adversely affected by the triennial schedule.

MPHA runs HUD Enterprise Income Verification (EIV) reports every three months for our minimum renters and continues to run the EIV reports for tenants who are not required to do their annual certification in the current year and verify if there are any new jobs that households did not report.

Changes to Activity/Metrics/Data – Planned (Annual Plan) or Actual (Annual Report).

MPHA does not plan any changes to the metrics or data collection in the plan year.

CE#1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$140,400	$90,000	N/A for Plan	N/A for Plan

SS#1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	$26,600	$30,000	N/A for Plan	N/A for Plan

SS#4: Households Removed from Temporary Assistance for Needy Families*				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (increase).	265	250	N/A for Plan	N/A for Plan

SS#8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self- sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	360	100	N/A for Plan	N/A for Plan
* Self-Sufficiency Definition: Public housing residents whose rent increased to the flat rent amount for their unit.				

Conversion of Public Housing Operating Subsidy and Capital Funds for MHOP Units (2018 - 5)

Approved and Implemented, 2018

Objective: Cost-effectiveness

Description/Update

MPHA holds the ACC for over 300 units of public housing within the Metropolitan Housing Opportunity Program (MHOP), while 200 of them are located at Heritage Park in Minneapolis, the remainder are scattered across sixteen different properties across the metro. MPHA neither owns nor manages these units. These units were created under the Hollman v. Cisneros Consent Decree. This MTW activity seeks to use MTW authority to pursue long-term solutions for these properties with an unusual pedigree and management/subsidy structure.

The unique structure of these units, coupled with the ongoing evolution of public housing regulations, necessitates a comprehensive approach to address the multifaceted issues at hand. The goal is to develop a sustainable model that ensures the long-term viability of these properties while preserving the rights and protections afforded to residents.

The process of managing and operating public housing has proven onerous and costly for property owners of the dispersed MHOP units. These entities have significant staff turnover and MPHA must provide considerable time, resources, and support to continually train providers related to HUD public housing requirements. MPHA has devoted significant time and resources in determining a solution and has increased its efforts and communications with HUD on the issue. While the parties did not accomplish their ultimate goals as to these properties in 2024/25, MPHA remains hopeful the parties will determine a pathway to resolve the issues relating to these properties in 2026.

Heritage Park, while also created under the Consent Decree, is somewhat dissimilarly situated in location and property condition. Like the MHOP conversion discussions, MPHA has worked tirelessly this past year to come to possible solutions for the long-term viability of this property and its public housing units. MPHA has invested substantial time and resources, providing direct funds to provide short-term stabilization, while working with McCormack Baron (property owner) in advocating for funding and long-term solutions with key stakeholders, including HUD, the City of Minneapolis, and potential funders, to preserve this valuable housing asset. Though these efforts have not yet yielded any short or long-term solutions, we have cultivated strong relationships with McCormack Baron, the property owner, Urban Strategies, Inc., and other partners while we continue to work toward solutions for the long-term viability of Heritage Park and the well-being of its residents.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

MPHA plans no changes to the activity, metrics, or data in the plan year.

Flexible Subsidy for Community Priorities (2020 – 3)
Approved and Implemented in 2020

Objective: Housing Choice

Description/Update

Traditional federal housing programs lack the flexibility or capacity to meet the needs of low-income households facing urgent housing crises. Nor do they always offer the ability to customize housing assistance to address specific community needs (such as eviction/foreclosure, safety, or hard-to-house populations) or to provide funding to partners who have the networks and expertise to reach target populations.

Under this activity, MPHA can design and implement local, non-traditional (LNT) models of housing support to meet these needs and reach new families not currently served by MPHA. Such subsidies could be sponsor-based or directly administered by MPHA, with the form and conditions of the subsidy tailored to match the scale and objectives. In time, this activity could also embrace limited programs with a research objective. In general, this activity provides MPHA with a broad range of ways to utilize funds directly or indirectly for housing opportunities for the people the agency serves.

In one existing partnership, MPHA provides a sponsor-based subsidy to a private housing partner in a development to provide new permanent housing to 10 previously homeless families whose head-of-household has a disability. Families are referred from the Hennepin County Coordinated Entry system. Families receive housing stabilization services, including case management and referrals to medical, mental health, and chemical health services. However, this project is under review due to occupancy challenges and for concerns regarding HQS violations.

MPHA has awarded sponsor-based subsidies to three separate tentative projects. Activation of the awards are contingent on the projects receiving the necessary funding to rehabilitate two existing properties (one project with nine former refugee households to be served and the other serving up to nine households formerly living in uninhabitable dwellings) and a third seeking to build a multi-unit development and support twenty-four homeless individuals in a service rich SRO setting. A separate project, housing twenty-two extremely and very low-income single individuals and families with children in a service rich environment will begin in late 2024.

Consistent with MPHA's MTW Agreement and HUD's Notice 2011-45 titled, "Parameters for Local, Non-Traditional Activities under the Moving to Work Demonstration Program," MPHA's rental housing subsidies within this activity includes but are not limited to: supportive housing programs and services; homeless/transitional housing programs and services; support of existing local rental subsidy programs; creation of unique local rental subsidy programs to address special needs populations. Service provision includes but is not limited to services for residents of other PHA-owned or managed affordable housing that is not public housing or Housing Choice Voucher assistance, services for low-income non-residents and supportive services subsidies or budgets for low-income families. As community needs arise, MPHA would propose the specific additional uses of LNT subsidy in future plans as it deems appropriate.

MPHA may use MTW Funds as defined in Attachment C of the Agreement "Single Fund Budget with Full Flexibility" for any eligible activity as outlined. The agreement also includes housing development activities as among those eligible expenditures, to include but not be limited to a number of listed actions including financing and other related activities. MPHA would potentially use MTW funds for fulfilling Guarantees related to the production, rehabilitation, and financing of PBV, and other non-PBV low-income units, by its instrumentalities. This ability would provide additional comfort to both MPHA and lenders or investors of MPHA's authority to proceed with these commitments.

This activity supports MPHA's ability to come to the table for rapid response in circumstances where families face near-term need for stabilization. The additional use of this activity in 2026 will be to address acute eviction and homelessness crises in Minneapolis, identified by MPHA and local government partners, using fixed-amount and/or term-limited rental subsidy support, or focusing support on unique scattered site housing for very low- and extremely low-income households. At this drafting it is projected that at least 50 households will be assisted in this way.

MPHA sought authorization for expending MTW funds in connection with development loan guarantees as part of this activity.

Attachment C of the MTW Agreement regarding "Single Fund Budget with Full Flexibility" defines "MTW Funds" as funding awarded to the agency annually for the public housing Capital Fund, public housing Operating Fund and Section 8 vouchers. Attachment C also states that the MPHA may use those funds for any activity that otherwise would be eligible under those sections of the Act. The agreement also includes housing development activities as among those eligible expenditures, to include but not be limited to a number of listed activities including financing and other related activities.

Having the flexibility to pledge and use MTW funds for fulfilling Guarantees related to the production, rehabilitation, and financing of PBV, and other non-PBV low-income units, by its instrumentalities provides additional comfort to both MPHA and lenders or investors of MPHA's authority to proceed with these commitments.

Changes to Activity/Metrics/Data Collection – Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to the metrics or data collection in the plan year.

Planned Non-Significant Changes, Planned Significant Changes
No planned changes in 2026.

HC#1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). If units reach a specific type of household give that type in this box)	0	10 (Families, generally with HOH disability)	N/A for the Plan	N/A for the Plan

Goal-Oriented (GO) Housing Initiative (2018 – 2)

Approved and Implemented, 2018

Integrates Prior Activities: *Reintegration of Offenders (2016-2); Soft Subsidy Initiative (2011-2)*

Description/Update

Goal-Oriented Housing encompasses an agency-wide effort to use specific participation goals and incentives that encourage families to take part in education, training, and/or employment opportunities. MPHA will use flexible voucher subsidies and rent incentives to public housing families and HCV participants, including workforce housing opportunities tied to services and supports provided by partner organizations. Partners will commit to provide services and supports to MPHA public housing residents and HCV participants and coordinate with MPHA on establishing success measures.

Participation in Goal-Oriented Housing programs will be voluntary. MPHA anticipates targeting these initiatives to households in the best position to benefit from it. Examples could include:

- Strategically identify existing public housing units located in areas close to services, supports and employment opportunities of partners. The units can be reserved for public housing families who commit to the program. MPHA may work with various partners to set aside public housing units near education and training centers that will be reserved for participants in programs offered by the partner organization.
- Establish specific program participation requirements tied to partner programs and supports as well as other requirements necessary to demonstrate progress in meeting program goals.
- Explore creation of a workforce housing development at MPHA properties and/or create a new workforce development in concert with MPHA partners.
- Offer priority for participation in this program to the 500+ HCV families with children whose Head of Households are neither elderly nor disabled and who have no earned income.
- Create expanded - flexible voucher subsidy allocations that can respond to specific participant and possible partner needs that incentivize participation by HCV holders (these subsidies may be tailored to the individual needs of the participant).
- Explore home ownership vouchers as incentives.
- Consider setting aside or creating sponsor-based subsidy programs to better coordinate with partner programs and services.
- Make available local project-based vouchers targeted at developments near partner services and supports.

Program elements could include:

A. Partnerships with:

- Schools – pre, elementary and middle, secondary, and post- secondary
- Supportive services providers
- Vocational skills providers
- Employment providers

B. Tenant/participant savings initiatives

C. Special incentives, including:

- Priority for flexible vouchers for successful graduates who secure a job in an area that requires a move.
- Rent reductions/income disregards for employment, childcare and/or education and training support.
- Parent rewards for participating in school (family conferences, PTO activities or other school-family initiatives).

Specific 2026 initiatives under Goal-Oriented Housing are as follows:

Stable Homes Stable Schools: The "Stable Homes, Stable Schools" program is a partnership with the City of Minneapolis and the Minneapolis Public Schools to provide rental assistance and supportive services to families of elementary students experiencing homelessness. MPHA and the city jointly fund rental assistance for families identified by caseworkers at schools where the challenge is greatest. Hennepin County and a social services partner, the Twin Cities YMCA, provide a web of ongoing supports. Parents commit to engagement in their child's education. A local foundation has also entered the partnership to fund services for families identified as at-risk of homelessness. The partners will work with researchers at the University of Minnesota to monitor outcomes and program success.

November 2023 began the expansion of the core SHSS program to an additional five elementary schools, increased the depth of services to work with schools with the highest homeless and highly mobile families, and expanded housing stability to all elementary schools. These housing stability services are funded through a grant from Hennepin County. This expansion provides 6-24 months of financial and case management assistance to households experiencing instability where one-time assistance is not adequate to avoid an episode of homelessness and provide lasting housing stability. As of June 30th, 2025, the program has served 303 families with rental assistance and almost 2000 families with one-time, short-term, and medium-term emergency assistance. Altogether, over 6300 children avoided or ended homelessness so they could focus on their education.

Great River Landing: Great River Landing is a partnership focused on ex-offenders committing to a program of job-training and employment. MPHA's sponsor-based subsidy supports housing for forty participants at Great River Landing, a 72-unit building that opened in 2020. In addition to stable housing and access to employment resources, the partner organizations (Better Futures Minnesota and Beacon Interfaith Housing Collaborative) will provide social and supportive services that will help the men reunify with their families and establish civic pride and ties to their communities.

Better Futures Minnesota (the previous service provider for this project) was unable to adequately continue operations given financial and management challenges stemming from the pandemic. This resulted in a lapse in the service and supports being received by the residents in the Great River Landing development and affected occupancy levels for most of 2022. The dissolution of Better Futures Minnesota also suspended MPHA's program that provided up to 30 tenant-based subsidies to ex-offenders graduating out of Great River Landing. Better Futures Minnesota was to continue being the service provider for those participants and assist them with locating units. MPHA is reviewing a request from the new service provider, 180 Degrees, to take up the project.

Employment and savings incentive pilot program: Previously, MPHA anticipated piloting a program to incentivize employment and savings for participants in MPHA's public housing and voucher programs. MPHA did not implement this pilot due to staffing and operational challenges caused by the after-effect of the pandemic. In 2026, the team will begin to pilot initiatives that support households in achieving their goals.

Pilot Incentive Program: In support of other agency initiatives, MPHA will pilot a program to incentivize employment and savings for participants in MPHA's public housing and voucher programs. Participation in the program would be voluntary, serving a target of up to 25 families in its first year. This initiative aligns with MPHA's dedication to promoting homeownership, community choice, and individual households in meeting their unique goal.

Potential avenues include a savings match, dedicated coaching and connections with service providers focused on employment/career pathways, education and skills development, and financial education. Other connections/partnership might include literacy and English language classes, services, mentorship services, and childcare providers. MPHA would utilize multiple methods to recruit families, including efforts to reach across language or other barriers. Potential annual costs, including the savings match for the indicated number of families and anticipated hiring of a program coordinator position, would be approximately $100,000.

Changes or Modifications since Approval

None.

Changes to Activity/Metrics/Data – Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to the metrics or data collection in the plan year.

Inspections and Rent-Reasonableness for MPHA-Owned Properties (2020 – 1)

Objective: Cost-Effectiveness

Description/Update

Federal regulations require an outside contractor to perform HQS inspections and rent reasonableness determinations on PHA-owned units receiving federal subsidies for housing programs. To reduce cost and achieve greater cost-effectiveness in federal expenditures, MPHA conducts inspections and determines rent reasonableness for MPHA- owned units under this activity. Eliminating the independent entity is intended to improve administrative efficiencies, eliminate confusion for the resident of the unit, and improve the response time for performing inspections.

This activity is implemented and covers MPHA's agency-owned PBV portfolio: 694 units of scattered site housing, converted to project-based vouchers using HUD's Section 18 program, 184 units from the high-rise RAD conversion at the Elliot Twins, and 84 units of newly constructed PBV housing. These activities will be subject to MPHA's voucher program Quality Control (QC) processes.

