Social workers and community members supporting residents at MPHA's Fifth Avenue buildings—during a year of great challenges and great accomplishments.

MINNEAPOLIS PUBLIC HOUSING AUTHORITY

MPHA 2020
MOVING TO WORK
Annual Report

Fiscal Year January 1 – December 31, 2020

Submitted to HUD: March 31, 2021

EQUAL HOUSING OPPORTUNITY – EQUAL EMPLOYMENT OPPORTUNTY

MINNEAPOLIS PUBLIC HOUSING AUTHORITY BOARD OF COMMISSIONERS

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

In 1996, Congress created the Moving to Work (MTW) Demonstration Program. The program allows designated housing authorities to design and test innovative, locally-designed strategies for providing low-income families with affordable housing. MTW allows the agency to waive HUD regulations in achieving one of three statutory objectives: (1) increasing housing choices, (2) creating opportunities for families with children to become self-sufficient, and (3) increasing cost effectiveness of the agency. An MTW agency may also move funds as needed among its programs to best meet local needs.

In 2008, the U.S. Department of Housing and Urban Development (HUD) granted MPHA its MTW status. We are one of 39 MTW agencies nationwide. MTW status does not increase MPHA's funding from HUD (and, despite its name, it does not impose work requirements on residents). However, it gives MPHA additional flexibility to weather federal funding volatility and to design programs that allow us to better serve our Minneapolis community.

Each year, MTW agencies such as MPHA must prepare two documents for HUD. In the fall, MPHA submits an MTW Annual Plan in which MPHA describes the ways we intend to exercise our MTW flexibilities in the coming year. This annual plan includes a detailed look at the programs, operations, and major capital investments of the housing authority, as well as any new MTW initiatives MPHA proposes to pursue. Each spring, MPHA submits an MTW Annual Report, which assesses our progress with respect to our goals over the prior year, summarizes our operating information, and provides updates on previously authorized MTW activities. The components of both documents are prescribed by HUD.

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MPHA 2020 MTW Annual Report

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I. INTRODUCTION

Overview of Short-Term and Long-Term Goals and Objectives

MPHA's short-term actions in 2020 were shaped by the unanticipated COVID-19 pandemic—even as the agency reached major milestones in pursuing the long-term priorities adopted by the MPHA Board of Commissioners (MPHA's *Strategic Vision and Capital Plan*, adopted in 2018).

*2020: INVESTING IN…*OPPORTUNITY AND WELL-BEING

Housing is a foundation for wellness, stable employment, and success in education. MPHA approached 2020 with a renewed commitment to advance initiatives and partnerships focused on well-being and economic opportunity of seniors, families, and all households we serve.

Our commitment to health and well-being took on an unexpected urgency in 2020, as MPHA adapted to a public health crisis unlike anything in our history. Social unrest in Minneapolis further contributed to concerns about security and social isolation, and exacerbated challenges for some residents in obtaining food and necessary supplies.

The economic effects of COVID-19 inspired MPHA to assure that residents of MPHA's housing and participants in voucher programs could promptly obtain appropriate rent adjustments, understand their rights and obligations under various eviction moratoriums, and access other forms of support. Throughout a year that tested everyone's capacity and creativity, MPHA's employees, residents, and community members rose to the challenge of protecting those who are most economically and physically vulnerable.

An Urgent Focus on Health and Safety

In 2020, MPHA lobbied forcefully--and successfully--to bring COVID-19 testing directly to public housing buildings.

MPHA undertook a **massive change to our daily operations protect the health of our staff and the people we serve**. We closed our main office and property offices to the public, while adapting our work processes and investing in technology to continue our essential functions. MPHA engaged an experienced consultant to develop a **comprehensive COVID-19 Operations Plan** and design online training events for staff. MPHA purchased laptop computers and smartphones to ensure all employees had access to technology needed for the changing work environment. **Staff in our residential buildings continued their essential on-site role**, while maintaining social distance and taking necessary measures to protect their health. MPHA adopted precautions to continue emergency work orders. We used available HUD waivers to adapt otherwise-routing processes that might pose an unnecessary risk of exposure.

