MPHA FY27 Levy Request

Prepared for Board of Estimate and Taxation (September 2026)

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MPHA Mission Statement

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

26,000+
people served by MPHA every day

5,200+
public housing units

6,700+
public housing residents

750+
deeply affordable family homes

3,300+
deeply affordable family housing residents

7,200
Housing Choice Vouchers administered

18,500+
residents benefiting from MPHA vouchers

MPHA Housing Programs

Low-Income Public Housing*

- MPHA owns and operates 42 high-rises, 184 family homes at Glendale (in SE), 20 scattered family homes, and a 16-unit townhome site in its public housing program (Section 9).
- Across ~5,200 units, MPHA serves ~7,000 public housing residents.
- High-rise units are predominately studio and 1bd.
- These residents are at or below 30% AMI.
- MPHA maintains a waitlist for non-family public housing, recently as many as 6,000 people.
- In 2025, broke ground on largest public housing redevelopment in city history, Spring Manor. ~$78M project will rehab 221 units and add 15 new disability accessible units in NE Minneapolis.

Deeply Affordable Family Housing

- MPHA owns and operates ~800 scattered site family homes, serving >3,300 residents.
- These are MPHA's most sought-after units.
  - The waiting list sits at ~4,000.
  - MPHA opened its waiting list for five days in October 2024 (first time in three years) and received >3,300 applications.
- These units were transferred to MPHA wholly controlled non-profit (CHR) in October 2020.
  - Project-based vouchers more than doubled federal subsidy for these units.
  - MPHA remains long-term owner and property manager.
  - Residents' rent portion stayed the same.
- Celebrated grand opening of all-electric triplex (W11) and duplex (W8) in July 2026.
- Continue to seek family housing upzoning projects and opportunities.

Housing Choice Voucher**

- MPHA administers ~7,500 Housing Choice Vouchers (HCV, "Section 8"), benefitting >18,500 residents across the region.
- There are <400 people on the Section 8 waitlist.
  - The HCV waitlist was last opened in 2019.
- >90% of HCV participants ≤30% AMI at admission.
- Since 2019, MPHA project-based vouchers (PBVs) have accounted for more than half of all deeply affordable housing built in Minneapolis.
  - 35 PBVs awarded in 2025.
  - 179 PBVs were brought online in 2025.
- MPHA administers 347 Veterans Affairs Supportive Housing (VASH) Vouchers, key to ending veterans' homelessness in HennCo.
- MPHA has begun issuing new state-funded Bring it Home vouchers, helping reduce the agency's voucher waitlist (~600-700 new vouchers).

**LIPH, Glendale, Elliot Twins*
***Includes Elliot Twins and CHR*

MPHA Program Demographics

Low-Income Public Housing*

Race	
American Indian/Alaska Native	1.5%
Asian	3.7%
Black/African-American	79.4%
White	14.0%

HOH Gender	
Male HOH	51.1%
Female HOH	48.9%

HH Incomes	
Average	$16,484
Median	$12,480
w/ Earned Income	16%

HOH Disabled	57%

Age	
0-17	13.8%
18-29	5.9%
30-49	10.7%
50-61	11.7%
62+	57.9%

HH Size	
1	66.6%
2	10.8%
3	5.1%
4	5.2%
5	4.4%
6	2.6%
7+	5.4%

Deeply Affordable Family Housing

Race	
American Indian/Alaska Native	1.7%
Asian	3.9%
Black/African-American	87.7%
White	4.5%

HOH Gender	
Male HOH	12.3%
Female HOH	87.7%

HH Incomes	
Average	$34,502
Median	$33,205
w/ Earned Income	62%

HOH Disabled	16%

Age	
0-17	53.8%
18-29	18.9%
30-49	18.1%
50-61	6.0%
62+	3.1%

HH Size	
1	0.5%
2	7.4%
3	13.5%
4	18.3%
5	14.1%
6	14.9%
7+	31.3%

Housing Choice Voucher**

Race	
American Indian/Alaska Native	2.6%
Asian	1.3%
Black/African-American	85.0%
White	5.9%

