Strategic Vision and Capital Plan, 2018 – 2020
(2020 – 2030 Horizon)

Building a Foundation for LOW INCOME HOUSING – the Next 50 Years

Abbreviated version presented to the Minneapolis City Council Housing Policy Committee
June 6, 2018

Full version available at: MPHAOnline.org

MplsPublicHousing

MplsPubHousing
MPHA At-a-Glance

Mission
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.

42 high-rise buildings with 5,006 apartments
26,000+ people
746 single family homes/duplexes

~6,000 vouchers
710 project-based vouchers
184 townhomes
The Capital Backlog Challenge

Consistent with MPHA’s mission to provide housing for low-income families, MPHA must seek new public and private sources of funding to implement a capital plan to preserve MPHA’s low-income housing for the future.

Inadequate *Operating Subsidy* and
Inadequate *Capital Funding* has led to a large
Capital Backlog of major repair and renovation needs.
MPHA Residents: Ongoing Input, Built-in Protections

From design to implementation, MPHA works with residents and other stakeholders to address current and future residents’ needs.

**Property Plans**
- Ongoing resident involvement in individual property plans

**Design & Livability Standards**
- Livability committee
- Listening sessions

**Guiding Principles for Redevelopment**
- Relocation Rights Contract
- Land Use Restriction Agreement
- Redevelopment choices always support the mission
- Residents and legal services engaged in development of documents

**Health and Human Services**
- New investments in health options and opportunities

**Master Planning Process**
- Land and non-dwelling properties

**Quality Maintenance Program**

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**Resident Input**

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MINNEAPOLIS PUBLIC HOUSING AUTHORITY
MPHA Residents: Ongoing Input, Built-in Protections

From MPHA’s “Guiding Principles for Redevelopment and Capital Investment”:

- No resident will lose housing.
- Rent will not go up because of redevelopment.
- MPHA will continue to manage the properties.
- All residents will have the first right-of-return to their site.
- We will fully inform residents of any possible changes and involve them deeply in the planning process.
- Residents will have choices, options, and assistance in the event of any change.

These and other protections not only match our mission and values; they are required by HUD.
MPHA Strategic Vision
As approved by the MPHA Board in May, 2018

STRATEGIC INITIATIVES

Housing Preservation & Creation
- Rehabilitate and add units when feasible – highrises, townhomes, scattered sites.
- Implement Quality Maintenance Program for properties not yet undergoing capital improvements.
- Diversify the housing portfolio and funding sources – land, targeted use of project-based vouchers.

Education, Employment & Health
- Create new family housing linked to education and employment outcomes.
- Re-establish a resident services program.
- Increase access to health services in MPHA properties.
- Increase organizational capacity and strengthen workforce recruitment with focus on jobs for MPHA families.
- Migrate to single IT platform; improve business processes.
- Implement continuous improvement program.
MPHA’s Menu of Funding Options

To generate the capital to preserve our public housing, MPHA must explore any and all sources of available funding.

**Subsidy/Funding Conversion**
under Rental Assistance Demonstration (RAD) or similar HUD program.

- Transfers subsidy of units to a more stable source of funding: project-based vouchers.
- Enables external investment to upgrade the property.
- Locks-in long-term low-income affordability (via Land Use Restriction Agreement, or LURA).

**Transfer of Properties**
to MPHA-controlled non-profit

- Triggers Tenant Protection Vouchers, increases available subsidy per unit by a factor of three.
- Locks-in long-term low-income affordability via LURA.

**Minneapolis City Tax Levy for Public Housing**

- Enables bond issuance, by using levy to service the bond obligations.
- Leverage could be worth $95 million in capital funding.
- Requires long-term commitment from the city.

**Grants and loans (banks, foundations, bonding)**

- Any debt service must be paid from subsidy & rent.
- Low-income housing is eligible for Program-Related Investments (PRI) by foundations.

**Energy Savings (including “inclusive financing”)**

- Savings from energy efficiency yield additional cash-flow to invest and/or leverage.
Recent Highlights

MPHA is moving forward wherever we can, to improve lives and plan for the future.

- Minnehaha Townhomes
- Security investments at the Cedars
- Sharing tools and vision with residents
- Glendale weatherization
- Ongoing collaboration with neighboring agencies