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
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
- ~6,000 vouchers
- 746 single family homes/duplexes
- 710 project-based vouchers
- 184 townhomes
- 26,000+ people
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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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