HOH Gender	
Male HOH	19.9%
Female HOH	80.1%

HH Incomes	
Average	$22,201
Median	$22,845
w/ Earned Income	41%

HOH Disabled	35%

Age	
0-17	50.0%
18-29	14.0%
30-49	20.5%
50-61	8.1%
62+	7.4%

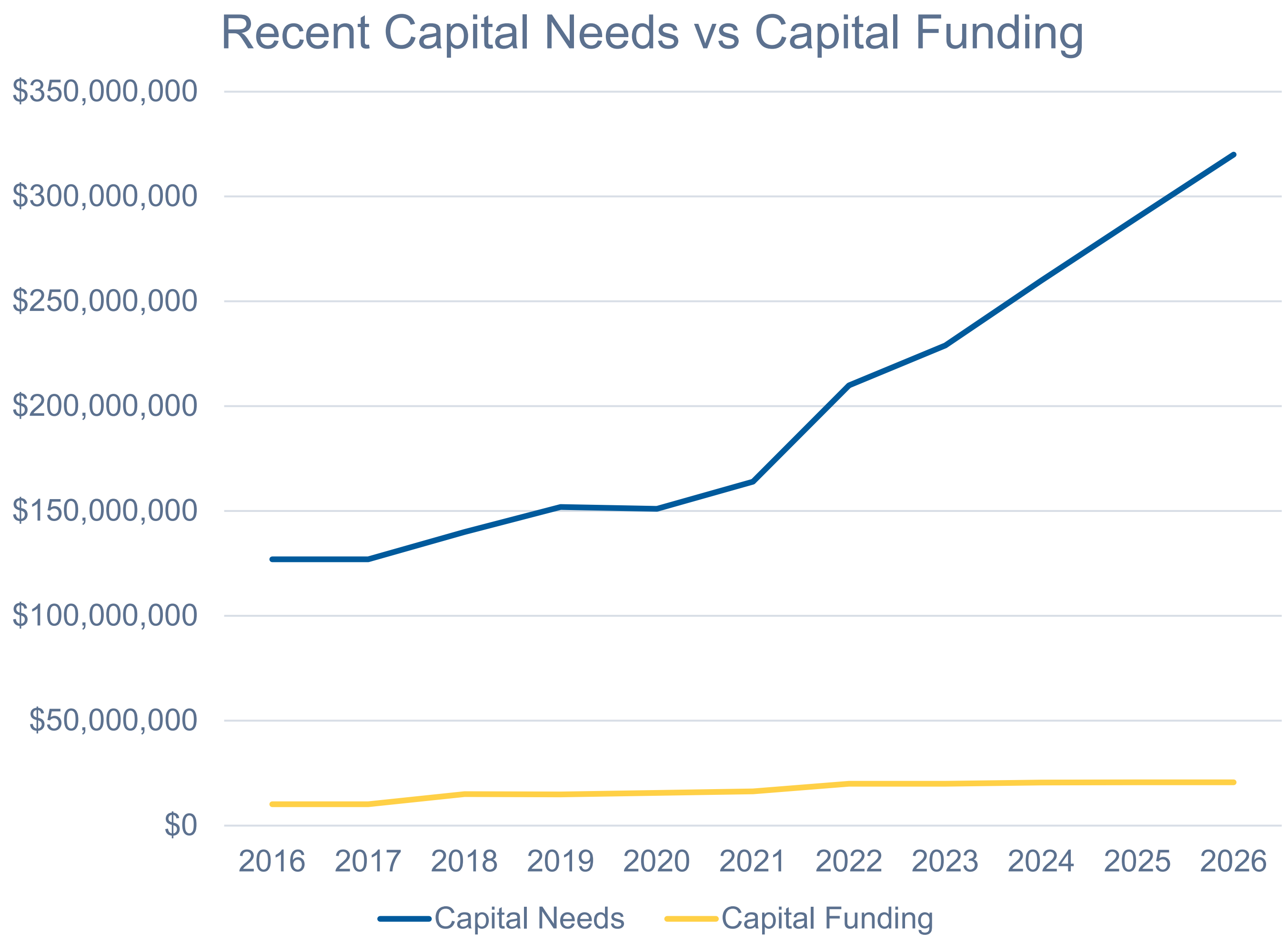
HH Size	
1	12.0%
2	12.2%
3	14.4%
4	16.3%
5	13.2%
6	11.1%
7+	20.8%

*LIPH, Glendale, Elliot Twins

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

MPHA Capital Backlog

- MPHA's housing stock is comprised of nearly 6,000 units located in 42 high-rise buildings, 817 scattered site family homes, and 184 townhomes at Glendale.
- Forty of MPHA's 42 high-rise buildings were built in the 1960s and early 1970s.
- The age range of MPHA's family housing is 1 – 100+ years old, including 184 townhomes at Glendale, which are >74 years old.
- MPHA projects its current unmet needs for these properties at approximately $320M. On average, capital needs grow by ~$25M/year, not accounting for inflation or other factors.
- Historically, HUD has only provided funding for 10% or less of the actual need.
- High inflation and a volatile construction market has made addressing capital needs more costly and challenging.
- The single largest threat to MPHA is its capital backlog that continues to grow.