MPHA closed common rooms in residential buildings, implemented escalated cleaning and disinfecting protocols, and instituted **health, safety, and visitor policies that aligned with federal guidance and state executive orders**. Facing an initial shortage of masks for staff and residents, MPHA launched our "Mask-Up MPHA" campaign on social media. These efforts ultimately brought in **40,000 donated face-**

masks, from sources including church groups, local businesses, a community college, and the City of Minneapolis. Our facilities teams installed plexiglass barriers across our properties.

Through partnerships, collaboration, and advocacy efforts to state and local officials, MPHA was able to secure masks, protective equipment, and **COVID-19 testing on-site at our highrise buildings**. Testing became a regular feature at our properties, with the county health data guiding the locations of these events. To the great credit of MPHA staff and residents, we avoided major outbreaks in our buildings despite the close living conditions. Nonetheless, the data clearly showed that when public housing residents did get COVID-19, they were much more likely to be hospitalized or to die than members of the general population. This inspired our ongoing advocacy into December, when we teamed with the St. Paul PHA to make a **data-driven appeal to state and local health officials to prioritize public housing buildings as effective vaccination sites** to reach seniors and those with underlying health conditions, as well as to address the disproportionate effect of COVID-19 on low-income communities and people-of-color. These efforts ultimately led to a massive vaccination effort in early 2021.

As residents continued to follow health guidance and remain home, their mental and physical health were sustained in 2020 by ongoing **donations from our community**, and the efforts of MPHA staff and professional Volunteers of America social workers to coordinate this generosity. Donations of groceries and household essentials arrived regularly for door-to-door delivery; charitable grants from entities including Amazon.com and the Pohlad Family Foundation helped us purchase culturally-specific items needed by our residents. Local groups such as Building Blocks of Islam and employees of Afro Deli restaurants delivered thousands of meals to home-bound residents. MPHA staff also instituted a practice of **telephone wellness check-ins** with residents.

Local restaurant chain Afro Deli delivered hundreds of hot meals to the doors of seniors in MPHA highrises.

Alongside the all-encompassing effort to adapt to COVID-19, MPHA made important steps in its **longer-term health strategy to address the complex pattern of health disparities of highrise residents.** MPHA highrise residents experience unmanaged health and mental health conditions, with 183% more emergency room visits and 23% more inpatient hospitalizations compared to other senior Medicaid recipients. Along with the Minneapolis Health Department, Minneapolis Highrise Representative Council, health provider and social service partners, we launched the **Highrise Health Alliance.** The HHA will use aggregated health data and residents' lived experience to develop and deploy coordinate strategies to change these outcomes.

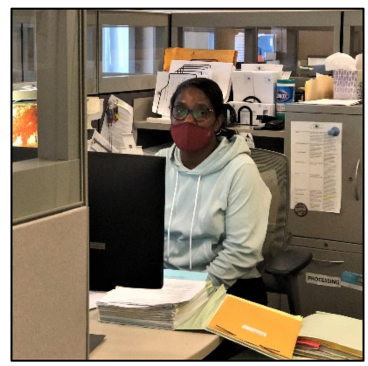
Certain concepts that we explored in the 2020 MTW Annual Plan could not receive immediate action, given the extraordinary other challenges we faced during the year. These include a concept of non-traditional rental subsidies to stabilize families at high risk of involvement by child protective services. We also acknowledge the MPHA's Resident Advisory Board's indication of sexual violence prevention as an area for more attention; MPHA retains our commitment to learn more about the challenges residents are experiencing and determine how we can partner and take action as an agency to improve safety and security in this area. **MPHA increased security spending considerably in 2020 to adapt to events** and will continue this commitment in 2021, which we hope will help to mitigate this risk. Supplemental funding from the City of Minneapolis will assist our increased security efforts.

Economic and Housing Stability

During 2020, public housing and voucher programs kept housing affordable by quickly lowering rent payments as families lost income.

MPHA mobilized multiple tools to address the near-term financial instability—and the longer-term threat to housing stability—posed by the coronavirus. Many of the working families in MPHA's programs derive income from industries hard-hit by the pandemic. MPHA's primary tool to help these families is through **promptly processing decreases in income and reducing tenant rent payments.** MPHA's public housing and voucher staff have processed more than 4,500 interim recertifications since the start of the pandemic. MPHA's public housing program implemented a tool for families to submit income changes through MPHA's website. (Our voucher program already offered this capability.) Through letters, automated phone calls, MPHA's website, social media, and telephone welfare-checks by property staff, MPHA worked to maximize awareness among families so that we could adjust their rent as appropriate.