Changes to Activity/Metrics/Data – Planned (Annual Plan) or Actual (Annual Report)

In 2026, MPHA will implement an amended process for determining Rent Reasonableness for MPHA-owned units, particularly those in the scattered site housing portfolio. Determining rent reasonableness for 694 scattered sites units with the same contract renewal date is cost prohibitive and inefficient given that the entire portfolio of scattered site units uses the same rent amounts by bedroom size. Starting in 2026, MPHA will begin determining rent reasonableness by bedroom size and applying the determination to all units of that size in the scattered site portfolio.

Lease-To-Own Initiative (2010 – 4)

Approved in 2010, Implemented in 2012

Objectives: Housing Choice, Self-Sufficiency

Description/Update

MPHA utilized funds from its American Recovery and Reinvestment Act grant to purchase 20 townhome units, named the Sumner field Townhomes, for the creation of a Lease-to-Own initiative. MPHA's initial target audience for this initiative was qualified public housing residents, Housing Choice Voucher participants, families on MPHA's waiting lists, and MPHA and City of Minneapolis employees who qualify for public housing. MPHA later broadened the eligibility to include other low-income, first-time homebuyers. Participants rent these units as public housing residents, with a requirement to purchase within five years. MPHA offers advantageous terms for families that close within two years. MPHA works with participants on achieving the homeownership goal, although participants are ultimately responsible for achieving mortgage-readiness and securing financing. MPHA escrows a portion of each month's rent (as a contribution toward a down-payment) and matches up to $1,500 in documented personal savings.

In 2018, MPHA completed a thorough review of the program including the selection criteria, case management, and homeownership counseling. This resulted in the update of the program's supporting procedures, including entering an MOU with Habitat for Humanity to provide homeowner-readiness counseling and mortgage financing options. All new entrants to the program must qualify for and enroll in the Habitat program. As of date of publication 18 units of the original 20 have been sold. MPHA will continue to work to find buyers for the remaining two homes.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to this activity in the plan year.

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	$39,000	$53,176	N/A for the Plan	N/A for the Plan

SS #2: Increase in Household Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of savings/escrow affected by this policy in dollars (increase).*	0	$750 per-household average	N/A for the Plan	N/A for the Plan

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self- sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	0	2	N/A for the Plan	N/A for the Plan

HC #6: Increase in Homeownership Opportunities				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households that purchased a home as a result of the activity (increase).	0	4	N/A for the Plan	N/A for the Plan

Local Project-Based Voucher Program (2018 – 6)

Approved and Implemented: 2018

Description/Update

Pursuant to Attachment C Section 7 of the Amended and Restated Moving to Work Agreement, MPHA has adopted its own local MTW Section 8 Project-Based Program. This includes the following:

- Project-basing Section 8 assistance at properties owned directly or indirectly by the Agency that are not public housing, subject to HUD's requirements regarding subsidy layering.
- Adopting a reasonable competitive process or utilize an existing local competitive process for project-basing leased housing assistance at units that meet existing Housing Quality Standards, or any standards developed by the Agency.
- Substituting a Letter of Commitment, MOU or other pre-issuance of a HAP action that is sufficient to move the development forward.
- Modifying HUD's HAP Agreement to include MTW-approved related actions.
- Renew existing HAP contracts prior to expiration, as needed, to support refinancing to preserve units for an additional period beyond the original contract date.
- Waiving the caps on the proportion of a development that may be project-based; waiving the caps on allocation of MPHA's vouchers to PBVs.
- The option of owner-managed, site-based waiting lists (SBWL) and site-based administration for its project-based developments. Owners will be required to develop tenant selection plans and obtain MPHA approval of those plans, including establishing guidelines for selection from the waiting list, screening, re-exams, and transfers.
- The option to determine the content of contract rental agreements that differ from otherwise mandated program requirements. This includes continuation of certain public housing lease, grievance, due process-related, and other provisions at properties that have undergone subsidy conversion, as a service to residents who undergo these transitions.
- The application of relevant MPHA policies to the Local PBV program, including MTW authorizations under MPHA's approved Housing Choice Voucher Rent Reform activity (2014 – 1).
- When currently served families in public housing reside in units converted to project-based vouchers (PBVs), MPHA intends to promote housing stability and continuity, as consistent with its mission and its *Guiding Principles for Redevelopment and Capital Investments.*
    - With respect to a family living in an under-occupied scattered-site unit when MPHA converts the unit from public housing to PBV, the unit may receive PBV assistance, and the family may remain in the unit until an appropriate- size scattered-site unit becomes available. If MPHA determines that there will be no appropriate-size scattered-site unit within a reasonable time, MPHA may

offer a more nearly appropriate- size scattered-site unit. When MPHA offers an appropriate-size or more nearly appropriate-size scattered-site unit, the family living in the under- occupied scattered-site unit must move to the appropriate-size or more nearly appropriate-size scattered-site unit within a reasonable period determined by MPHA.

- With respect to a family living in an over-crowded scattered-site unit when MPHA converts the unit from public housing to PBV, the unit may receive PBV assistance, and the family may remain in the unit. If the unit is over- crowded according to HQS standards, MPHA will provide the family a priority for a transfer to a scattered-site or other unit consistent with applicable standards. MPHA may provide a Housing Choice Voucher, if the Executive Director or designee determine at their sole discretion that a voucher is available for this purpose and is the most reasonable means of providing adequate housing to the family.

The MPHA may revisit these policies after a reasonable transition period for conversion of the scattered sites from public housing to PBV.

The first initiative under this activity was the launch of MPHA's open-ended PBV Request for Proposals (RFP) in 2018, with another in 2021. MPHA is reviewing the release of a revised PBV RFP in the future. Through the RFP, MPHA can strategically place vouchers—including veterans (VASH) and non-elderly disabled ("mainstream")—in ways that align with the values and needs of the community, while achieving maximum return in creating additional affordable housing.

In 2021, MPHA project-based units owned by the agency, following subsidy conversions under RAD and Section 18. MPHA retains the ability to use and may use all of the above authorizations in the future.

MPHA does not plan to (1) use the MTW authorizations to adopt a different competitive process for non-PHA-owned units or (2) substitute a Letter of Commitment or other pre-issuance of a HAP action for an Agreement to Enter into Housing Assistance Payments Contract. MPHA may exceed the 20% cap on allocation of vouchers to PBVs. MPHA uses owner-managed, site-based waiting lists for all PBV projects after their initial occupancy. MPHA uses the MTW authorization to carry over public housing tenant protection related provisions for its scattered-site PBV units and may do so on future projects. MPHA is not applying rent reform to PBV units. MPHA is applying the MTW-authorized modifications regarding treatment of households in wrong-sized scattered site units.

MPHA is incorporating a relevant authorization under Attachment C, D.2.b. (waiving 24 CFR 982.308f), under which "the Agency is authorized to determine contract rents and increases and to determine the content of contract rental agreements that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations." In executing its first public housing preservation subsidy conversions, MPHA noted the potential value for public housing residents and as a matter of administrative efficiency, of being able to preserve terms from public housing leases and lease-related documents. MPHA desires this authorization going forward, including any RAD applications MPHA might make in the future, as a further assurance that public housing resident protections are preserved notwithstanding a conversion (except as otherwise required by law). At this time, MPHA is interested in implementing only the second ("contact rental agreements") portion of this authorization. A proposed update and explanation in future proposed plans will be provided if the first part related to modifying contract rents is applied.

MPHA may implement changes to the local PBV program to increase efficiency in several respects, now that MPHA has converted over 700 scattered-site units to PBV. First, MPHA may simplify rent reasonableness practices, by means that may include among others (1) allowing a new annual rent to go into effect without a new rent reasonableness study when the new rent would be authorized under the previous rent reasonableness study, and (2) omitting rent reasonableness studies for particular units and instead explicitly relying on completed rent reasonableness studies already completed for units with similar characteristics (e.g., same bedroom size and neighborhood). Second, to even out management staff workload, MPHA may stagger annual rent increase dates and may rely on increased fair market rents without rent reasonableness studies to authorize rent increases during interim periods that will facilitate the transition to staggered dates.

Note that starting with the 2020 plan, this activity integrated two closed-out activities: Shelter to Home - PBV (2016-1); Targeted Project-Based Initiative (2011-1).

Changes to Activity/Metrics/Data – Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to the activity in the plan year.

HC#4: Displacement Prevention				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households at or below 80% AMI that would lose assistance or need to move (decrease). If units reach a specific type of household, give that type in this box.	0	200*	N/A for the Plan	N/A for the Plan
*This benchmark turned out to be higher than the number of families who were ultimately affected by the change. While short of the benchmark, the outcome is considered fully successful, as every family intended to be protected under this activity was protected and remained housed.				

Minimum Rent Initiative for Public Housing Residents (2010 – 2)

Approved in 2010 and Implemented in 2011

Objective: Cost-Effectiveness

Description/Update

Tenants moving into public housing whose calculated rent is less than the minimum rent pay the minimum rent that is in effect at the time of lease-up. This initiative increased the minimum rent of existing tenants at the first annual or interim re-exam after implementation. The initiative was implemented to promote self-sufficiency and increase rental income.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to the activity in the plan year.

CE #5: Increase in Agency Rental Revenue - Public Housing				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	$221,400.00	$450,000	N/A for Plan	N/A for Plan

Mobility Voucher Program (2009 – 6)

Approved in 2009, Implemented in 2010

Objective: Housing Choice

Description/Update

MPHA's Mobility Voucher program aims to help low-income families move from high-poverty areas to neighborhoods with better opportunities and housing options. This supports HUD's goal to break the cycle of poverty. The program provides increased housing choices for families on the Section 8 Waiting List and current participants who are willing to relocate.

In 2015, the program was revamped to include incentives like security deposit and application fee assistance, higher payment standards, bus cards, and moving help. Between 2016 and 2017, MPHA began implementing strategies into the program recommended by the report from the Family Housing Fund's, *Enhancements and Best Practices Designed to Expand Resident Choice and Mobility in Minneapolis*. In 2018, MPHA conducted a rent study to adjust payment standards based on rental market trends. MPHA implemented these area rents in ways that allowed families to stretch their voucher further, living where they can maximize their family's chances for success.

In September 2022, MPHA and its partner Metro HRA launched the pilot for the Community Choice Demonstration Program; both receiving 37 vouchers each to expand mobility services. The pilot included two groups: 1) control, meaning that they receive a voucher but do not receive mobility related services, and 2) treatment, meaning that the participant receives access to mobility services in addition to the voucher. Whichever group that the participant ended up in, per regulations, if they moved into opportunity areas, they received access to the mobility payment standards.

The Demonstration builds upon research that shows growing up in neighborhoods with lower levels of poverty improves children's academic achievement and long-term chances of success, reducing intergenerational poverty. Children who move to low- poverty neighborhoods have also been shown to experience lower rates of hospitalizations, lower hospital spending, and some changes in mental health over the long-term follow-up. Adults given the chance to move to low-poverty neighborhoods experience reductions in obesity and diabetes. MPHA looks forward to the research findings to inform future programming in Minneapolis as well as recommend national best practices.

Changes to Activity/Metrics/Data – Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to this activity in the plan year.

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity	0	45	N/A for the Plan	N/A for the Plan

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase housing choice	0	45	N/A for the Plan	N/A for the Plan

Property Owners Incentive Program (2018 – 1)

Approved and implemented, 2018

Objectives: Housing Choice

Description/Update

In 2018, MPHA and the City of Minneapolis partnered to fund and administer incentives that encouraged property owners to accept Section 8 Housing Choice Vouchers (HCVs). With these incentives, MPHA and the city intend to reassure property owners that have not partnered in the HCV program, especially due to past challenging experiences, that their concerns can be addressed or mitigated. Since implementation, MPHA has noted an increase in the number of property owners that participate in the HCV program, leading to increased housing choice for families with vouchers– particularly in areas of greater opportunity. MPHA intends to continue these services in 2026:

Property damage protections: Protect property owners by covering tenant damage claims that exceed the security deposit, up to $2,500.

Property Owner Holding Fee: MPHA will make a payment of a Holding Fee of up to $500 to the property owner to hold an approved unit for an eligible participant while awaiting the release of a pro-rated rental subsidy.

First Time HCV Property Owner Incentive: Property Owners receive a one-time, $250 incentive fee when they rent to a voucher holder for the first time.

Providing RentWise Curriculum to Participants: MPHA will provide incentives to voucher holders to complete this training to mitigate risks to owners.

MPHA processes and pays these claims. If the city reinstates this budget line item to support this initiative, MPHA will process reimbursement from the city for their agreed upon portion.

The program was considered a pilot but the City and MPHA are jointly reassessing the success of the incentives and are reviewing potential adjustments. The partners may use a community review process and on-going surveys of current and potential owners to adapt or to design new incentives under this initiative.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

None.

MPHA Metric				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Increase in the number of new owners in opportunity areas of the City of Minneapolis	0	15	N/A for the Plan	N/A for the Plan

Public Housing Working Family Incentive (2010 – 1)

Approved and Implemented in 2011

Objectives: Self-Sufficiency

Description/Update

The rent calculation includes an automatic fifteen percent deduction from the gross annual earned income of a working family, defined as any family where earned income of any amount is part of the rent calculation. This deduction provides the working family with available money to support work-related costs such as transportation, uniforms, and health insurance premiums.

MPHA had has seen good results under this initiative, with annual increases in the number of households employed and increases in the income of these households. These outcomes improve the likelihood that the family would achieve a livable wage and move toward self-sufficiency.

This is a rent reform initiative. MPHA has received no requests for hardship exceptions.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

MPHA does not plan any changes to the activity in the plan year.

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	$15,970	$230,000	N/A for Plan	N/A for Plan

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
(6) Other - Households with earned income. (Expressed as percent)	1,241 21%	800 15%	N/A for Plan	N/A for Plan

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	546	300	N/A for Plan	N/A for Plan

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline (2009)**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total Household contributions towards housing assistance (increase).	$14,437,400	$18,000,000	N/A for Plan	N/A for Plan

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	270	75	N/A for Plan	N/A for Plan

*Self-Sufficiency Definition: Public housing residents whose rent increased to the flat rent amount for their unit.