2025 Agency Accomplishments

- Deployed $4.3M to Repair/Upgrade 100 Deeply Affordable Family Homes
- Broke Ground on Largest Public Housing Redevelopment in City History ($78M), Rehabilitating 221 Units and Building 15 New
- Awarded $8.2M from MN Housing to Replace Electrical Systems in Three High-Rises & Complete Two Comprehensive Rehabs
- Broke Ground on New All-Electric Triplex And Duplex in High Opportunity Neighborhoods
- Continued $5M/Year Housing Tax Levy in Minneapolis to Support the Agency’s Preservation and Production Activities
- Received Additional $1.4M/Year and $1.4M One-Time funding for Stable Homes Stable Schools in Minneapolis’ FY26 Budget
  - Received an additional $900,000 from MN Housing and $350,000 from Pohlad Foundation in one-time funding for Stable Homes Stable Schools.

2026 Agency Activities

- Sought New Funding at State Legislature
  - $2M/biannually for Stable Homes Stable Schools.
  - $7M in Housing Infrastructure Bonds for Glendale.
- Launching Bring it Home State Voucher
  - Two-year $21M award from MN Housing estimated to provide MPHA 600-700 new housing vouchers.
- Launched City Emergency Housing Voucher
- Pursue Additional Philanthropic Support of Stable Homes Stable Schools
- Announced Glendale Redevelopment (W2)
- Announced Next RAD Redevelopment
  - Rehabbing 56 units across two mid-rise buildings in Howe neighborhood (W9).
- Celebrated Grand Opening of Windom Triplex (W11) and Regina Duplex (W8)
- Celebrate Completion of Spring Manor (W3)
- Work w/ City, Certus Financial, and Property Services & Solutions on Heritage Park (W5)
  - Helping meet Heritage Park residents' immediate needs while also working on long-term stabilization and preservation of the Heritage Park community.

Deployment Snapshot*

- $1.3M from MN Housing for CHR Repairs
  - Grant agreement executed Feb. 2024. All resources deployed.
  - Deep turns at 41 homes. Work included interior renovations (kitchen, bath, etc), electrical, plumbing, and mechanical repairs.
- $5M from MN Legislature for CHR Repairs
  - Grant agreement executed May 2024. $3.07M expended to date.
  - Exterior envelope replacements complete at 65 homes.
  - Deep turns at 20+ homes (underway); exterior envelope replacements at an additional seven homes (underway).
  - Radon testing at all CHR homes and radon mitigation system installations where necessary (nearly complete).
- $4.26M POHP GO for High-Rise Electrical
  - Two MN Housing awards, $1.35M in 2024; $2.91M in 2025.
  - First loan closed Oct. 2025. Construction initiated April 2026 to replace aging electrical components at 630 Cedar Ave high-rise.
  - $2.91M will be used to make similar electrical improvements at three adjacent Cedars high-rises; target closing late 2026
- $1.3M from Minneapolis for Restore-Rebuild
  - Closed July 2025. Anticipated Q4 2026 completion.
  - 15 new units at Spring Manor funded in part by this grant.
- $5.31M POHP Cash for Mid-Rise Rehabs
  - Awarded by MN Housing in August 2025. In planning stage.
  - Comprehensive rehab at two mid-rises, totaling 56 units.
  - Work includes building system upgrades (plumbing, electrical, HVAC), kitchen/bath rehab, new finishes, increased accessibility, common area updates, and enhanced resident amenities.

Public Housing Tax Levy – 2025

Project	Pre-Deployment Work Completed YTD*	Levy Budget	Funds Deployed*
High-Rise Preservation & New Unit Production – 809/828 Spring St NE	• Broke ground in August 2025; construction underway. • Construction to be completed in Q4 2026.	$3,500,000	$3,500,000**
High-Rise Window Replacement	• 1717 Washington Street NE • Construction complete in Q4 2025.	$1,500,000	$1,500,000

Public Housing Tax Levy – 2026

Project	Pre-Deployment Work Completed YTD*	Levy Budget	Funds Deployed*
Five-Site, Five-Plex Scattered Site Infill Project	• Taking five MPHA-owned sites and building five-plexes, each having four 3-bedrooms, and one 5-bedroom (creating 25 total new family units). • Project suspended.	$1,000,000***	$21,000
High-Rise Preservation – 3755 Snelling Ave. & 3205 East 37th St.	• Design underway • HUD Rental Assistance Demonstration (RAD) application submission in February 2026; HUD approval in March 2026 • Multiple resident meetings since mid-2025 • Received POHP cash award of $5.3M in 2025 to support project • Target financial closing: Aug-Sept 2027	$1,500,000	$0
Glendale	• Predevelopment activities at the 12-acre site • Multiple resident meetings since late-2024 • Announced project direction in June 2026: redevelopment of existing 184 units + 100 new units	$1,000,000	$13,000
High-Rise Elevator Modernization	• 350 Van White Mem Blvd, 102-unit elderly bldg • Construction complete May 2026	$420,770	$407,000
High-Rise Boiler Replacement	• 350 Van White Mem Blvd, 102-unit elderly bldg • Construction underway	$1,079,230	$96,214