State and national moratoriums on evictions provided a layer of housing stability for low-income families across our community, including those served by MPHA. MPHA has **engaged with families to maximize housing stability when these eviction protections expire**. This included interim income adjustments as described above, and entering into affordable, long-term repayment agreements if needed. While additional rental assistance was not available during 2020 to families in MPHA's federal programs, this will change with successive opportunities in 2021, providing another tool to families who fall behind on payments. MPHA conducted outreach to property owners in our Housing Choice Voucher program, through owner-focused communications and our dedicated owner-outreach staff.



MPHA employees did what was needed to keep housing new families during the pandemic.

Another key MPHA contribution to housing stability in Minneapolis has been **MPHA's commitment to lease up our vacant units even in 2020's challenging circumstances.** Accepting applications, conducting intake, cleaning/turning units, and showings have all become complicated by COVID-19. MPHA leasing staff adapted to safe work practices that allowed us to process applications remotely. New virtual tours allowed prospective residents to view units when in-person showings were no longer possible.

Community supporters donated thousands of pounds of food and household supplies to MPHA residents during 2020.

Ongoing MTW activities continued to pair housing support with job training and job opportunities. These include the Better Futures and Great River Landing partnership, where ex-offenders committed to a fresh start receive housing support linked with a job-training and employment requirement. Downtown View, a PBV partnership that began as an MTW activity, provides homes to youth experiencing homelessness while offering on-site support for education and employment goals. An extension of that activity in 2020 began providing another 52 homeless youth with housing and case management support through our partners.

Under HUD's Section 3 program, MPHA continued to emphasize training, employment, contracting and other economic opportunities to our residents and other lower-income individuals. MPHA remains a leading participant in the **Twin Cities Section 3 Collaborative**. Under this initiative, we have worked with our regional partners (housing authorities, units of local government) to streamline enrollment and search processes, including adopting a common model of self-certification. In 2020 the Section 3 Collaborative shifted to remote seminars and MPHA introduced changes to adapt to updated Section 3 regulations published at the end of the year. Our goal remains to make it streamlined for Section 3-qualified individuals and businesses to connect with MPHA and the other collaborative partners.

A Virtuous Circle: Stable Housing and Early Childhood Education

Before "Stable Homes Stable Schools," Desiree was living in hotels far from her children's school in Minneapolis. Now her family is stably housed near the school, and she is back in school herself.

MPHA's ***Stable Homes Stable Schools*** partnership expanded in its second full year to more families and three more elementary schools in Minneapolis (for a total of 18). In 2020 the City of Minneapolis voted to make the pilot program a permanent feature of the city budget. Under the rental assistance component (supported by MPHA's *Goal-Oriented Housing* MTW activity) MPHA and the city jointly fund three-year rental subsidies for families identified by the schools as experiencing homelessness. The YMCA provides case management services, and a separate philanthropic grant funds support-services for additional families who are considered at risk of homelessness. Parents commit to engagement in their child's education through their school, and to create a success plan with a case manager.

MPHA and program partners will work with researchers from the University of Minnesota to monitor outcomes and program success. Initial results reported out in 2020 show enrollment, daily attendance, and stability (students remaining enrolled at the same school) are considerably higher than the population of students identified by the district as "Homeless/Highly Mobile"—and even exceed the district's general student population. The initial years of the program generated insights into the most effective ongoing support and interventions, including the need for deeper collaboration to support student improvement in school.

In 2020, the *Stable Homes Stable Schools* framework also provided a ready vehicle to efficiently deliver COVID-19 rental assistance from the City of Minneapolis, allowing MPHA to administer these one-time housing stability grants to qualifying families of elementary students. This component dramatically expanded the program's footprint, with *Stable Homes Stable Schools* reaching a total of more than 2,600 children by the end of 2020. The long-term rental assistance component (the MTW component which is partly funded by MPHA) included 93 families by the end of the year.