Rent Reform Initiative (2014 – 1)

Approved and Implemented in 2014

Description/Update

The goal of rent reform was to streamline and simplify the rental subsidy determination and recertification processes, promoting self-sufficiency for participants while saving costs and allowing for more families from the waitlist to be served. With the advent of federal sequestration in 2013, the focus shifted to maintaining assistance for all current families within a severely decreased budget.

MPHA's rent reform initiative includes the following elements, further details of which are included in MPHA's Statement of Corporate Policies and HCV Program Procedures:

- **Flat Subsidy:** MPHA replaced the standard rent calculation method with a simplified, flat subsidy model that incorporates consideration for tenant-paid utilities. The aim is to present the HAP amounts in a way that gives families a clear understanding of how much they will receive, allowing them to make a more informed decision on moving.
- **Minimum Rent:** As part of the flat subsidy model, MPHA revised the application of minimum rent policies. If a participant's calculated rent amount is less than the minimum rent amount, the participant pays the minimum rent to the owner.
- **40 Percent Affordability Cap:** MPHA eliminated the 40 percent affordability cap because under rent reform affordability becomes the responsibility of the family. We will not approve a Request for Tenancy Approval (RFTA) if a participant's rent portion exceeds 50 percent of their monthly adjusted income without supervisory review and approval.
- **Revised Asset Income Calculation and Verification Policies:** When the market value of a family's assets is below an established asset threshold, MPHA will exclude income from these assets. When the total asset market value is greater than the established threshold, MPHA will calculate asset income by multiplying the asset's market value by the applicable passbook savings rate. HCV households may self-certify when the market value of the household's total assets is below the established threshold.
- **Interim Re-examinations:** MPHA limits HCV families to one discretionary interim re-examination per year. Between recertifications, household members who are employed are not required to report increases in earned income. Unemployed household members *(change to "households with no earned income")* must report any subsequent employment. Increases in unearned income for any household member and changes in household composition must still be reported. MPHA does not require notification of increases of income that do not require an interim.
- **Working Family Incentive and Streamlined Deductions and Exclusions:** MPHA has eliminated childcare, medical expenses, and dependent deductions from the calculation of adjusted income. To lessen the impact of these changes, MPHA continues

to administer the Working Family Incentive and increased the standard elderly/disabled deduction. MPHA excludes all income for adult, full-time students (other than the head of household, co-head, or spouse).

- **Changes in Fair Market Rents (FMRs):** MPHA waived the requirement that the agency conduct reasonable rent determinations on all HCV units when there is a five percent year- over-year decrease in the FMR in effect 60 days before the contract anniversary. MPHA conducts reasonable rent determinations at the time of initial lease-up, at the time of owner rent increases, and any other times deemed appropriate by MPHA. MPHA conducts research and market analysis on local rents. The intent of updating payment standards to reflect the local market is a way of increasing choice for families.
- **Flat Subsidy Reasonable Accommodation:** As a reasonable accommodation for individuals with qualifying disabilities, MPHA may provide a higher subsidy for accessible units.
- **Mitigating rent increases in cases of subsidy conversion:** MPHA may mitigate and/or phase in rent increases for households that formerly lived in Section 9 public housing and moved to MPHA's PBV program through a subsidy conversion program (such as RAD or Section 18), as permitted under the MTW Agreement and program regulations.
- **Triennial Recertification for All Families:** All households will undergo recertification once every three years. MPHA will perform recertification on a rolling basis.

NOTE: Families in project-based units which receive funding from HUD's Community Planning and Development department through the Supportive Housing Program (SHP) or the Housing Opportunities for Persons with AIDS (HOPWA) program are exempt from MTW minimum rent and all other aspects of HCV rent reform.

NOTE: MPHA's Rent Reform activity and authorizations may be applied to all Section 8-funded voucher-types, as specified under MPHA's Statement of Policies and any relevant procedures. This includes tenant- and project-based voucher subsidies, including MPHA-controlled properties that have undergone conversion from Section 9 to Section 8 through the Rental Assistance Demonstration or other HUD-approved program, unless otherwise prohibited by HUD pursuant to statutory or regulatory requirements not subject to waiver.

Changes to Activity/Metrics/Data – Planned (Annual Plan) or Actual (Annual Report)

There are no changes to this activity.

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average income from employment	$17,495	$25,611	N/A for the Plan	N/A for the Plan

*Among employed households.

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
6. Other – work-able households with earned income*	1,504 heads of households had earned income 58% of work-able households had a head of household with earned income	1825 heads of households had earned income 70% of work-able households had a head of household with earned income	N/A for the Plan	N/A for the Plan
"Work-able" is defined as a HOH that is not elderly or verified as disabled.				

SS #4: Households Removed from Temporary Assistance to Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance	2,418	450	N/A for the Plan	N/A for the Plan

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average per unit cost	$730	2020 - $751.00 (1.6% COLA 2020)	N/A for the Plan	N/A for the Plan

Shelter to Home - Public Housing (2015 – 1)

Approved in 2015, Implemented in 2017

Objectives: Housing Choice, Self-Sufficiency

Description/Update

In March 2019, MPHA opened the Minnehaha Townhomes, constructed in partnership with multiple public entities as well as one philanthropic contributor. MPHA owns and manages these sixteen townhomes for families experiencing homelessness. Families enter these public housing units directly as referrals from the Hennepin County Coordinated Entry homeless shelter system, with the units reserved for families below 30 percent of area median income. The development includes four two-bedroom and 12 three-bedroom units, along with a playground, ample green space, community patio, and storm-water management. Four units are permanent supportive housing, reserved for families experiencing long-term homelessness. The families who live at the Minnehaha Townhomes receive ongoing services from the county.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

None.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	16	N/A in the Plan	N/A in the Plan

<table>
<tr><th colspan="5">SS #3: Increase in Positive Outcomes in Employment Status</th></tr>
<tr><th>Unit of Measurement</th><th>Baseline</th><th>Benchmark</th><th>Outcome</th><th>Benchmark Achieved?</th></tr>
<tr><td>Employed Full-Time</td><td>0</td><td>4</td><td rowspan="6">N/A in the Plan</td><td rowspan="6">N/A in the Plan</td></tr>
<tr><td>Employed Part-Time</td><td>0</td><td>4</td></tr>
<tr><td>Enrolled in an Educational Program</td><td>0</td><td>0</td></tr>
<tr><td>Enrolled in Job Training Program</td><td>0</td><td>0</td></tr>
<tr><td>Unemployed</td><td>16</td><td>8</td></tr>
<tr><td>Other</td><td>0</td><td>0</td></tr>
</table>

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	16	8	N/A in the Plan	N/A in the Plan

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase self-sufficiency (increase).	0	6	N/A in the Plan	N/A in the Plan

Note: Clients receive services in the initial months after move-in. We anticipate there will typically be a mix of residents receiving these initial services, and those who no longer need them.

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase). The PHA may create one or more definitions for "self-sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	0	2	N/A in the Plan	N/A in the Plan

Supportive Housing for Youth (2016 – 3)

Approved in 2016, Implemented in 2016

Objectives: Housing Choice, Self-Sufficiency, Cost-Effectiveness

Description/Update

The City of Minneapolis has a significant need for supportive housing for homeless youth. This activity helps MPHA contribute through vouchers or sponsor-based/non-traditional rental subsidies to help meet this need. Case managers help youth navigate the system of community-based adult services such as education, employment, and independent housing. Youth pay 30% of their incomes toward their housing. The youth served come to the program via the Hennepin County Coordinated Entry system for sheltering the homeless, with intake administered by Youthlink.

This activity expanded in 2021 to include additional sponsor-based partnerships, on a similar model. The first is at Nicollet Square, where MPHA funds support forty-two efficiency units for youth between 16 and 22 experiencing homelessness, including those in extended foster care. Youthlink provides onsite services. And at Cedar View, 10 one-bedroom apartments will serve homeless pregnant or parenting youth ages 18 to 22, with services provided by Simpson Housing.

Changes to Activity/Metrics/Data– Planned (Annual Plan) or Actual (Annual Report)

Downtown View no longer functions under this activity but under our standard Project-Based Voucher terms. Therefore, 2022 was the last year for tracking the metrics for this property under this activity (2016-3). This change also removes metric CE #4 Increase in Resources Leveraged, SS #1 Increase in Household Income, as well as SS #2: Increase in Household Savings as these were unique to the Downtown View operations.

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase)	0	52	N/A for the Plan	N/A for the Plan

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase housing choice (increase).	0	52	N/A for the Plan	N/A for the Plan

C. Activities Not Yet Implemented

None.

D. Activities On Hold

None in Plan Year

E. Closed-Out Activities

Note: Asset Verification (2018-4) is closed out in this report.

Asset Verification (Activity 2018 – 4)
Approved and implemented in 2018, closed 2024.

Why the activity was closed out: MPHA modified the definition of annual income to exclude income from assets valued at $50,000 or less in 2018. By eliminating a time-consuming verification process that had only a marginal positive impact on MPHA revenues, there was an overall cost savings. HOTMA has now integrated this as a standard regulation where MPHA no longer requires this initiative.

Absence from Unit Initiative (2011 – 3)
Approved in 2001, Implemented in 2011, Closed in 2017

Why the activity was closed out: The absence-from-unit initiative continues the rent obligation for tenants whose income is temporarily reduced during an absence from the unit for more than 30 days. Under this initiative, tenants who temporarily lose income were required to pay rent as if the income continued. Residents could request a hardship to pay minimum rent during their absence, along with an agreement to repay the difference over the next 12 months. MPHA's resident organization has continually challenged MPHA to end this initiative as it has a disproportionate impact on immigrant families who receive SSI and lose this income if they travel outside the United States. After several years of experience and study of the financial impact of this initiative, MPHA has determined that the administrative burden related to this initiative and the hardship this creates for very low-income immigrant families is not cost-effective.

Biennial Housing Quality Standards Inspections (2012 – 1)

Approved and Implemented in 2012, Closed out in 2014

Why the activity was closed out: This activity gave MPHA the authority to change the HCV Program's annual Housing Quality Standards (HQS) Inspection requirement to a biennial HQS Inspection requirement for units in multifamily complexes of six (6) units or more and where 80% of those units passed HQS Inspections in the prior two years. However, two years later Section 220 of the 2014 Congressional Appropriations Act allowed "public housing authorities to inspect assisted dwelling units during the term of a HAP Contract by inspecting such units not less than biennially instead of annually." MPHA's current MTW initiative under this category is fully compliant with all the allowances under Section 220 of the 2014 Congressional Appropriations Act and the agency closed it when we judged that MTW authority was no longer required.

Block Grant and Fungible Use of MPHA Resources (2009 – 1)

Approved 2009, Implemented in 2009, Closed in 2017

Why the activity was closed out: HUD does not require this to be reported in the same format as other initiatives. The MTW Sources and Uses provides the detail of the Combined Fund. This Activity was moved to the "Closed Out" Section of the 2017 MTW Plan per HUD instruction.

Combine Homeownership Programs (2009 – 3)

Approved and implemented in 2009, Closed out in 2012

Why the activity was closed out: MPHA discontinued this initiative in 2012 due to funding shortfalls and closed out the program. With the phase-out of MPHA's Homeownership Made Easy (HOME) program in June 2012, two families received homeowner education and mortgage readiness counseling in 2012. Of these, one family closed on their home in Northeast Minneapolis in June 2012. No families were assisted through the Moving Home program. No families were referred by Twin Cities Habitat for Humanity or Neighborhood Housing Services of Minneapolis for the Section 8 Mortgage Foreclosure Prevention Program.

Conversion of Mixed-Finance Public Housing Units to PBV (2010 – 3)

Approved in 2010, Implemented in 2019, Closed in 2020

Why the activity was closed out: MPHA consolidated this activity with another that was fundamentally the same, Conversion of Public Housing Operating Subsidy and Capital Funds for MHOP Units (2018 - 5). One activity pertained to a subset of properties of the other, which was redundant and potentially confusing. The core of both activities was to operationalize subsidy conversion programs for units in the Metropolitan Housing Opportunities Program (MHOP), which are owned and managed by third parties and created under the Hollman v. Cisneros Settlement Agreement. MPHA is continuing the initiative under this activity now under 2018 – 5.

Earned Income Disallowance Simplification - HCV (2012 – 2)

Approved and Implemented in 2012, Closed out in 2016

Why the activity was closed out: In the Housing Choice Voucher Program, HUD regulations allow families whose head of household is disabled a full income disregard for one year and a 50% disregard for the second year. As families move in and out of employment, the disregard is postponed; the monitoring is time-consuming and creates administrative hardships that are prone to errors. MPHA created a two-year full income disregard for eligible families and eliminated the administrative hardship and time-consuming monitoring. MPHA eliminated the Earned Income Disregard in implementing its Rent Reform program but permitted current participants to complete their two-year eligibility under this initiative.

Foreclosure Stabilization PBV Demonstration Program (2010 – 5)

Approved in 2010, Implemented in 2011, Closed in 2017

Why the activity was closed out: This initiative was a partnership with a local non-profit that purchased and rehabilitated four- and six-unit properties that had gone through foreclosure. MPHA project-based 21 vouchers at these units. Implementation began in May 2011 and was complete by August 2012 when all 21 units were occupied. The units have remained occupied and active in 2016 as preserved units of affordable housing. The activity's objectives have been fulfilled.

MPHA – Hennepin County Transitional Housing Demonstration (2013 – 1)

Approved in 2013, Implemented in 2014, Closed out in 2016.