**As of August 1, 2026*
***Funds fully committed at financial closing 7/10/25*

****Majority of budget being repurposed to invest in Heritage Park near-term needs*

A Crisis at Heritage Park

- Heritage Park is Uniquely Structured
  - Following the Hollman Consent Decree, a set of legal agreements established MPHA as the landowner, but a private company, McCormack Baron Salazar (MBS) was awarded ownership, sole possession, operational control, and authority to construct Heritage Park.
  - MPHA's primary responsibility at the site was to send MBS HUD-calculated operating funding for 200 public housing units that MBS owned and operated.
- This Failure Did Not Happen Overnight
  - Dating back to 2022, MPHA has led work addressing Heritage Park, when MPHA and other stakeholders, including City of Minneapolis & HUD, began learning more about MBS' operational shortfalls, deferred maintenance and mounting debts at the property.
- Until Recently, There's Been Limited Political Will to Join MPHA in Investing in The Site
  - Since 2022, MPHA has invested more than $12M to support the habitability of the McCormack Baron Salazar's public housing units at Heritage Park.
  - In July, the Minneapolis City Council approved $2.5M for repairs and resident relocation support.
  - MPHA is thankful for Councilmember Warren's work elevating Heritage Park and spurring the city to begin investing meaningfully in the site.

The Minnesota Star Tribune

North Minneapolis renters stuck in squalid homes once heralded as the future of public housing

By Susan Du

KARE 11

No AC, mold, rats: Tenants demand answers about long-dilapidated apartment buildings

Author: Jennifer Hoff (KARE 11)

FOX 9

Minneapolis leaders seeking $2.5M for Heritage Park Housing crisis

MPR news

Cari Spencer · July 29, 2026 11:50 AM

Residents frustrated with slow pace of repairs, relocations from troubled Mpls housing complex

History of Heritage Park

- Site Was Home to Sumner Field Homes.
- Hollman v. Cisneros (1991)
  - Lawsuit alleged HUD, MPHA, the City of Minneapolis, and the MCDA were jointly responsible for perpetuating patterns of racial segregation.
  - Resulted in Hollman Consent Decree (1995).
- Hollman Reimagines Public Housing
  - Heritage Park aimed to deconcentrate racially concentrated public housing projects.
  - 440 housing units with various levels of household incomes: 140 market rate and 300 income-restricted tax credit units, 200 of which are public housing units.
- Heritage Park Built (2002-2006)
  - The City, County, State, MPHA, and the Family Housing Fund all helped fund construction.
  - Unique to this project, a for-profit developer, McCormack Baron Salazar, was awarded ownership, control, and sole possession of Heritage Park.
  - MPHA's primary responsibility was to send HUD-calculated operating funding for the 200 units designated public housing that McCormack Baron Salazar owned and operated.
    - Since the project's inception, MPHA has fulfilled all direct obligations as required under the Consent Decree.

Timeline of Heritage Park's Decline

2006

McCormack Baron Salazar completes construction of final building at Heritage Park, totaling 440 units.

McCormack Baron Salazar owns, operates, and controls the site and development. Residents have recounted positive memories of Heritage Park in its early years.

2015

Heritage Park receives 94/100 physical inspection score from HUD inspectors.

Because of 90+ physical inspection score, HUD policy provided a three-year window before Heritage Park was reinspected.

2018

Heritage Park receives 70/100 physical inspection score from HUD inspectors.

2019

Because of the prior year's score of 70, HUD begins inspecting Heritage Park annually. Heritage Park receives 68/100 physical inspection score from HUD inspectors.

McCormack Baron Salazar stopped maintaining City of Minneapolis rental licenses in 2019. This meant city inspectors were not doing independent inspections to enforce city housing codes or holding McCormack Baron Salazar accountable as HUD physical inspection scores were dropping at the site.* McCormack Baron Salazar communicated to MPHA that city staff stated they did not need rental licenses anymore, something MPHA has no authority or jurisdiction over.

2020

Heritage Park receives 61/100 physical inspection score from HUD Inspectors.

Pandemic

**As reported by the Star Tribune.*

Timeline of Heritage Park's Decline

Pandemic

During the pandemic, occupancy across Heritage Park began to fall. At that time, McCormack Baron Salazar reached out to MPHA to seek additional funding to help complete repairs of the public housing units beyond the HUD-calculated operating funding MPHA had been sending since the project's inception.