Mobility and Regional Partnership

The elements above are primarily "in-place" interventions: meeting people where they are, to strengthen communities and provide resources. However, we also know that health, employment, and education show a positive correlation with neighborhood geography. **MPHA is focused on maximizing the options of families with Housing Choice Vouchers to choose where they want to live.**

MPHA's Mobility Voucher Program continued to help families who opt-in to find and afford rentals in areas of greater opportunity—inside and outside of Minneapolis. MPHA worked with the Metropolitan Council Housing and Redevelopment Authority (Metro HRA) to prepare an application for HUD Mobility Demonstration Program; if awarded, the demonstration would shape and expand MPHA's mobility efforts in future years. In 2020 MPHA also continued discussions with HUD and Metro HRA to form the nation's first Regional MTW Agency, as authorized under the 2016 Consolidated Appropriations Act. This designation would extend aspects of MPHA's flexibility to Metro HRA and possibly other local housing authorities who join in the future. As envisioned, this effort would include eliminating portability between our regions, and pooling vouchers for project-basing and tenant-based mobility efforts. The Regional MTW path became more complicated in late 2020 by factors including our pending application for mobility demonstration vouchers, the pending application of Metro HRA as an MTW expansion agency, and still unresolved interpretations of the regional MTW statute by HUD. While we were unable to move forward to the degree we had anticipated, the partners remain committed to exploring this partnership through MTW and non-MTW policy options.

*2020: INVESTING IN…*MPHA-OWNED HOMES

Federal capital funds meet approximately 10 percent of the capital needs of MPHA's public housing portfolio. While we continue to advocate for increased capital funding, MPHA moved forward in 2020 with major efforts to stabilize and preserve our housing portfolio. The outcomes for our agency and MPHA residents will include more stable funding, major capital reinvestment, and long-term preservation of MPHA homes for low-income families. We reached these major milestones with no displacement and a consistent record of resident engagement.

Preserving Highrise Homes

In June, MPHA began construction on a **major renovation of the Elliot Twins**, one of our oldest highrise properties. The Elliot Twins are a two-tower, 174-unit property near downtown Minneapolis. Funding for

In June 2020, MPHA began our renovation of the 60-year-old Elliot Twins, including a whole new look thanks to energy-efficient exterior panels.

this unprecedented, $26 million project was possible by converting the Elliot Twins to project-based vouchers under HUD's Rental Assistance Demonstration (RAD) program. MPHA became the **first public housing authority in Minnesota to use RAD to preserve public housing using state housing revenue bonds paired with 4% low-income housing tax credits**, which were combined with energy-efficiency funding from the City of Minneapolis and a contribution from MPHA's public housing capital fund. In addition, MPHA also used HUD's new RAD/Section 18 hybrid option to receive enhanced tenant-protection-voucher funding for 25 percent of units. MPHA is self-developing the project. (MPHA did not submit new RAD applications in 2020.)

At 60 years old, the Elliot Twins faced a substantial capital need and presented outstanding potential for enhanced livability and new resident amenities. The renovation includes:

- comprehensive apartment renovations
- energy-efficiency improvements
- systems upgrades (including fire sprinklers and central air conditioning)
- the addition of 10 ADA (Americans with Disabilities Act)-compliant units (increasing total housing from 174 to 184 units)
- a new, one-story "community link" that will connect the two buildings at the main level, including new commons areas, laundry facilities, exercise and computer rooms, and a single secured entrance with guard desk.

Long-term affordability is protected by multiple mechanisms, including a 99-year ground lease and land-use restriction.

Residents tour a freshly rehabbed unit at The Elliot Twins, MPHA's first renovation made possible under the RAD program.

S. The Elliot Twins renovation includes all of the stringent RAD resident protections, including the right to return to the property after construction. MPHA provided multiple options to all residents for temporary relocation. In the end, more than 90 percent of residents chose the option to remain on-site throughout construction. By the end of 2020, many residents had already made their final move into newly completed units. Throughout the project, MPHA has met regularly with building residents, including resident design and relocation committees and monthly updates with the Elliots resident council. MPHA hired a relocation coordinator to work directly with the residents through this transition.

The project remains on-track for completion in fall 2021. MPHA will continue to manage the property going forward.