Why the activity was closed out: MPHA partnered with Hennepin County to create a "Transitional Housing with Supportive Services" demonstration program to allow MPHA to utilize up to eight public housing units for low-income individuals who need transitional housing for brief periods from a few days to a few months. These individuals are low-income vulnerable persons who will be exiting the hospital, have no support system and need supportive services to avoid re- hospitalization and who without such services would remain in the hospital costing thousands of dollars which could be significantly mitigated under this initiative. This activity did not live up to its promise. The county medical center ultimately could not secure adequate funding to support the concept. Even though it was more costly to address the repeated health needs of homeless people who visited the hospital, Minnesota Medical Assistance (Medicaid) paid for medical costs and could not reimburse for housing. Since implementation in 2014, only two units were occupied by seven individuals, which fell considerably short of our expectations. The key lesson learned is to continue to work on ways that Medicaid might reimburse for housing related costs.

Public Housing Self-Sufficiency Program (2009 – 5)

Approved and implemented in 2009, Closed in 2012

Why the activity was closed out: MPHA discontinued this program in 2012 due to federal funding cutbacks in its housing programs. This program was developed to support MPHA's homeownership initiatives which were also discontinued in 2012.

Alternate Income Verifications (2013 – 2)

Approved in 2013, Not Implemented, Placed On-Hold in 2017, Closed 2023

Why this activity was closed out: The purpose of this activity was to enable low-income persons in need of assisted living to receive housing with services that would not be available to them with the current regulatory requirements for verification of income in public housing. MPHA proposed that if an applicant was eligible and has income information that clearly demonstrates eligibility for public housing, MPHA should be able to utilize this information to sign a lease and move the tenant into housing. However, MPHA found in practice that it did not need to implement this initiative to successfully house persons in the agency's new acute assisted living/memory care programs. The activity may, however, be relevant to future efforts.

Public Housing Earned-Income Disregard (2009 – 4)

Approved in 2009, Implemented in 2010, Placed On-Hold in 2017

Why the activity was closed out: HUD regulations allow families a full income disregard for one year and a 50% disregard for the second year in certain circumstances (including employment of a previously unemployed household member, participation in a self-sufficiency program, and if the household receives welfare payments). As families move in and out of employment, the disregard is postponed. Monitoring this standard arrangement is time consuming and creates administrative hardships that are prone to errors. MPHA created a full two-year income disregard for eligible families, which eliminated the administrative hardship and time-consuming monitoring.

Since implementing this initiative, 353 MPHA residents have completed MTW EIDs. This number reflects the percentage of elderly and disabled residents in our population. However, households who participated in this program had a meaningful incentive to work and continue working as the EID is targeted to reward families who maintain their employment for a full two years. MPHA also found the initiative reduced staff time and mitigated possible errors as the policy implements EID for two full years without having to deal with the intermittent, cumbersome tracking and communications issues related to the HUD standard 48-month program. Residents reported that they were able to follow and understand this program better.

The activity has been successful. MPHA moved this activity to closed when we judged that we could continue it without MTW authority.

Reintegration of Offenders (2016 – 2)

Approved in 2016, Implemented in 2017, Closed in 2020

Why the activity was closed out: We integrated this partnership under another, subsequently- created MTW activity, Goal-Oriented Housing (2018-2). The intentions and execution of the Reintegration of Offenders (also known as Great River Landing) project are a perfect fit for MPHA's Goal-Oriented Housing framework. The authorizations and scope of this earlier activity are entirely contained within the intent and authorizations of Goal-Oriented Housing. Accordingly, Activity 2016-2 was closed in 2020. Great River Landing is a project-based voucher partnership focused on ex-offenders committing to a program of job-training and employment. To date, the initiative took the interim form of a sponsor-based arrangement while the Great River Landing facility was under construction. After it opened, MPHA moved this subsidy into our long-term, project-based voucher program. In addition to stable housing and access to employment resources, the partner organizations (Better Futures Minnesota and Beacon Interfaith Housing Collaborative) will provide social and supportive services that will help the men reunify with their families and establish civic pride and ties to their communities once they enter the program.

Shelter to Home – Project-Based Vouchers (2016 – 1)

Approved in 2016, Implemented in 2016, Closed in 2020

Why the activity was closed out: This activity has been superseded by Activity 2018-6 (Local PBV Program). Under its Local PBV Program, MPHA now has a comprehensive, open Request for Proposals (RFP) for PBVs that allows MPHA to establish and accomplish community-driven goals with its PBV allocations (including directing units to serve community priorities such as homelessness, which was the stated original purpose of this activity, 2016-1). Accordingly, MPHA closed this activity as its intentions, potential outcomes, and authorizations are fully encompassed within our approved Local PBV Program Activity 2018-6. Under this activity, MPHA proposed to place up to 50 project-based vouchers (PBVs) with non-profit housing providers, focused on providing housing to formerly homeless families. Families will receive ongoing services from Hennepin County, property owners and/or their services provider partners. MPHA issued an initial request-for-proposals (RFP) in August 2016 and subsequently awarded a housing assistance payments (HAP) contract to one housing provider, Lutheran Social Services, for 12 PBVs. These units have been converted to PBV in the course of natural attrition of units.

Replace Form of Declaration of Trust (DOT) with Land Use Restriction Agreement (LURA) to Preserve Public Housing (2019 – 1)

Approved in 2019, Implemented in 2020, and Closed Out in 2022

Why the activity was closed out: MPHA implemented a Strategic Vision and Capital Plan featuring multiple strategies for preserving its portfolio, including RAD and Section 18. However, these HUD programs were infeasible or undesirable in limited cases where properties are nonetheless in need of significant rehabilitation. MPHA has determined other paths toward preserving the in-need properties and is no longer pursuing this initiative.

For these properties, MPHA will replace the form of Declaration of Trust (DOT) that inhibits the agency's ability to leverage needed capital investment, with a Land Use Restriction Agreement (LURA). This action should help MPHA leverage funds locally and move forward with revitalization of these properties. We will do this while maintaining the long-term affordability of this housing for very low-income families via the LURA. In contrast to the DOT, the LURA is a proven framework that is well understood by potential lending/funding partners.

This initiative will contribute to HUD's emphasis on preservation and capital investment and repositioning, while assuring long-term affordability and fully protecting current and future residents. Further, it will establish procedural steps and generate insights that will benefit HUD, MPHA, and other PHAs with a similar desire to preserve their portfolios in the future.

This activity was implemented insofar as MPHA has commenced the process of operationalizing it with HUD. MPHA has submitted a form of LURA to HUD for approval, which would continue to apply applicable public housing requirements to the properties (as modified by any applicable HUD-approved MTW-related changes). The next steps depended upon agreement with HUD on the form of this template LURA. MPHA intended to revive this conversation with HUD in 2021 and to move forward.

If fully implemented, MPHA projected applying the activity to no more than 50 units. Based upon a comprehensive assessment of its property needs and values, MPHA determined that two properties (consisting respectively of six and five contiguous units) might be optimal for this approach (see table below). MPHA would submit to HUD for approval of the replacement of the form of DOT with the LURA in connection with these properties. MPHA will continue to own and manage the properties. No family would need to move or see any change in rent as a result of this action.

HUD staff considered whether HUD can agree to the replacement of the form of DOT with a LURA along the lines described above under applicable regulations (i.e., without MTW), notably 24 CFR 905.700 ("Other security interests") and if necessary 24 CFR 905.108 (definition of "Declaration of Trust", which such a LURA would meet) and 24 CFR 905.318 (requirement to maintain Declaration of Trust). If HUD determined that HUD can approval a LURA under these regulations, MPHA would have used such a HUD-approved LURA and this MTW provision would have become unnecessary.

Soft Subsidy Initiative (2011 – 2)

Approved in 2011, Implemented in 2013, Closed in 2020

Why the activity was closed out: We closed and integrated this activity under a subsequently-created MTW activity, Goal-Oriented Housing Initiative (2018-2). Goal-Oriented Housing was designed at the outset to incorporate a broader approach than the narrow program proposed in this activity in 2011. This activity is presently inactive. Its authorizations were absorbed into Goal- Oriented Housing activity, and any potential revival of the program envisioned here would be encompassed by Goal-Oriented Housing. Accordingly, Activity 2011-2 was closed in 2020. Under this activity, MPHA initially entered into a subsidy agreement with a service-provider partner that rehabbed units for participating families. The family would commit to a path toward self-sufficiency and into the workforce, receiving a rent subsidy in return. The rent portion was structured differently than a standard voucher arrangement to incentivize work. MPHA provided a fixed subsidy payment to the partner, who also provided services related to education or job-training. After some successful years, this initial partner experienced funding challenges and discontinued the program at the end of 2017. We continued unsuccessfully to seek another partner.

Targeted Project-Based Initiative (2011 – 1)

Approved in 2011, Implemented in 2012, Closed in 2020

Why the activity was closed out: This activity has been superseded by Activity 2018-6 (Local PBV Program). Under its Local PBV Program, MPHA now has a comprehensive, open Request for Proposals (RFP) for PBVs that allows MPHA to establish and accomplish community-driven goals with its PBV allocations (including leveraging units of non-PBV affordable housing, which was the sole stated original purpose of this activity, 2011-1). The units originally intended for creation under this activity were constructed, and the activity is no longer in active use. Accordingly, MPHA closed this activity as its intentions and potential outcomes are fully encompassed within approved activity 2018-6. Under this activity, MPHA project-based vouchers for the purpose of creating additional affordable housing for low-income families in the City of Minneapolis. MPHA's objective was to expand the locations of PBV programs, and to strategically deploy voucher awards to leverage the creation of additional non-PBV affordable housing (affordable to families with 80 percent of Area Media Income or below). MPHA first awarded vouchers under this initiative in early 2012, ultimately awarding 41 vouchers that facilitated an additional 226 units (a total of 267 affordable housing units) across four developments. This exceeded the goal of 120 units.

V. Planned Application of MTW Funds

A. Planned Application of MTW Funds

Estimated Sources of MTW Funds

The MTW housing authority shall provide the estimated sources and amount of MTW funding by Financial Data Schedule (FDS) line item.

Note: The information collected in this section is to fulfill MTW programmatic reporting requirements and does not replace the MTW PHA's obligation to annually complete its audited financial statements through HUD's Financial Data Schedule (FDS).

FDS Line-Item Number	FDS Line-Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	$20,359,000
70600	HUD PHA Operating Grants	$96,514,900
70610	Capital Grants	$29,475,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	
71100+72000	Interest Income	$500,000
71600	Gain or Loss on Sale of Capital Assets	
71200+71300+71310+71400+71500	Other Income	$15,221,600
70000	**Total Revenue**	**$162,070,500**

Estimated Application of MTW Funds

The MTW PHA shall provide the estimated application of MTW funding in the plan year by Financial Data Schedule (FDS) line item. Only amounts estimated to be spent during the plan year should be identified here; unspent funds that the MTW PHA is not planning on expending during the plan year **should not be** included in this section.

Note: The information collected in this section is to fulfill MTW programmatic reporting requirements and does not replace the MTW PHA's obligation to annually complete its audited financial statements through HUD's Financial Data Schedule.

FDS Line-Item Number	FDS Line-Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	$ 15,413,500
91300+91310+92000	Management Fee Expense	$ 8,998,800
91810	Allocated Overhead	
92500 (92100+92200+92300+92400)	Total Tenant Services	$ 1,123,800
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$ 8,182,067
93500+93700	Labor	$ 558,033
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$ 15,759,100
95000 (95100+95200+95300+95500)	Total Protective Services	$ 5,644,400
96100 (96110+96120+96130+96140)	Total Insurance Premiums	$ 2,662,200
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	$ 2,897,000
96700 (96710+96720+96730)	Total Interest Expense & Amortization Cost	$ 179,300
97100+97200	Total Extraordinary Maintenance	$ 150,000
97300+97350	HAP + HAP Portability-In	$ 71,127,600
97400	Depreciation Expense	$ 15,500,000
97500+97600+97700+97800	All Other Expense	$
90000	**Total Expenses**	**$ 148,195,800**

Please describe any variance between Estimated Total Revenue and Estimated Total Expenses:

As presented in the MTW Budget section, MTW Sources are $13.9 million more than MTW Uses. However, Generally Accepted Accounting Principles (GAAP) classify sources and uses differently from revenues and expenses. The variance in Total Estimated Revenue and Total Estimated Expenses is the result of the classification difference. In 2026, MPHA is estimating spending $20.6 million in capitalized expenditures and receiving current year revenue to pay for these expenditures. Those current year capitalized expenditures are not classified as an expense but instead depreciation of $15.5 million on previous years' capitalized expenditures are shown. The difference is actually $5.1 million more in Net MTW Sources. Additionally, revenue of $1.5 million is planned to cover the principal payment on loans owed by MPHA. The payment of the principal amount on the loan is not shown as an expense; only the associated interest as required by GAAP. Because of this, there is actually $1.5 million more in Net MTW Uses. When both presentation adjustments are factored in, the Net MTW Uses over Sources is $7.3 million. MPHA intends to transfer $1.7 million of the Net MTW Sources over Uses to its affiliate CHR for rehab and redevelopment of units serving those at 80% or less than AMI. MPHA also intends to use $7.5 million for loans to its affiliates, Springs LP and others to be formed for redevelopment of units converted under RAD or redeveloped to increase density. This results in an anticipated net use of reserves of about $1.9 million.

Description of Planned Application of MTW Funding Flexibility

MTW agencies have the flexibility to apply fungibility across three core funding programs' funding streams – public housing Operating Funds, public housing Capital Funds, and HCV assistance (to include both HAP and Administrative Fees) – hereinafter referred to as "MTW

Funding." The MTW PHA shall provide a thorough narrative of planned activities it plans to undertake using its unspent MTW Funding. Where possible, the MTW PHA may provide metrics to track the outcomes of these programs and/or activities. Activities that use other MTW authorizations in Attachment C and/or D of the Standard MTW Agreement (or analogous section in a successor MTW Agreement) do not need to be described here, as they are already found in Section (III) or Section (IV) of the Annual MTW Plan. The MTW PHA shall also provide a thorough description of how it plans to use MTW funding flexibility to direct funding towards specific housing and/or service programs and/or other MTW activity, as included in an approved MTW Plan.