2022

MPHA entered an agreement with McCormack Baron Salazar in 2022 to provide additional funds to the site to ensure the habitability, occupancy, and disability accommodation of the public housing units. This agreement lasted until 2023 and totaled more than $2.8 million in additional capital funding.

2023

As MPHA and other stakeholders, including the City of Minneapolis and HUD, began learning more about operational shortfalls, accrued deferred maintenance, and mounting debts at the property, it became evident that the viability of the public housing units was inextricably linked to the full site.

2024

MPHA entered a more comprehensive Memorandum of Understanding in 2024 that dictated both the short- and long-term steps McCormack Baron Salazar would need to take to save the site and prevent foreclosure as MPHA made various funding and repositioning commitments.

As a part of the Memorandum of Understanding, MPHA helped lead a capital campaign to raise funds to make repairs to Heritage Park from state and local partners, including securing $500,000 in support from the City of Minneapolis.

2025

Within a year, it became clear McCormack Baron Salazar was not going to be successful meeting the capital and financing goals under the Memorandum of Understanding. Thereafter, McCormack Baron Salazar shifted its focus to exiting the property.

McCormack Baron Salazar Steps Back, Minneapolis Public Housing Steps Up

- In May 2025, MPHA cancelled both the Memorandum of Understanding and its additional funding, recognizing additional funding to McCormack Baron Salazar would not be beneficial without a plan to raise capital or address capital needs.
  - At this time, MPHA approached other stakeholders, including the City of Minneapolis and HUD, about placing Heritage Park in receivership and removing operational control of Heritage Park from McCormack Baron Salazar.
- Following months of work MPHA helped lead alongside other stakeholders, McCormack Baron Salazar agreed to assign the property to creditors and a Hennepin County court removed McCormack Baron Salazar from operational control at the site and appointed Certus Financial (Certus) as the third-party receiver in December 2025.
  - The intent of this work was to learn more about the site's conditions and operations to develop short- and long-term solutions via a court-ordered receiver.
  - Subsequently, Certus retained Property Solutions & Services, LLC (PSS), to manage the site. Certus and PSS have subsequently completed an assessment of the property's immediate needs, including inspecting units (occupied and unoccupied), and have worked to resolve life-safety concerns for occupied units.
- Meanwhile, MPHA continued to lead a capital campaign, successfully securing an additional $5.125 million from Minnesota Housing in February 2026 and extending a $1.1 million line of credit to Certus to support the property.
  - MPHA continues to work with Certus Financial and PSS to coordinate repairs and address short-term issues that have been raised at Heritage Park.
- As Certus and PSS coordinate repairs across the site, MPHA is coordinating public housing resident transfers at the site.

Heritage Park Resident Transfer Update

- MPHA has continued to work with PSS to offer transfers to all public housing households at Heritage Park.
  - Thirty-two public housing households (out of 128)* have indicated an interest in transferring.
    - Nine of the 32 households live in units that PSS has identified as “high-priority transfers,” based on unit conditions.
- PSS has engaged the high-priority transfer households, asking if they wanted to move permanently from Heritage Park to an MPHA unit, to another unit within Heritage Park, or whether they wanted to remain in their unit.
- For households in high-priority units, MPHA has worked with Certus and PSS to develop an expedited transfer plan.
  - In these cases, MPHA offers specific benefits, including covering moving-related expenses and coordinating and paying for short-term hotel stays if their new unit is not ready at the time of their move (or offering a daily stipend if the household wishes to make their own arrangements).
  - Additionally, if the household wishes to remain in their unit or transfer to another unit at Heritage Park, MPHA will work with Certus and PSS to fund the necessary repairs to the unit (known as a “unit turn”).
  - To date, only three households in high-needs units have agreed to move.*
- For standard transfers, MPHA staff continue to work closely with households to match them with a unit that accommodates their household size, unit type, and location preferences while working to minimize any disruption to the household.
- MPHA has prioritized developing and executing the expedited transfer plan for the nine high-priority transfers. As the agency works through these transfers, MPHA will work with Certus and PSS to develop a similar process and set of resources available to the remaining public housing households seeking to transfer.
- Any household that transfers out of Heritage Park will have the ability to transfer back to at a later date if they choose.
  - Since April 2024, MPHA has transferred 18 households out of Heritage Park.

As of August 17, 2026

What's Next?

