2019 MTW Annual Plan
Informational Meetings
August 15, 2018

Presentation: Jeff Horwich
Director of Policy & External Affairs
MPHA is...

- 933 family homes and townhomes
- 5,143 families with housing vouchers
- 280 employees
- 42 highrise buildings
- 60%+ senior & disabled
- An affordable home for more than 26,000 people
MPHA files our annual plan each year with HUD

MTW = “Moving to Work”...
What does that mean?

No proposed MTW Activities in 2019 plan
2018 Highlights:

Security
2018 Highlights:

New public housing

Groundbreaking for the Minnehaha Townhomes
2018 Highlights: Modernization & Weatherization
2018 Highlights:
New voucher partnerships

Great River Landing

Downtown View

Gathering with neighboring PHAs
2018 Highlights: **Community**

- **STEP-UP Interns**
- **Presenting to City Council on Strategic Vision**
- **Resident Advisory Board**
- **National Night Out**
- **MHRC Meetings**
- **Project Lookout Cookout**
2019 and beyond: Falling funding inspires new approaches

**Federal Funding for Public Housing Capital Since 2001**

Source: Public Housing Authority Directors Association

= $14 Million to MPHA in 2018
2019 and beyond: Falling funding inspires new approaches

MPHA Capital Needs (2018, est.)

$140 Million

Capital Funding (2018)
$14 million
Strategic Initiatives for 2019

- Housing Preservation & Creation
- Education, Employment & Health
- Operational Excellence
- Resident & Community Engagement
Housing Preservation & Creation

Repair and modernize with public control and public management.

Redevelop and reinvest without displacement.

Create new when we can.
Minnehaha Townhomes
• 16 townhomes for homeless families
• MPHA will develop, own, and manage

New Project-Based Voucher RFP
• Up to 400 vouchers where they make the most difference
“Section 18” for MPHA Scattered Sites

Transfer to an MPHA-controlled nonprofit would mean:
• Much more money for repairs.
• Stable financial footing.
• No day-to-day change for most residents.
• Potential to create homes for additional low-income families.

Stepping-stone to homeownership
**Rental Assistance Demonstration (RAD)** for certain MPHA Highrises

Converting to different federal funding under RAD means:

- **Stable federal funding**
- **Major building improvements**

WITH...

- No resident displacement.
- No loss of housing benefits.
- No change in rent calculation.
- No change in management.

RAD Resident Meetings
Housing Preservation & Creation

Energy Efficiency Pilots

Savings today = $$ to invest in housing tomorrow

- Energy-efficient single-family demonstrations
- Energy-efficient fourplex
- Partnerships to replace appliances and make energy upgrades

Imagining a scattered-side energy retrofit

New A/C for highrises
Housing Preservation & Creation

Same Land, More Homes

Housing more families with existing property

- Greater Density (single family → fourplex)
- Modular/“tiny homes”
- Housing on MPHA HQ site?
Security is a primary consideration in any work we do, and often shapes our priorities for capital projects.

New Quality Maintenance Program (QMP) designed to anticipate maintenance issues and system failures before they occur.
Housing is the foundation for:

- Stable Families
- Educational Success
- Wellness
Stable Homes, Stable Schools

• Local vouchers for families of homeless elementary students
• Target: 15 Minneapolis Public Schools with greatest challenge
• City (60%) MPHA (40%) share cost
• Web of social service supports
Mobility + Regional Collaboration

- Collaborate with neighboring housing authorities to reduce barriers and increase neighborhood choice
- Regional MTW Agency
- Expand MPHA’s Mobility Voucher Program and new “area rents”
A Booster Shot for Health & Wellness

- Strengthen health-related partnerships in our highrises
- New partnerships to lower cost and improve outcomes
- New supportive services at MPHA properties
- Re-establish MPHA resident services program
Striving for Operational Excellence

• New technology
• Streamlined processes
• Better customer service
• Continuous Improvement Teams
• Recruiting the expertise to succeed
• Internship and Section 3 jobs programs
MPHA 2019 Agency Budget

Total Estimated 2019 Budget: $118 Million

$11 million more than 2018

Sources of Funds

- Tenant Revenue - Rents & Other 19%
- Federal - Operating Subsidies & Grants 22%
- Federal - Section 8 HAP Subsidy 44%
- Federal - Capital Grants 11%
- City Contribution 1%
- Other Revenues, Fees, & Grants 3%
- Interest Income 0%

MPHA 2019

Agency Budget

Total Estimated 2019 Budget:

$118 Million

$11 million more than 2018
MPHA 2019 Agency Budget

Uses of funds: $120 million
Budgeted reserves: $23.5 M

Uses of Funds

- Housing Assistance Payments (HAP)
- Capital Improvements & Equipment
- Property Management and Program Administration
- Maintenance
- Other
- Utilities
- General Administration

$120 million
Budgeted reserves: $23.5 M
Subsidy Losses Because of Underfunding

Projected for 2019:
Public Housing Operating Subsidy: 94% funded
Voucher Administration: 75% funded
Capital Fund: $14m against $140m need

2019 Use of MTW Single-Fund Flexibility

- MTW Housing Assistance Payment (HAP) Subsidy $46.5M
- MTW HAP Expenses $40.4M
- Transfer to HCV Administration $1.9M
- Transfer to Public Housing Operations $1.2M
- Transfer to Capital Fund $2.8M
- Transfer to MTW Initiatives $0.3M

MPHA 2019 Agency Budget

Additional budget detail in the full draft plan.
2019 Capital Investments

MPHA highrises:
- Elevator modernization
- Exterior façade repairs; window & roof replacement
- Major electrical system replacements
- Heating system upgrades

MPHA scattered sites:
- Roofing, siding, and other exterior upgrades
- Foundation & grading corrections
- Kitchen & bathroom improvements
2019 Capital Investments

Major building renovation @ 1611 South 6th Street

- Extensive plumbing replacement
- Handicapped accessibility improvements in six apartments
- Kitchen & bathroom upgrades
- New apartment finishes including flooring & window treatments
- Installation of a fire sprinkler system & fire alarm system replacement
- HVAC improvements
Time for your questions and comments!

- We will take comments in order of sign-up.
- You may still sign up.
- Keep comments to three minutes.
- Please respect other residents and don’t interrupt them.
- Leave additional comments on comment cards, or send to MTW@mplspha.org (by Aug. 27).
Thank you!