Planned Application of MTW Funding Flexibility
MPHA plans to use approximately $13.2 million from its HCV HAP Subsidy to augment other programs in accordance with the needs of our local community. Of this amount: $1.3 million to HCV Administration; $380k to MTW Local Initiatives, and $11.5 million for public housing operations. Among other things, these transfers respond to insufficient funding for public housing and support a higher level of responsiveness and customer service to Housing Choice Voucher participants and property owners than would not have been possible under prorated HCV administrative funding. In addition, these funds provide resources used to maintain a safe environment for residents and staff in our public housing properties. MPHA serves as a Guarantor on the financing for the Family Housing Resources LP project, on the Elliots LP RAD project, and on the Springs LP RAD project. MPHA intends to be the Guarantor on the Snellings RAD conversion project and Family Housing Resources II LP project. MTW Funds may be used to satisfy the guarantee on these projects. In accordance with MPHA's MTW authority and activities, MPHA will use our single-fund flexibility to support development efforts (including Faircloth to RAD development), MTW subsidization on post-conversion of former public housing properties (including MPHA affiliates), and local, non-traditional subsidy programs.

B. Planned Application of PHA Unspent Operating Fund and HCV Funding

Original Funding Source	Beginning of FY – Unspent Balances	Planned Application of PHA Unspent Funds during FY
HCV HAP*		
HCV Admin Fee	$803,136	$0
PH Operating Subsidy	$16,529,997	$1,907,000
TOTAL	**$17,333,133**	**$1,907,000**

Description of Planned Expenditures of Unspent Operating Fund and HCV Funding

The MTW PHA shall provide a description of planned activities and/or use(s) for unexpended Operating Fund and HCV Funding. The original funding source is defined as the legacy MTW PHA's appropriated Section 8 and Section 9 funding source(s) (HCV HAP, HCV Admin Fee, and PH Operating Subsidy). The MTW agency receives this information in their Annual Renewal Allocation, which provides a breakdown of the annual obligations for HCV HAP. For HCV Admin Fee, the biannual cash management reconciliation includes the HCV Admin Fee that has been earned at two points during the year; midyear at June 30th and end-of-year at December 31st. For the public housing operating fund unspent balance, the MTW PHA may derive their unspent funds by subtracting current assets from current liabilities in the most recent FDS submission. Current assets are the sums of FDS lines 111, 114, 115, 120, 131, 135, 142, 144, and 145.

Current liabilities are the sums of FDS line 310 and 343. Table XX below represents the applicable FDS lines with definitions that MTW PHA(s) should utilize to calculate public housing operating fund unspent funds. More information on FDS line items can be found at: https://www.hud.gov/sites/dfiles/PIH/documents/FDSLineDefinitionGuide_vJuly2020.pdf.

Table XX: FDS Line Items Used to Calculate Public Housing Operating Fund Unspent Funds

FDS Line Number	FDS Line Item	Definition
	Current Assets	
111	Cash-Unrestricted	This FDS line represents cash and cash equivalents in any form available for use to support any activity of the program or project.
114	Cash-Tenant Security Deposits	This FDS line represents cash in the Security Deposit Fund.
115	Cash-Restricted for Payment of Current Liabilities	This line represents restricted cash and cash equivalents that are only to be expended for specified purposes.

120	Total Receivables	This line represents the total of all receivables less the amounts established as allowances for estimated uncollectible amounts.
131	Investments - Unrestricted	This line represents the fair market value of all investments which can be used to support any activity of a program, project, activity, COCC, or entities.
135	Investments Restricted for Payment of Current Liability	This line represents the fair market value of all investments designated for specific purposes that will be used to liquidate a current liability in the next fiscal year or offset unearned revenue
142	Prepaid Expenses and Other Assets	This line represents all prepaid expenses. These are not expected to be converted.
144	Inter-Program-Due From	This line represents amounts due from other PHA projects, programs, and activities of a temporary nature.
145	Assets Held for Sale	This line item represents assets that the entity expects to sell to qualified applicants. This line item is typically used as part of the homeownership program.
Current Liabilities		
310	Total Current Liabilities	This FDS line is the sum of lines 311 through 348 and represents the total of all current liabilities.
343	Current Portion of Long-Term Debt (Capital Projects/Bonds)	This line includes the current portion of debts acquired and debts issued for capital purposes of the PHA/entity.

For HCV funding, the biannual cash management reconciliation for HUD-held reserves includes both HCV and SPV reserves. MTW PHA(s)' accounting records should include sufficient detail to report on the amount that are HCV versus SPV reserves. Where possible, please identify the planned use, the estimated amount, to which funding source the planned use(s) is attributable, as well as the projected timeline or timeline update.

Note: The information collected in this section is to fulfill MTW programmatic reporting requirements and does not replace the MTW PHA's obligation to annually complete its audited financial statements through HUD's Financial Data Schedule.

MPHA has not planned the use of any HCV HAP unspent funds from prior years in 2026, because it is not estimated that there will be any remaining. MPHA is intending to use $1.9M of the reserves to cover some of the anticipated funding shortfall in the 2026 federal appropriations. Remaining reserves represent about 10 percent of the estimated MTW Budget and just over 3 months of public housing operating and debt service costs. In comparison for PHA's subject to HUD's assessment system, HUD evaluates the adequacy of a public housing project's reserves by comparing the reserve balance to the number of months of operating expenses it could cover. To receive the highest evaluation score, a public housing project must have at least four months of operating costs in its reserves.

* Unspent HAP funding should not include amounts recognized as Special Purpose Vouchers reserves.

** HUD's approval of the MTW Plan does not extend to a PHA's planned usage of unspent funds amount entered as an agency's operating reserve. Such recording is to ensure agencies are actively monitoring unspent funding levels and usage(s) to ensure successful outcomes as per the short- and long-term goals detailed in the Plan.

C. Local Asset Management Plan

Is the MTW PHA allocating costs within statue?	No
Is the MTW PHA implementing a local asset management plan (LAMP)?	Yes
Has the MTW PHA provide a LAMP in the appendix?	Yes

RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION

Description of RAD Participation

The MTW PHA shall provide a brief description of its participation in RAD. This description must include the proposed and/or planned number of units to be converted under RAD, under which component the conversion(s) will occur, and approximate timing of major milestones. The MTW PHA should also give the planned/actual submission dates of all RAD Significant Amendments. Dates of any approved RAD Significant Amendments should also be provided.

Rental Assistance Demonstration (RAD) Participation
MPHA has converted one property using RAD Component 1 (PBV): The Elliot Twins (174 units) in 2020. MPHA began renovations in June 2020 and completed work in late 2021. The RAD Significant Amendment for this conversion (to the 2019 MTW Annual Plan) was approved on September 25, 2019; MPHA's MTW Standard Agreement was subsequently augmented by its Third Amendment on April 22, 2020. MPHA had a RAD application approved in 2024 for the conversion of two buildings at 809 and 828 Spring St NE. The RAD Significant Amendment to the 2024 MTW Annual Plan for the Springs Conversion was passed by the MPHA Board on September 25, 2024 and subsequently submitted to HUD. The agency received formal approval of the Amendment on October 15, 2024. The project continues to advance toward a spring 2026 closing, with construction to commence shortly thereafter. If MPHA determines that a RAD application is feasible and in the interest of our mission and our community, MPHA will initiate the processes required by HUD for disclosure, notification, and resident engagement prior to any application.

Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.	No
If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment?	N/A

VI. Administrative

Board Resolution and Certification of Compliance:

Anticipated to be up for board consideration in the regularly scheduled September meeting. Signature to be complete post board approval.

Resident Advisory Board 2026 MTW Annual Plan Priorities

1. Define and maintain high standards of accountability for MPHA staff. Create a protocol for residents to comment and address their concerns. Ensure quality standards are implemented for maintenance and property management to have consistent standards met at all MPHA properties.
2. Create and define a comprehensive security program, to include:
   - Cameras and security measures where it makes the most difference.
   - Assess the security guard contract(s) to ensure MPHA safety and security needs are met.
   - Maintain MPHA's guest/visitor policy to ensure unauthorized people are not entering the buildings.
   - Enforcement of prohibitions on firearms and illegal drugs.
   - Confidentiality for residents and Project Lookout volunteers who report other residents.
3. Use MTW budget flexibility to provide adequate funding for maintenance of properties and prompt attention to all work orders.
4. Advocate for additional dollars from federal, state, and city sources, including the restoration of the full tax levy to address deferred capital needs and building upgrades.
5. Continue to collaborate with MPHA and community residents on development plans to preserve or add public housing units. Uphold protections to keep every resident housed and well informed at each stage of the process.
6. Maintain a policy of one-for-one hard unit replacement of public housing.
7. Do not increase rent over 30% of income for residents in Public Housing and Project Based Vouchers.
8. Explore minimum rent policy and align with HCV and Project Based vouchers.
9. Do not implement housing time limits.
10. Focus on the most needy: homeless, children, elderly, disabled, the mentally ill, veterans and ex- offenders.
11. Create supportive housing opportunities for people exiting homelessness, corrections, rehab, etc.
12. Continue the use of Volunteers of America and continue support for resident programs with future redevelopment structures.
13. Create collaborations that increase affordable housing and/or services for residents.
14. Focus new efforts toward victims of domestic violence, intimate partner or dating violence, sexual assault, and stalking in MPHA buildings, including training for staff and residents.
15. Focus on resident employment opportunities, including Section 3, as part of all MPHA activities, including:
    a. Create a Section 3 'job bank' that's easily accessible in all buildings.
    b. Post MPHA job openings and give to resident applications.
16. Explore the implementation of homeownership programs that will contribute to closing the racial gaps in homeownership in the city and help residents of Minneapolis build wealth.
17. Come together to build trust and safety in our communities. Do this by increasing communication that promotes dialogue and respect of all opinions to advocate toward safer more inclusive environments.

MPHA's Public Process and a Summary of Public Comments

As required by HUD, MPHA updates its Moving to Work Plan (MTW) on an annual basis. MPHA attended two Area Meeting organized by the Minneapolis Highrise Representative Council (MHRC) in June to provide education on what MPHA's MTW status means for the agency. At this meeting a list of priorities is gathered to highlight what is on the top of current residents' priority list . In July, MPHA includes a flyer in the rent statement to each property owned or managed by the agency that details how households can share their voice in the weeks ahead. The insert notes how to access the draft plan, the time and place of each scheduled event in August, how to submit comments, as well as methods to request reasonable accommodation. MPHA physically mails this same notice to a random selection of 750 residents as well as emails 1000 households participating in the Housing Choice Voucher program.

Prior to the draft plan's release, two weeks prior MPHA posts flyers in common spaces and collaborates with the resident councils to get the word out to residents on how to share their voice. In addition, a notice runs in the Star Tribune and Finance & Commerce to welcome comments from the broader community. This year, MPHA made a copy of the draft 2026 MTW Annual Plan available online and at the central office location from August 4th through September 3rd, 2025.

During this 30-day comment period, MPHA hosts community engagement sessions, both in-person and virtually. Each information meeting is an opportunity to share information about MPHA, including the mission, vision, MTW budget, information about major capital repairs, education on HUD tools and development activities completed and on the horizon. Then more than an hour is reserved at each meeting for residents to ask questions, get answers, and provide comments. At all meetings, MPHA offers simultaneous interpretation in accordance with MPHA's Limited English Proficiency Plan.

MPHA Information Meetings Dates, Time, and Location:

In-person Engagement: Wednesday, August 6th from 11 - 1PM
Cora McCorvey Center (1015 4th Ave N)

Livestream: Above meeting simultaneously hosted online at: https://tinyurl.com/yrcnwjsf

Planned and Ongoing Evaluations

MPHA has no planned or ongoing MTW PHA-directed evaluations of the MTW demonstration and/or of any specific MTW activities.

Lobbying Disclosures

Form HUD 50071 to be signed after board approval.

Local Asset Management Plan (LAMP)

The Minneapolis Public Housing Authority (MPHA) follows HUD's asset management program including project-based management, budgeting, accounting, and financial management. HUD consultants completed an on-site review of MPHA's asset management conversion in 2008 and found that MPHA demonstrated a successful conversion to asset management.

LOCAL DETERMINATION ON FEES:

In programs where it applies, 2 CFR Part 200, Subpart E allows PHAs to use a fee-for-service in lieu of allocation systems for the reimbursement of overhead costs. MPHA has elected to use a fee-for-service approach.

The Changes in Financial Management and Reporting for Public Housing Agencies Under the New Operating Fund Rule (24 CFR part 990) Supplement to HUD Handbook 7475.1 REV., CHG-1, Financial Management Handbook states that a PHA may charge up to a maximum 10 percent of the annual Capital Fund grant as a management fee. While current program rules (§ 968.112) allow PHAs to charge up to 10 percent of the Capital Fund grant for ''Administration,'' these administrative costs must be specifically apportioned and/or documented. Under a fee-for-service system, the PHA may charge a management fee of 10 percent, regardless of actual costs.

The Capital Fund Program management fee covers costs associated with the Central Office Cost Center's oversight and management of the Capital Fund Program. These costs include duties related to general capital planning, preparation of the Annual Plan, processing of e-LOCCS, preparation of reports, drawing of funds, budgeting, accounting, and procurement of construction and other miscellaneous contracts.

The Moving To Work Agreement permits MPHA to combine funding awarded to it annually pursuant to Section 8 (o), Section 9 (d), and Section 9 (e) of the 1937 Housing Act into a single, authority-wide funding source ("MTW Funds"). MPHA has elected to combine all MTW Funds and use the MTW Funds with the full flexibility permitted by the Moving To Work Agreement.