- Heritage Park is in Much Better Condition Today Than it Was Two Years Ago
  - But there is still significant work to do. Current conditions at Heritage Park are unacceptable.
  - MPHA, the City of Minneapolis, and the State of Minnesota have all made major investments to help fund ongoing repair work conducted by Certus Financial and Property Solutions & Services.
- Currently, Certus Financial is Leading the Work on a Long-term Stabilization Plan
  - MPHA is committed to working with Certus Financial and all stakeholder partners to avoid foreclosure and the displacement of current families.
  - MPHA has recently agreed to fund operating deficits at Heritage Park for a limited amount of time while Certus Financial continues to work with stakeholders to develop and refine a long-term solution.
  - MPHA is a mission-driven organization and committed to exceeding its stated obligations under the Hollman Consent Decree to support Heritage Park residents and restore the community.
- MPHA is proposing a $6M investment in Heritage Park to fund near-term needs while also helping fund a major future rehabilitation of the site.

Investment Overview

- MPHA's Proposed $6M Heritage Park Investment Would Fall into Two Categories:
  - Near-Term Needs ($3M)
  - Long-Term Stabilization ($3M)
- MPHA is Repurposing $3M From Other FY26 & FY27 Projects to Fund Near-Term Needs at Heritage Park.
  - Because there is a delay between when the housing levy is approved and when levy funds are disbursed, MPHA sought to make additional funding more readily available to address near-term needs.
  - MPHA staff are working closely with Certus Financial to deploy these funds in the coming months.
- MPHA is Seeking to Invest $3M of a $5M Housing Tax Levy to Help Fund a Future Major Construction Project at Heritage Park.
  - In addition to funding for recapitalization, MPHA will help Certus Financial secure additional federal subsidy along with other potential financing like bonds/Low-Income Housing Tax Credits, debt, and soft sources for the project to address capital needs at the site, estimated to be at least $55 - 65 million.

$6 Million Heritage Park Investment

Near-Term Needs

MPHA is investing $3 million to fund the following near-term needs at Heritage Park:

- Operating shortfalls (e.g. property management services, grounds and building maintenance, insurance, utilities, etc.).
- Costs associated with advancing HUD conversions to bring more federal subsidy to the site.
- Transfer/relocation assistance for residents.
- Immediate and near-term capital needs including moisture remediation efforts.

Long-Term Stabilization of Heritage Park

MPHA is proposing to invest $3 million of its housing tax levy to support the long-term preservation and recapitalization of the 440-unit, multi-building (~80), mixed-income community at Heritage Park. While still to be determined, scope of work is likely to include:

- Complete unit renovations (kitchens, bathrooms, appliances, finishes).
- Replacing and/or enhancing aging building systems (plumbing, electrical, HVAC).
- Replacing/repairing building envelopes (roofs, exterior cladding, windows) & other exterior features (decks, stairs, etc.).
- Site improvements.

Depending on Funding Sources & Other Factors, This Project Could Close in Q2/Q3 2027.

Costs Beyond the Topline

- MPHA is Delaying Major Affordable Housing Construction Projects and Using Majority of its Levy to Fund Heritage Park Investment
- Glendale
  - 184 townhome development built in 1952 currently home to nearly 600 low-income residents. (W2)
  - Compared to other MPHA holdings, this LRT-adjacent 12-acre site in Prospect Park presents greater upward economic mobility opportunities for families.
  - Project will add 100 new deeply affordable family homes in addition to replacing existing 184 homes.
  - This project will be delayed to 2028, contingent on city bonding support.
- Scattered Site Missing Middle
  - Five-site, 25-unit upzoning project. Sites anticipated to each have 4 three-bedrooms and 1 five-bedroom.
  - Sites anticipated to be in Howe (W12), Northrop (W11), Minnehaha (W12), Kingfield (W8), and Armatage (W13) neighborhoods.
  - This project will be suspended until deemed feasible.
- Housing Tax Levy
  - By using $3 million of MPHA's 2027 tax levy for Heritage Park, the agency is delaying $3 million in capital work to agency-owned properties.

Five-Year Levy Budget

- MPHA has developed the following five-year capital plan ('27-'31). Plan highlights include:
  - A $3 million investment to support a long-term stabilization plan for Heritage Park. (DEV01)
  - Renovating two mid-rise buildings, rehabbing 56 units across both buildings (DEV02).
  - Paying debt service on city-issued bonds to fund redevelopment of Glendale, rebuilding 184 existing deeply affordable family homes while adding 100 new to a transit-oriented area of opportunity. (BND01)
    - Contingent on city approval of bond issuance.
    - MPHA intends to seek gradual increases to its levy between 2027-2029 to pay the debt service for this generational investment at Glendale.
  - Densifying MPHA lots and building fiveplexes, totaling 25-30 new family units. Each building anticipated to have 4 three-bedrooms and 1 five-bedroom. (DEV03).
  - Renovating a high-rise and potentially adding new units to the site (DEV04).
  - Major capital improvements at numerous high-rises. Work will include windows, elevators, boiler systems, and roofs (CAP01, CAP02, CAP03, CAP04).
  - This five-year budget will support the construction of 300+ new deeply affordable family units, rehabilitation of hundreds of existing deeply affordable units, and invest millions in critical high-rise building systems that support thousands of public housing residents.

MPHA ANNUAL LEVY BUDGET & FIVE-YEAR PLAN – 2027-2031
August 2026

PROJECT	2027	2028	2029	2030	2031
DEVELOPMENT/REDEVELOPMENT INITIATIVES					
MPHA DEV01	$3,000,000				
MPHA DEV02	$2,000,000				
MPHA DEV03		$1,000,000	$1,000,000	$1,000,000	
MPHA DEV04			$1,500,000	$2,000,000	
CAPITAL INVESTMENTS					
MPHA CAP01		$1,000,000	$1,000,000	$1,000,000	
MPHA CAP02		$1,000,000	$500,000		
MPHA CAP03				$1,000,000	$1,000,000
MPHA CAP04					$1,000,000
DEBT SERVICE ON CITY-BONDED PROJECTS					
MPHA BND01		$3,000,000	$3,000,000	$3,000,000	$6,000,000
TOTAL	**$5,000,000**	**$6,000,000**	**$7,000,000**	**$8,000,000**	**$8,000,000**

2027

- **Heritage Park Family Housing Preservation** *(MPHA DEV01)*
    - Funds to support the long-term preservation and recapitalization of the Heritage Park community, which can be utilized to leverage other resources to address significant capital needs in the 440-unit, multi-building (~80) mixed-income community. Builds upon ~$3M in MTW and Levy resources – as well as $2.5M in City Affordable Housing Trust Fund resources – dedicated in 2026 to support near-term operations, resident relocation, repairs and remediation at the property, as well as costs associated with advancing HUD conversion tools to increase federal subsidy at the site. Scope of work included in the larger recapitalization is likely to include building systems updates (electrical, HVAC, fire), building envelopes (roofs, exterior cladding, windows), kitchen/bath rehab and new unit finishes, and site improvements. Leveraged with HUD conversion tools (RAD Blend), PBVs and other potential sources such as 4% bonds/LIHTC, debt, soft sources, and MTW resources. **($3,000,000)**
- **High-rise Preservation** *(MPHA DEV02)*
    - Comprehensive rehab/preservation of two high-rises that houses over 60 residents. Scope of work anticipated to address over $12M of current/upcoming needs including building systems updates (plumbing, electrical, HVAC), kitchen/bath rehab and new unit finishes, increased accessibility, and common area updates, with an emphasis on livability improvements, enhanced resident amenities, and addressing specific population needs; leveraged with HUD conversion tools (RAD Blend), debt and MTW resources, as well as state POHP cash resources. Target closing: 2027. **($2,000,000)**

2028

- **Scattered Site Family Housing Infill Projects** *(MPHA DEV03)*
  - Comprehensive Scattered site infill/redevelopment projects in non-ACP50 areas. Redevelops 5 – 6 units that have a current need of over $500K with 25 – 30 new units. Leveraged with PBVs, MTW resources, and other soft sources. **($1,000,000)**
- **High-rise Window Replacement** *(MPHA CAP01)*
  - Replacement of 1980's vintage windows with energy efficient and code compliant assemblies that include fall protection safety features at multiple high-rises. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **High-rise Elevator Modernization** *(MPHA CAP02)*
  - Comprehensive elevator modernization at multiple high-rises. The scope of improvements includes new controls, machines, and traveling cables, as well as addressing ADA compliance and code-required door lock monitoring, which is a safety measure that prevents elevators from moving if there are circuitry problems or doors that do not properly close. These upgrades ensure reliable and safe vertical transportation for our high-rise residents and staff. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **Glendale** *(MPHA BND01)*
  - Predevelopment activities currently underway include but are not limited to resident and community engagement to solidify project goals and objectives, design development, due diligence, and financial structuring at the site. MPHA proposes replacing the existing 184 units while also adding 100 new deeply affordable family housing units at the 12-acre site in Prospect Park, totaling 284 new units in an area of opportunity. Exercising this opportunity will address $30M+ of current and future needs at the site. Funding in 2028 and beyond earmarked to pay debt service for City-issued 20-year bonds on a two-phased project ($3M/phase) that results in $40-42M in debt proceeds per phase, to support overall Total Development Costs up to $200M. Leveraged with HUD conversion tools (RAD Blend), PBVs, 4% bonds/LIHTC, debt, soft sources, and MTW resources. Anticipated closing on first of two-phase project: 2028-29. **($3,000,000)**