As permitted under the First Amendment to Moving To Work Agreement, MPHA may design and implement a local asset management program which allows fees that exceed the levels set forth by HUD's asset management requirements. Because MPHA may utilize MTW Housing Choice Voucher (HCV) program funds for public housing capital expenditures, MPHA's local asset management plan would permit a management fee chargeable to the HCV program to cover the Central Office Cost Center's oversight and management of HCV-funded capital improvements. The costs the Central Office will bear include, but are not limited to, duties related to general capital planning, processing and reporting of VMS capital expenditure reimbursements, preparation of reports, budgeting, accounting, and procurement of construction and other miscellaneous contracts. The management fee charged will be 10% of the HCV-funded capital improvement costs and consistent with the fee amount permitted if the capital improvements were funded by the Capital Fund grant.

LOCAL DETERMINATIONS ON THE ASSIGNMENT OF COSTS:

As permitted under the First Amendment to Moving To Work Agreement, MPHA may apply local determinations with respect to front line, prorated, and shared resources, fee costs, and other aspects of such requirements, to meet the objectives of the MTW program. Major building systems; like elevators, heating, electrical, and mechanical systems require specialized expertise to maintain. The MPHA employs operating maintenance engineers and other specialized staff that are assigned to the projects and charged directly in accordance with HUD's asset management requirements. However, supervision and daily work inspection and direction as well as contract administration and contractor oversight for such systems are performed by a central manager. The expertise required to oversee this work is not a function that on-site staff can typically provide. MPHA will reasonably prorate the actual labor costs for the central manager when performing work related to those tasks previously described.

MPHA employs pest control specialists to treat properties in prevention and response to pests. In particular the coordination of treatment schedules, treatment of surrounding units, documentation of methods and chemicals applied, scheduling out treatment machines, ordering and controlling distribution of chemicals, determining and insuring proper training, etc. is best done by centralized administration. MPHA will reasonably prorate the actual labor costs for a central supervisor when performing work related to those tasks previously described and for the pest control assistant performing decluttering activities.

The Changes in Financial Management and Reporting for Public Housing Agencies Under the New Operating Fund Rule (24 CFR part 990) Supplement to HUD Handbook 7475.1 REV., CHG-1, Financial Management Handbook states that "Where it is not economical to have full-time personnel dedicated to a specific AMP, the PHA may establish a reasonable method to spread these personnel costs to the AMPs receiving the service. Shared resource costs are distinguished from front-line prorated costs in that the services being shared are limited to a few AMPs as opposed to being prorated across all AMPs. MPHA implemented a new preventive maintenance program in 2019. The Quality Maintenance Program (QMP) delivered an improved approach to grounds, janitorial, pest control, and major systems maintenance through the establishment of scheduled work tasks that includes modest repairs and replacements due to wear-and-tear. The QMP prioritized care and servicing of equipment, unit interiors, common areas, and other building components for the purpose of maintaining satisfactory operating condition, by providing systematic inspection, detection, and correction of issues either before they occur or before they develop into major defects. MPHA may use maintenance crew(s) that work across properties within and across asset management projects to perform QMP work. MPHA will consider these costs as shared costs and charge the fully burdened labor costs for these crews based on actual hours work at a project. Materials and other directly related costs for this work; i.e. auto insurance, cell phones, etc., will be prorated to the projects on a reasonable basis.

When staff encounters units with severe bed bugs, cockroaches, and mice, the common barrier to treatment is a cluttered unit. In most cases, tenants are willing but unable to perform decluttering due to physical or mental health issues. Property management staff do not have the capacity or physical ability to readily perform unit decluttering and social service providers will not permit their staff to work in infested units. MPHA's solution is to utilize a pest control assistant who will timely provide service to help those vulnerable tenants prepare for treatment by removing infested furniture and other necessary items across MPHA's portfolio so that treatment can occur timely. MPHA will consider actual labor costs for pest control assistants as front line costs chargeable to the applicable MTW Program where the services are performed.

MPHA employs Information Technology (IT) staff that provide direct services to MTW Programs for technology related program improvements. The work includes project management, consultation, and business analysis services, software customization and specialized data reporting, and new hardware/telecommunication installment and reconfiguration beyond traditional "help-desk" functions. MPHA will consider actual labor costs for IT staff when performing these types of direct services for MTW Programs and properties as front line costs chargeable to the applicable MTW Program.

MPHA reserves the right to employ full MTW Single Fund flexibility across properties and programs.

The additional HCV-funded capital improvement fee, the central management of specialized maintenance staff, major building systems, pest control program administration, the QMP crews, and the IT services beyond "help-desk" services would be the only deviations from HUD's asset management guidelines.

MPHA Planned Capital Expenditures

Across the nation, Public Housing Authorities have been chronically underfunded over the past 30 years. HUD reports the backlog of repairs grows at a rate of $3.4 billion each year, starting from a baseline 2010 when a deferred need of $26 billion was reported. In 2010, HUD funded approximately 10% of the reported backlog; in 2018, only 4% was funded. One percent of public housing units in the United States—10,000 homes—go offline each year because there is not enough money for repairs and maintenance. Despite our housing's capital needs and declining federal funding, MPHA intends to implement innovative strategies to ensure the agency's housing stock remains viable for the long term.

MPHA Capital Needs

Minneapolis Public Housing Authority's (MPHA) housing stock – which includes PBV-assisted Elliots LP, Community Housing Resources (CHR),Family Housing Resources (FHR), and Springs LP properties – is comprised of 42 high-rise buildings, 799 scattered site homes, 184 rowhouse units, a 16-unit townhome development, and three maintenance, administrative, and service facilities. 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 family housing/scattered sites is 1 – 100+ years old, and our 184-townhouse development is over 70 years old. MPHA completed its last comprehensive physical needs assessment process (PNA) in 2020/21, which was conducted by third party vendor. Utilizing field data collection tools, inspectors gathered needs data on all property components including current ages and conditions. Life-cycle profiles and replacement or repair costs were established for each building component, and needs related to life-safety/code compliance, security, and energy savings were noted as such, and all repair/replace actions were assigned a priority level relative to all MPHA capital needs. MPHA updates this data on an annual basis to reflect completed work. Additionally, each year an inflation factor is applied to repair/replacement costs, to reflect current market conditions. Due to historic inflation rates and high construction costs, the Consumer Price Index (CPI) applied in recent years has been 3-4% higher than historically applied. Further, the construction industry continues to struggle with material and labor shortages, which has made addressing our capital needs increasingly difficult. In mid-2025, MPHA started to initiate and complete its next comprehensive needs analysis with an in-depth evaluation of high-rise building systems and envelopes; this process will continue into 2026 with comprehensive inspections of all properties and updates to its PNA software. MPHA anticipates publishing revised capital needs data in 2026 and including this information in its 2027 MTW plan.

At the time of this publication, MPHA's physical-needs data indicates it has a current unmet need of approximately $290 million that will grow to over $720 million over the next 20 years. These figures do not take into account applied capital funding, as it is difficult to predict future funding levels and availability. Additionally, these numbers do not include property enhancements or betterments, improvements that have more significant impacts on livability and quality of life for our residents. This estimate of unmet need simply represents building components that have reached or exceeded their estimated useful life. When formulating its annual capital plan, MPHA is forced to make difficult decisions between competing needs due to continued insufficient funding. To aid in capital planning with limited resources MPHA considers several factors including, but not limited to:

The type of need:

- Building Systems/Infrastructure (e.g., mechanical systems, plumbing and electrical systems, security systems, fire protection systems, roofs/façades, windows, elevators). These are components that are required to keep the building functioning and safe.

- Building Site Work, Interiors & Equipment/Furnishings (e.g., apartment kitchen and bath rehab, landscaping/site improvements, community room furnishings, building amenities). These are components that address livability and resident quality-of-life.

- The remaining useful life of the building component (generally ranges from 0 – 20 years).

- The urgency of action relative to other competing capital needs.
    - Low: This action is not currently impeding building functionality or safety and may be deferred. Quality-of-life may be affected by deferment.

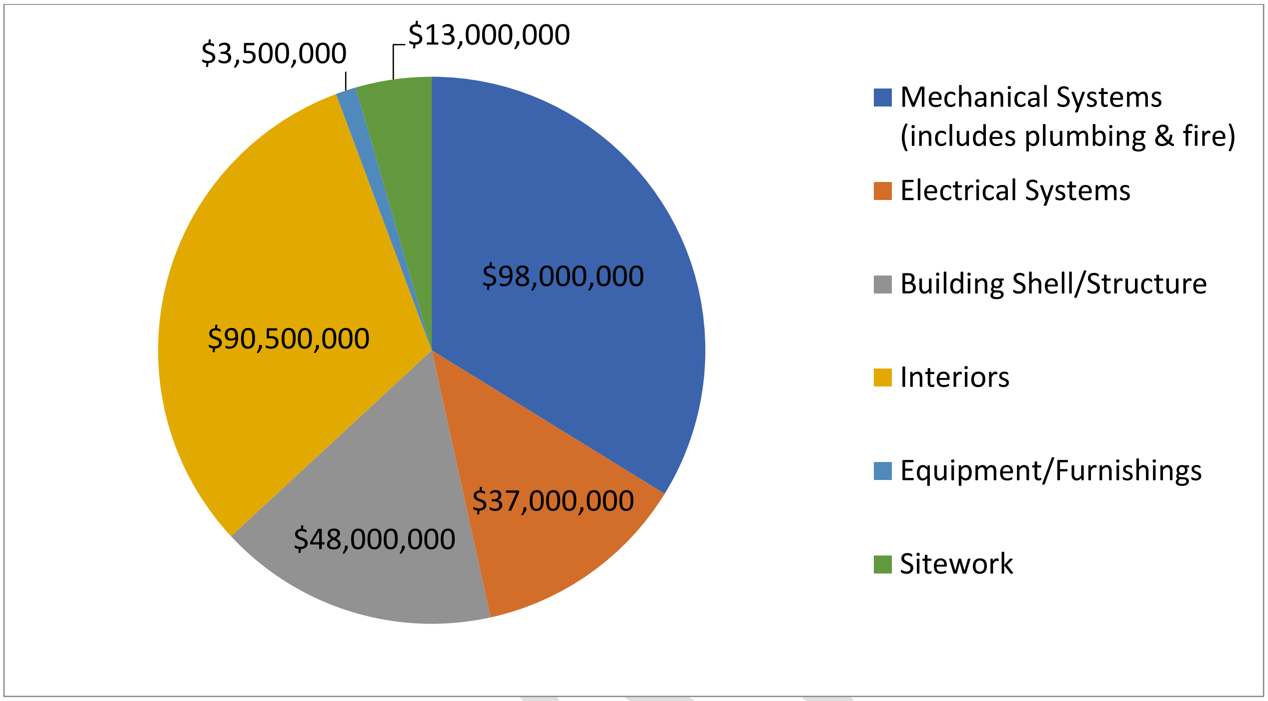
    - Medium: This action is not currently impeding building functionality or safety but should be done within the next two to five years. Quality-of-life may already be affected, and manageable component failure may occur by deferment.

    - High: This action is of high urgency, necessary to address building functionality and livability, and should be done within the next one to two years. Quality-of-life is likely affected, and component failures will become more frequent by deferment.

    - Urgent: This action should not be deferred and must be done as soon as possible. Building functionality or safety is currently compromised.

Physical Needs Assessment Breakdown

MPHA's immediate capital needs are illustrated below:



As shown above, a large portion of our immediate capital needs are infrastructure/building systems. Aging systems and infrastructure at many of our properties have exceeded their useful life expectancy and have started to exhibit signs of failure. MPHA deems a portion of these items as high or urgent needs that could become life/safety needs if left unaddressed. Additionally, as building codes have evolved, we need to address increased life/safety requirements such as retrofitting our high-rise buildings with sprinkler systems. In 2020, MPHA made the goal of retrofitting all high-rise properties with this critical life-safety system by 2026, which it did so a year ahead of its stated goal, with the aid of City of Minneapolis and State of Minnesota funds, as well as a direct federal appropriation via HUD's Community Project Funding Grant Program. MPHA has made infrastructure/building systems a priority and will target these types of improvements with its limited Capital Fund resources until major reinvestment opportunities materialize. Details on MPHA's portfolio strategy are covered in Section I of this plan.

FY2026 Significant Capital Expenditures by Development

MPHA bases its capital activities on an expected Capital Fund Program (CFP) allocation of $20 million for 2026, as well as previously secured resources to support our work including Public Housing Tax Levy proceeds, and recent Publicly Owned Housing Program (POHP) funds awarded by MN Housing, as well as POHP funds the agency is currently pursuing. Capital activities that were initiated under previous funding cycles, but not fully completed in prior years, will carry over and experience expenditures in 2026. Additionally, a portion of the activities slated for 2026's $20 million CFP budget will not be fully expended in 2026 and will carry into 2027. MPHA has estimated approximately $31.5 million in capital expenditures for FY2026 targeting specific projects in six Asset Management Projects (AMPs).

AMP	PROJ	ADDRESS	WORK ITEMS	BUDGET	2026 EXPENDITURES
N/A	N/A	N/A	Administration	$2,060,000	$2,065,600
N/A	N/A	N/A	Audit fee	$10,000	$10,000
DEVELOPMENT INITIATIVES					
1	1	Glendale Townhomes	Predevelopment activities	$1,700,000	$1,340,000
4	21.6/33	809/828 Spring Street NE	Highrise preservation & new unit production	$12,693,431	$5,000,000
N/A	N/A	5656 Blaisdell Avenue South	Redevelopment/construction of 3-unit development	$2,055,500	$1,180,500
N/A	N/A	4516 Portland Avenue South	Redevelopment/construction of 2-unit development	$1,504,775	$506,000
N/A	N/A	Scattered Sites	25-Unit Scattered Site Infill Project	$2,150,000	$1,750,000
7	18.4/22	3755 Snelling/3205 E 37th St	Predevelopment activities - conversion & preservation; EPC payoff	$1,346,000	$750,000
CAPITAL INVESTMENTS					
3	3	800 5th Avenue North	Main electrical switch gear & generator replacement	$753,800	$76,000
3	3	800 5th Avenue North	Fire alarm system replacement	$581,200	$550,000
3	20.4	2415 North Third Street	Generator installation & main electrical switch gear replacement	$400,000	$300,000
3	20.4	2415 North Third Street	Roof replacement	$325,000	$275,000
3	20.5	3116 Oliver Avenue North	Main electrical switch gear replacement	$201,186	$20,000
3	23	315 Lowry Avenue North	Main electrical switch gear, generator & fire pump controller	$1,750,000	$1,650,000
3	26	1710 Plymouth Avenue North	Fire pump replacement	$100,000	$50,000
3	26	1710 Plymouth Avenue North	Unit renovations, plumbing replacement (planning only)	$200,000	$200,000
3	26	1710 Plymouth Avenue North	Exterior façade restoration, lower roof replacement	$1,000,000	$900,000
3	28	901 Fourth Avenue North	Corridor flooring replacement, memory care modifications	$1,300,000	$1,200,000
3	42	314 Hennepin Avenue	Apartment electrical panel replacement	$1,016,600	$1,000,000
3	50	350 Van White Memorial Blvd	Elevator modernization	$500,000	$0
3	50	350 Van White Memorial Blvd	Boiler plant replacement	$1,105,000	$30,000
4	15.4	710 2nd Street NE	Window replacement (planning only)	$100,000	$100,000
4	15.5	616 Washington Street NE	Window replacement (planning only)	$100,000	$100,000
4	32	1717 Washington Street NE	Main electrical switch gear & generator replacement	$875,193	$88,000
4	32	1717 Washington Street NE	Window replacement	$3,523,497	$885,000
4	32	1717 Washington Street NE	Roof replacement	$1,815,850	$1,735,000
4	35	1815 Central Avenue NE	Fire pump controller replacement	$88,900	$18,000
5	9	Hiawatha Towers	Roof replacement	$1,000,000	$925,000
5	18.5	2533 1st Avenue South	Main electrical switch gear & generator replacement	$553,943	$56,000
5	24	1707 3rd Avenue South	Roof replacement	$380,000	$350,000
5	34	Fifth Avenues	Entry vestibule upgrades	$300,000	$75,000
5	34	Fifth Avenues	Apartment electrical panel replacement	$839,800	$825,000
6	6	Cedars Midrises	Main electrical switch gear & generator replacement	$4,155,150	$1,143,500
6	6	Cedars Midrises	Boiler plant replacement	$2,212,508	$450,000
6	16	1515 Park Avenue South	Expansion joints & ADA shower stack replacement	$214,000	$107,000
6	16	1515 Park Avenue South	Apartment entry doors, exterior door replacement	$650,000	$600,000
6	30	630 Cedar Avenue South	Electrical systems upgrades	$1,108,392	$80,000
7	31	Horn Towers	Apartment electrical panel replacement	$1,600,700	$1,590,000
7	31	Horn Towers	Exterior façade repairs/sealant replacement	$1,000,000	$900,000
N/A	29	1015 4th Avenue North	Envelope and/or window repairs	$500,000	$500,000
N/A	96	1001 Washington Avenue North	Headquarters analysis, office modifications	$1,100,000	$900,000
AW	AW	Highrises - Varies	Security-related improvements	$350,000	$175,000
AW	AW	Area-Wide	Priority building systems replacements	$675,000	$675,000
AW	AW	Area-Wide	Security assessement	$150,000	$120,000
AW	AW	Area-Wide - PH Properties	Physical needs assessment	$300,000	$300,000
AW	AW	Contingency	TBD	$1,000,000	$0
TOTAL					$31,550,600

This plan and projected spending are subject to change as the agency goes through its annual budgeting process for 2026 including budget approval by the MPHA Board of Commissioners. MPHA also continues to pursue additional, non-federal resources to support its work, including state and other local funding; the plan and expenditures may also be impacted if additional resources are made available in 2025/26. Additionally, capital activities and expenditures are based on these assumptions:

- Final formula amounts at the 2025 levels and receipt of grant by the end of March 2026;
- MPHA's ability to complete identified improvements at its properties within noted budgets despite challenges associated with construction and commodity markets in historic fluctuation.

Since these variables are subject to change, expenditures and activities may vary significantly. MPHA will modify its capital activities as it deems suitable based on different outcomes.

Five-Year Capital Needs

The five-year Capital Needs table illustrates total funding needed to address all capital needs at MPHA properties between 2026-2030, in today's dollars. The table includes amounts needed to address today's needs (those identified for 2025) within the 2026 numbers.

Minneapolis Public Housing Authority
2026 Five-Year Schedule of Capital Needs

AMP	Project	Address	Bldgs	Units	FY26	FY27	FY28	FY29	FY30
AMP 1 - Rowhouses									
1	1	Glendale	28	184	22,794,595	525,682	156,603	166,885	2,488,816
		Total AMP 1	**28**	**184**	**22,794,595**	**525,682**	**156,603**	**166,885**	**2,488,816**
AMP 2 - Scattered Site/Single Family									
2	Various	Various		37	1,040,616	47,548	209,057	485,954	709,024
		Total AMP 2	**0**	**37**	**1,040,616**	**47,548**	**209,057**	**485,954**	**709,024**
AMP 3 - North									
3	3	800 North Fifth Ave	1	66	2,635,710	0	224,986	277,527	99,494
3	20.4	2415 North Third Street	1	62	4,875,347	372,943	252,229	64,881	181,696
3	20.5	3116 North Oliver Ave	1	31	1,465,440	372,907	85,281	0	113,463
3	23	315 North Lowry Ave	1	193	11,506,079	85,387	0	136,450	583,932
3	25	600 North 18th Ave	1	239	13,872,177	0	534,361	446,588	4,044,967
3	26	1710 North Plymouth Ave	1	84	9,054,301	119,393	138,917	0	160,106
3	28	901 North 4th Ave	1	48	616,351	0	0	33,061	0
3	37	1314 North 44th Ave	1	220	6,803,433	0	42,640	0	163,455
3	42	314 Hennepin Ave	1	299	15,823,806	0	0	320,561	3,801,023
3	50	350 Van White Memorial Blvd	1	102	5,195,606	946,931	43,185	667,892	3,280,678
		Total AMP 3	**10**	**1,344**	**71,848,250**	**1,897,561**	**1,321,599**	**1,946,960**	**12,428,814**
AMP 4 - Northeast									
4	10	311 NE University Ave	1	49	2,367,232	21,320	0	442,446	34,823
4	15.4	710 NE Second Street	1	35	2,475,644	0	0	0	99,494
4	15.5	616 NE Washington Ave	1	35	2,294,902	0	42,937	0	93,098
4	21.4	1206 NE Second Street	1	57	3,147,399	92,995	231,251	0	533,821
4	21.5	1900 NE Third Street	1	32	3,412,911	0	0	0	369,440
4	21.6	809 NE Spring Street	1	32	3,774,925	364,141	0	0	503,229
4	32	1717 NE Washington Street	1	182	13,514,388	35,534	991,113	129,343	0
4	33	828 NE Spring Street	1	189	9,710,840	0	169,141	134,318	459,622
4	35	1815 NE Central Ave	1	333	16,588,317	0	48,048	42,640	665,049
		Total AMP 4	**9**	**944**	**57,286,558**	**513,990**	**1,482,490**	**748,747**	**2,758,576**

Minneapolis Public Housing Authority
2026 Five-Year Schedule of Capital Needs

AMP	Project	Address	Bldgs	Units	FY26	FY27	FY28	FY29	FY30
AMP 5 - Hiawatha									
AMP 5	Project	Address	Bldgs	Units					
5	9	Hiawatha Towers	3	281	15,890,173	2,144,725	0	77,851	321,509
5	18.5	2533 South First Ave	1	42	2,420,308	86,674	62,872	27,290	908,788
5	19	1920 South Fourth Ave	1	110	3,950,819	71,067	0	149,345	238,787
5	24	1707 South Third Street	1	199	3,667,082	703,351	0	106,601	370,546
5	34	Fifth Avenue Highrises	2	254	9,364,406	216,109	27,318	379,074	0
		Total AMP 5	8	886	35,292,788	3,221,926	90,190	740,161	1,839,630
AMP 6 - Cedars									
AMP 6	Project	Address	Bldgs	Units					
6	6 & 30	Cedars Community	4	539	17,104,666	3,174,784	1,308,229	2,486,599	1,593,758
6	16	1515 South Park Ave	1	182	7,170,258	300,371	0	784,421	177,113
		Total AMP 6	5	721	24,274,924	3,475,155	1,308,229	3,271,020	1,770,871
AMP 7 - Horn									
AMP 7	Project	Address	Bldgs	Units					
7	14	1415 East 22nd Street	1	129	5,420,488	664,703	0	411,755	91,677
7	17	2728 East Franklin Ave	1	151	3,910,381	0	107,312	33,370	769,942
7	18.4	3755 South Snelling Ave	1	28	3,073,239	0	52,152	500,366	48,326
7	22	3205 East 37th Street	1	28	2,827,299	143,717	145,867	365,526	183,387
7	31	Horn Towers	3	491	32,455,335	307,115	231,680	2,403,419	3,900
7	36	2121 South Minnehaha Ave	1	110	3,251,637	20,108	0	0	168,314
		Total AMP 7	8	937	50,938,379	1,135,643	537,011	3,714,436	1,265,546
Management, Maintenance, and Other Facilities									
	Project	Location	Bldgs	Units					
	N/A	Elliot Twins	2	184	-	-	-	-	-
	N/A	Family Housing Resources	16	84	-	-	-	-	-
	N/A	Scattered Sites/CHR		694	50,553,228	3,189,803	1,763,762	584,861	18,083,316
	29	1015 North Fourth Ave	1		1,451,909	0	0	0	0
	93	1301 Bryant Maintenance Off.	1		1,974,997	172,335	100,009	0	4,833
	96	1001 Washington Main Office	1		4,915,374	0	362,444	0	122,195
		Total MM&O	21	962	58,895,508	3,362,138	2,226,215	584,861	18,210,344
		GRAND TOTAL		6,015	322,371,618	14,179,643	7,331,394	11,659,024	41,471,621

Asset Preservation & Creation Strategies

As an MTW agency, MPHA can utilize fungible authority to increase the amount of funds allocated to capital improvements above the Capital Fund allocation from Congress/HUD. However, given a long-standing trend of federal underfunding our ability to dedicate additional funds to capital investments will become increasingly difficult. Due to our funding challenges, MPHA must consider additional tools and funding sources to ensure our properties remain viable for the long term. There is no stand-alone solution available; rather, we must take a multi-pronged approach as we consider reinvestment strategies.

Roadmap for MPHA's Portfolio Preservation

In 2018-19, MPHA initiated an in-depth portfolio analysis to determine the best way preserve its long-term viability. Our preliminary plan served as the framework to guide our path into the future but, as things such as property needs, funding opportunities, and the priorities of MPHA and its stakeholders have evolved since that time, the agency decided to re-visit its strategic vision in late 2022. The updated, Board-adopted plan describes MPHA's five-year vision to preserve and expand our public housing portfolio, while elevating the individuals and families we serve today and tomorrow. Our approach focuses on these priorities:

- Serve the people of our community;
- Preserve housing opportunities by investing in system upgrades & maintenance;
- Produce additional units where appropriate; and,
- Partner to ensure our work is contributing to long-term impact for our community.

As we completed construction at the Elliot Twins and the Family Housing Expansion project, MPHA carefully analyzed which properties to next apply for these or other tools to ensure our housing assets remain viable for the future. As noted in Section I of this plan, MPHA intends to advance a RAD/Section 18 conversion at 3755 Snelling Avenue & 3205 East 37th Street and may pursue a RAD/Section 18 conversion or Section 18 disposition at properties that comprise the Heritage Park AMP, a mixed income development. Additionally, in late 2024, MPHA initiated resident engagement activities at its Glendale Townhomes development, to begin creating a shared long-term vision for the preservation of this community. MPHA will continue to work with residents to solidify this vision in 2025, and advance planning efforts to carry out this vision in the coming years.

Regardless of the strategies we employ now or moving forward, MPHA will continue to honor its commitment of collaboration and partnership with our residents and other various community stakeholders.

Resident & Community Engagement

In keeping with its Guiding Principles for Redevelopment and Capital Investments, when utilizing these or other tools, MPHA has and will continue to engage with its residents and community partners to ensure our stakeholders have a clear understanding of our path, are actively involved and collaborate with us through the entire process and, most importantly, that residents' rights are protected along the way.

In addition to the pledges MPHA has made to its residents with the Guiding Principles for Redevelopment and Capital Investments, MPHA worked in conjunction with residents and the Mid-Minnesota Legal Aid to develop a relocation rights contract that outlines tenant protections should residents need to temporarily relocate due to MPHA's redevelopment activities. Additionally, in April 2019, the Minneapolis City Council adopted a Memorandum of Understanding (MOU) between the city and MPHA which expresses our shared commitment to investing in public housing, long-term public control, and protecting the rights of every resident. The MOU closely reflects MPHA's own Board-approved Guiding Principles and protections built into the RAD Program.

HUD Tools

As a starting point, MPHA considers how it can further its flexibility under MTW, as well as pursue special programs offered by HUD.

The Rental Assistance Demonstration (RAD) & Section 18 Programs

The Rental Assistance Demonstration (RAD) and Section 18 Programs have been utilized around the country to preserve and reinvest in more than 100,000 units of deeply affordable housing. The RAD Program converts the traditional Operating and Capital Fund streams to more reliable Section 8 project- based funding, which allows housing authorities to create new partnerships and open themselves to opportunities for greater investment in the housing. Section 18 of the 1937 Housing Act allows access to Tenant Protection Vouchers (TPVs), which carry a higher subsidy thereby allowing the properties to leverage more debt for improvements. Under certain conditions, HUD allows these tools to be used in tandem – known as RAD/Section 18 Blend conversions – offering even greater opportunities for long-term preservation. HUD's PIH Notice H-2025-01/Rental Assistance Demonstration Supplemental Notice 4C issued in January 2025 provides expanded opportunities for RAD Blend conversions, whereby up to 90% of units at developments undergoing conversions can access TPVs, which MPHA utilized for its recent Springs Expansion conversion. MPHA will look to determine how it can maximize this tool for ongoing portfolio preservation efforts.