2029

- **Scattered Site Family Housing Infill Projects** *(MPHA DEV03)*
  - Comprehensive Scattered site infill/redevelopment projects in non-ACP50 areas. Redevelops 5 – 6 units that have a current need of over $500K with 25 – 30 new units. Leveraged with PBVs, MTW resources, and other soft sources. **($1,000,000)**
- **High-rise Preservation & Potential Expansion** *(MPHA DEV04)*
  - Comprehensive high-rise rehab/preservation that includes the potential of adding new units. Scope of work anticipated to address extensive backlog of capital needs and property enhancements including building systems updates (plumbing, electrical, HVAC), kitchen/bath rehab, appliances and new unit finishes, window/roof replacement, façade restoration, site improvements and updates to common/community areas with a focus on additional resident amenities; leveraged with HUD conversion tools (RAD Blend), PBVs, & 4% bonds/LIHTC, debt, soft sources, and MTW resources. Target closing: 2029 - 2030. **($1,500,000)**
- **High-rise Window Replacement** *(MPHA CAP01)*
  - Replacement of 1980's vintage windows with energy efficient and code compliant assemblies that include fall protection safety features at multiple high-rises. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **High-rise Elevator Modernization** *(MPHA CAP02)*
  - Comprehensive elevator modernization at multiple high-rises. The scope of the improvements includes new controls, machines, and traveling cables, as well as addressing ADA compliance and code-required door lock monitoring, which is a safety measure that prevents elevators from moving if there are circuitry problems or doors do not properly close. These upgrades ensure reliable and safe vertical transportation for MPHA high-rise residents and staff. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($500,000)**
- **Glendale** *(MPHA BND01)*
  - Anticipated debt service payment for one phase of City-issued 20-year bonds ($3M/phase) supporting Glendale construction project. **($3,000,000)**

2030

- **Scattered Site Family Housing Infill Projects** *(MPHA DEV03)*
  - Comprehensive Scattered site infill/redevelopment projects in non-ACP50 areas. Redevelops 5 – 6 units that have a current need of over $500K with 25 – 30 new units. Leveraged with PBVs, MTW resources, and other soft sources. **($1,000,000)**
- **High-rise Preservation & Potential Expansion** *(MPHA DEV04)*
  - Comprehensive high-rise rehab/preservation that includes the potential of adding new units. Scope of work anticipated to address extensive backlog of capital needs and property enhancements including building systems updates (plumbing, electrical, HVAC), kitchen/bath rehab, appliances and new unit finishes, window/roof replacement, façade restoration, site improvements and updates to common/community areas with a focus on additional resident amenities; leveraged with HUD conversion tools (RAD Blend), PBVs, & 4% bonds/LIHTC, debt, soft sources, and MTW resources. Target closing: 2029 - 2030. **($2,000,000)**
- **High-rise Window Replacement** *(MPHA CAP01)*
  - Replacement of 1980's vintage windows with energy efficient and code compliant assemblies that include fall protection safety features at multiple high-rises. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **High-rise Boiler Plant Replacement** *(MPHA CAP03)*
  - Replacement of boiler plants at multiple high-rises. The scope of work includes replacement of the existing heating plant with new, energy-efficient condensing boilers and ancillary equipment. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **Glendale** *(MPHA BND01)*
  - Anticipating City to issue second allotment of 20-year bonds (resulting in $38-42M in debt proceeds) to support second phase of Glendale construction project. Bond funding will be leveraged with HUD conversion tools (RAD Blend), PBVs, 4% bonds/LIHTC, debt, soft sources, and MTW resources. Anticipate beginning to pay debt service on both phases ($3M/phase) of City-issued bonds in following year. **($3,000,000)**

2031

- **High-rise Boiler Plant Replacement** *(MPHA CAP03)*
  - Replacement of boiler plants at multiple high-rises. The scope of work includes replacement of the existing heating plant with new, energy-efficient condensing boilers and ancillary equipment. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **High-rise Roof Replacement** *(MPHA CAP04)*
  - Replacement of ~30-year-old roofing systems with fully adhered roofing that includes added insulation and replacement of other rooftop components such as access doors and lightening protection systems. Costs may include project management and administration not to exceed 10 percent of direct project costs as permitted by federal regulations. **($1,000,000)**
- **Glendale** *(MPHA BND01)*
  - Anticipated debt service payment for two phases of City-issued 20-year bonds ($3M/phase) supporting Glendale construction project. **($6,000,000)**

MINNEAPOLIS PUBLIC HOUSING AUTHORITY

Questions