Moving to Work (MTW) Enhancements

As an MTW agency, MPHA has funding and regulatory flexibility to enhance our development activity. For example, enhancing rents using our MTW "single-fund flexibility" allows MPHA greater borrowing capacity, which in turn equates to additional building improvements. Resident rents remain unaffected while their homes benefit from greater enhancements.

Energy Performance Contracting

In 2010, MPHA contracted with Honeywell International, Inc. to implement $33.6 million of energy conservation measures throughout MPHA's properties. The contract was financed under HUD's Energy Performance Contracting (EPC) program incentive to borrow private capital to fund energy improvements. Although this project allowed MPHA to replace 40-to-50-year-old boilers and complete other energy-related improvements, MPHA needs to satisfy the EPC debt in order to utilize HUD's RAD and Section 18 Programs or other creative financing strategies. MPHA has worked with Honeywell and Bank of America to address outstanding debt issues at the Elliot Twins, our scattered sites portfolio, Spring Manors, and the Snellings. As we consider our next redevelopment projects, MPHA will once again work to satisfy this debt, as necessary.

Choice Neighborhoods Program

The Choice Neighborhoods program leverages significant public and private dollars to support locally driven strategies that address struggling neighborhoods with public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. Local leaders, residents, and stakeholders, such as public housing authorities, cities, schools, police, business owners, nonprofits, and private developers, come together to create and implement a revitalization plan for a neighborhood.

Restore-Rebuild Program

Restore-Rebuild (previously Faircloth to RAD) is a new HUD initiative that authorizes Housing Authorities to create additional affordable housing in their communities. MPHA, under HUD's Faircloth limit, could develop additional housing units over its current stock and receive additional subsidy through RAD conversion. MPHA expanded its total Faircloth Authority through the disposition of its Scattered Sites portfolio through Section 18 and conveying these units to MPHA's non-profit affiliate Community Housing Resources (CHR). The additional opportunity to create more housing units throughout Minneapolis is now possible. Through the use of Section 18/RAD blend MPHA's total Faircloth Authority is now over 1,000. MPHA is utilizing this program at its Springs Expansion project, which will provide subsidy for 15 new/additional units at this site. This pilot will help inform how MPHA could utilize this program for its own future development initiatives and/or how it may partner with other affordable housing providers to accomplish new unit creation goals.

Financing Tools

In conjunction with the flexibility and programs available through HUD, MPHA will continue to pursue a variety of funding sources to augment HUD's tools.

Traditional Debt

MPHA would borrow money from banks or other financial institutions to complete major improvements at its properties, much like homeowners and other housing providers do to finance improvements.

Soft Funding Sources/Grants

MPHA has had success securing grants and soft loans from the state, county, city, and Federal Home Loan Bank for capital and development activities. In 2024/25, the City of Minneapolis provided a $1.3 million soft loan to help fund the Springs Expansion project. The City of Minneapolis also provided soft sources to support past projects such as Elliot Twins and the Family Housing Expansion Project. MPHA has also received multiple rounds of state bond financing from the state for affordable housing preservation, including the 2024 POHP allocation from MN Housing, for electrical systems work at MPHA's 630 Cedar high-rise. In 2025, MPHA submitted POHP cash funding applications to support capital investments at five high-rise properties, a total ask of over $9M. Awards are expected to be announced in August 2025.

Low-Income Housing Tax Credits (LIHTC) Program

The LIHTC program is a key resource for creating and preserving affordable housing in Minneapolis and around the country. LIHTCs allow for creation of new partnerships to access tax credits that fund significant capital improvements at existing properties or help create new communities while offsetting investor tax basis. In 2020, MPHA utilized this program to successfully carry out the RAD conversion at the Elliot Twins where $27 million in improvements. This significant investment allowed MPHA to address all deferred needs, complete energy improvements and other property enhancements, add ten fully handicapped accessible units at the site, as well as construct a single- story community building that houses increased resident amenities. A modernization of this magnitude had not been possible at our properties in the past and therefore we believe the program is an essential tool for our housing preservation and creation strategy. MPHA also secured LIHTC financing for the construction of 84 new units of family housing across the city, which is now complete and fully occupied. MPHA again pursued LIHTC financing for its Springs Expansion project, which will fully renovate two high-rises comprised of 221 units, replace aged building systems, provide opportunities for expanded community spaces and additional amenities for residents, and allow for the construction of 15 additional, fully accessible units. The project financial closing occurred in early July 2025, with construction now underway.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

"Public reporting burden for this collection of information is estimated to average 2.2 hours including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.. The information requested is required to obtain a benefit. This form is used to verify allowable and reasonableness of grant expenses. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to the Reports Management Officer, Office of Policy Development and Research, REE, Department of Housing and Urban Development, 451 7th St SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0157.

PHA Name	Grant Type and Number	FFY of Grant: / FFY of Grant Approval:
Minneapolis Public Housing Authority	Capital Fund Program Grant No: MN46E00250121) Replacement Housing Factor Grant No: Date of CFFP:	2021

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:
☒ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	**Revised[2]**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)				
5	1480 General Capital Activity	250,000	250,000	0	0
6	1492 Moving to Work Demonstration				
7	1501 Collaterization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

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Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

Part I: Summary		
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46E00250121 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2021

Type of Grant

- ☐ Original Annual Statement
- ☐ Reserve for Disasters/Emergencies
- ☐ Revised Annual Statement (revision no:)
- ☑ Performance and Evaluation Report for Period Ending: 12/24
- ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	250,000	250,000	0	0
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				

Signature of Executive Director *	Date 08/04/2025	Signature of Public Housing Director	Date

* I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties (18 U.S.C. § 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 5802)

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Part II: Supporting Pages

PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: CFFP (Yes/ No): Replacement Housing Factor Grant No: MN46E00250121	Federal FFY of Grant: 2021

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
MN002	General Capital Activity	1480	184 Units	250,000	250,000	0	0	0%

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

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Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Minneapolis Public Housing Authority					Federal FFY of Grant: 2021
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
	08/28/25		08/28/26		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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PHA Name	Grant Type and Number	FFY of Grant:
Minneapolis Public Housing Authority	Capital Fund Program Grant No: MN46P00250122) Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval: 2022

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:

☒ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	**Revised[2]**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)				
5	1480 General Capital Activity				
6	1492 Moving to Work Demonstration	20,119,039	20,119,039	20,119,039	20,119,039
7	1501 Collaterization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

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Expires 1/31/2027

Part I: Summary		
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250122 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2022

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☑ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	20,119,039	20,119,039	20,119,039	20,119,039
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				

Signature of Executive Director * dse	Date 08/04/2025	Signature of Public Housing Director	Date

* I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties (18 U.S.C. § 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 5802)

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[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
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Part II: Supporting Pages

PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: CFFP (Yes/ No): Replacement Housing Factor Grant No: MN46P00250122	Federal FFY of Grant: 2022

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
MN002	Moving to Work Demonstration Program	1492	5,055 Units	20,119,039	20,119,039	20,119,039	20,119,039	100%

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Minneapolis Public Housing Authority

Federal FFY of Grant: 2022

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
	05/11/24	04/30/23	05/11/26	05/22/24	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

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OMB No. 2577-0157
Expires 1/31/2027

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PHA Name	Grant Type and Number	FFY of Grant: / FFY of Grant Approval:
Minneapolis Public Housing Authority	Capital Fund Program Grant No: MN46P00250123) Replacement Housing Factor Grant No: Date of CFFP:	2023

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:

☒ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	**Revised[2]**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)				
5	1480 General Capital Activity				
6	1492 Moving to Work Demonstration	20,137,253	20,137,253	20,137,253	17,465,309
7	1501 Collaterization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

[1] To be completed for the Performance and Evaluation Report.

[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

Part I: Summary		
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250123 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2023

Type of Grant

- ☐ Original Annual Statement
- ☐ Reserve for Disasters/Emergencies
- ☐ Revised Annual Statement (revision no:)
- ☑ Performance and Evaluation Report for Period Ending: 12/24
- ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	20,137,253	20,137,253	20,137,253	17,465,309
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				

Signature of Executive Director *	Date 08/04/2025	Signature of Public Housing Director	Date

* I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties (18 U.S.C. § 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 5802)

[1] To be completed for the Performance and Evaluation Report.
[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
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Expires 1/31/2027

Part II: Supporting Pages

PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250123 CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: 2023

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
MN002	Moving to Work Demonstration Program	1492	5,055 Units	20,137,253	20,137,253	20,137,253	17,465,309	87%

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program

PHA Name: Minneapolis Public Housing Authority

Federal FFY of Grant: 2023

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
	02/16/25	05/31/24	02/16/27		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
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Expires 1/31/2027

PHA Name	Grant Type and Number	FFY of Grant:
Minneapolis Public Housing Authority	Capital Fund Program Grant No: MN46P00250124 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval: 2024

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☒ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	**Revised[2]**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)				
5	1480 General Capital Activity				
6	1492 Moving to Work Demonstration	20,613,209	20,613,209	5,216,270	0
7	1501 Collaterization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

[1] To be completed for the Performance and Evaluation Report.

[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

Part I: Summary		
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250124 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2024

Type of Grant

- ☐ Original Annual Statement
- ☐ Reserve for Disasters/Emergencies
- ☐ Revised Annual Statement (revision no:)
- ☑ Performance and Evaluation Report for Period Ending: 12/24
- ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	20,613,209	20,613,209	5,216,270	0
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				

Signature of Executive Director *	Date 08/04/2025	Signature of Public Housing Director	Date

* I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties (18 U.S.C. § 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 5802)

[1] To be completed for the Performance and Evaluation Report.
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[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Part II: Supporting Pages

PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: CFFP (Yes/ No): Replacement Housing Factor Grant No: MN46P00250124	Federal FFY of Grant: 2024

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
MN002	Moving to Work Demonstration Program	1492	5,055 Units	20,613,209	20,613,209	5,216,270	0	0%

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Minneapolis Public Housing Authority					Federal FFY of Grant: 2024
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
	05/05/26		05/05/28		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

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PHA Name	Grant Type and Number	FFY of Grant:
Minneapolis Public Housing Authority	Capital Fund Program Grant No: MN46P00250125) Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval: 2025

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:

☒ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	**Revised**[2]	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)				
5	1480 General Capital Activity				
6	1492 Moving to Work Demonstration	20,656,470	20,656,470	0	0
7	1501 Collaterization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

[1] To be completed for the Performance and Evaluation Report.

[2] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

[3] PHAs with under 250 units in management may use 100% of CFP Grants for operations.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

Part I: Summary		
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250125 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: 2025

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)

☑ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	20,656,470	20,656,470	0	0
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				

Signature of Executive Director *	Date 08/04/2025	Signature of Public Housing Director	Date

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Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
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Part II: Supporting Pages

PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250125 CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: 2025

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
MN002	Moving to Work Demonstration Program	1492	5,055 Units	20,656,470	20,656,470	0	0	0%

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Minneapolis Public Housing Authority					Federal FFY of Grant: 2025
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
	05/12/27		05/12/29		

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
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PHA Name	Grant Type and Number	FFY of Grant:
Minneapolis Public Housing Authority	Capital Fund Program Grant No: MN46P00250126 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant Approval: Est. 2026

Type of Grant

☐ Original Annual Statement ☐ Reserve for Disasters/Emergencies ☐ Revised Annual Statement (revision no:)
☒ Performance and Evaluation Report for Period Ending: 12/24 ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	**Revised[2]**	**Obligated**	**Expended**
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 15) [3]				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 15)				
5	1480 General Capital Activity				
6	1492 Moving to Work Demonstration	20,656,470	20,656,470	0	0
7	1501 Collaterization Expense / Debt Service Paid by PHA				
8	1503 RAD-CFP				
9	1504 RAD Investment Activity				
10	1505 RAD-CPT				
11	9000 Debt Reserves				
12	9001 Bond Debt Obligation paid Via System of Direct Payment				
13	9002 Loan Debt Obligation paid Via System of Direct Payment				
14	9900 Post Audit Adjustment				

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Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0157
Expires 1/31/2027

Part I: Summary		
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250126 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: FFY of Grant Approval: Est. 2026

Type of Grant

- ☐ Original Annual Statement
- ☐ Reserve for Disasters/Emergencies
- ☐ Revised Annual Statement (revision no:)
- ☑ Performance and Evaluation Report for Period Ending: 12/24
- ☐ Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost [1]	
		Original	Revised [2]	Obligated	Expended
15	Amount of Annual Grant:: (sum of lines 2 - 14)	20,656,470	20,656,470	0	0
16	Amount of line 15 Related to LBP Activities				
17	Amount of line 15 Related Sect. 504, ADA, and Fair Housing Act Activities.				
18	Amount of line 15 Related to Security - Soft Costs				
19	Amount of line 15 Related to Security - Hard Costs				
20	Amount of line 15 Related to Energy Conservation Measures				

Signature of Executive Director *	Date	Signature of Public Housing Director	Date
dse	08/04/2025		

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Capital Fund Program, Capital Fund Program Replacement Housing Factor and
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U.S. Department of Housing and Urban Development
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Expires 1/31/2027

Part II: Supporting Pages

PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250126 CFFP (Yes/ No): Replacement Housing Factor Grant No:	Federal FFY of Grant: Est. 2026

Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised [1]	Funds Obligated[2]	Funds Expended[2]	
MN002	Moving to Work Demonstration Program	1492	5,055 Units	20,656,470	20,656,470	0	0	0%

[1] To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
[2] To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: Minneapolis Public Housing Authority					Federal FFY of Grant: Est. 2026
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates [1]
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	

[1] Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.