Across our portfolio, MPHA continued to invest in **high-priority repair and modernization projects** to the extent possible under our capital funding: projects included roofs, piping, electricity, HVAC, elevators, and security enhancements. A summary of 2020 capital activities is found in Section II of this MTW

Annual Report. MPHA's data-driven **Quality Maintenance Program** (QMP) continued to evolve, shifting in 2020 from an in-house to a vendor-based approach. The aim of the QMP is to preemptively address known and common maintenance issues early, before they become more costly. In 2020 this included trash chute and ductwork cleaning, replacement of constant airflow regulators, and retrofitting LED lighting in hallways and stairwells. MPHA's ongoing partnership with Franklin Energy and Xcel Energy to replace aging appliances in public housing had to pause in 2020 because of the pandemic. In the two years prior, the partnership had replaced more than 1,500 air conditioning units at no cost to MPHA—a value of more than $1.5 million. We expect to resume in 2021.

Preserving and Expanding Homes for Families

MPHA's scattered sites—single-family homes, duplexes, and fourplexes—provide essential housing to low-income families with children served by MPHA. They offer an opportunity for families in public housing to engage in their community and can provide a platform to build wealth and prepare for future homeownership.

Scattered site kitchen renovation before...

In 2020, **MPHA preserved more than 700 single family, duplex, and fourplex homes with a portfolio conversion that is nation-leading in its scale and structure.** Following HUD's updated guidance indicating that scattered sites are prime opportunities for disposition under Section 18 of the 1937 Housing Act, MPHA in October successfully converted our scattered site portfolio to project-based vouchers. This act **keeps families in their homes while unlocking more than $3 million a year in additional annual subsidy** for their maintenance and repair, via the tenant-protection vouchers awarded in conjunction with the conversion. MPHA continue to own the homes (via our wholly controlled nonprofit affiliate, Community Housing Resources) and manage them.

...and AFTER!

In 2019 and 2020 MPHA completed a physical needs assessment of every scattered site unit. We estimate the scattered site portfolio faces more than $30 million in capital needs over the next five years. The conversion under Section 18 lays the foundation for a **multi-year schedule of major improvements at the scattered site properties**, including roof and furnace replacement and comprehensive remodeling to provide the quality housing that families deserve. We continue with plans to augment the TPV-enhanced subsidy with our new ability to take out debt on these properties to fund this extensive project of long-term preservation. The stabilization of the scattered sites in 2020 was also a necessary preliminary to our long-term plan to add homes to this portfolio by constructing new units in the coming years.

In the 2020 MTW Annual Plan, MPHA discussed plans for three demonstration homes for energy-efficient scattered site concepts. However, this concept was set aside in 2020 as we conducted further research, weighing the cost of these demonstration projects against the expected benefit. We still expect substantial gains in energy efficiency as we remodel our hundreds of scattered sites with up-to-date technologies and materials.

The COVID-19 pandemic postponed our plans to begin a master planning process in 2020 to craft our long-term vision of the Heritage Park neighborhood. This remains an area of interest as the neighborhood faces growth and construction of the Blue Line light rail transit extension will bring further change. MPHA owns approximately 14 acres of vacant land in the Heritage Park development and will continue to monitor market conditions and development opportunities to develop these parcels to the fullest at the appropriate time.

On the voucher side, during the pandemic MPHA saw important **new project-based voucher partnerships**, including 22 PBV units at The Redwell, located next door to MPHA's Minneapolis headquarters building. These 22 vouchers support an all-affordable building of 109 units. In 2020, MPHA neared the full allocation of our original 400-unit PBV Request for Proposals (RFP), launched in 2018. Every one of these new units provides deep and long-lasting affordability, serving extremely low-income families in locations across the city. Under the RFP, MPHA has increased the proportion of our PBV portfolio in neighborhoods of opportunity from 28 percent to 37 percent, and significantly contributed to the overall new construction of units in Minneapolis affordable to families below 30 percent of Area Median Income. We will use the strong response and the lessons learned from this initial RFP to inform our future approach to project-basing with affordable housing partners.

Move-in day at PBV-partner The Redwell, next door to MPHA's headquarters in the Minneapolis North Loop.

*2020: INVESTING IN…*MPHA'S PEOPLE AND PROCESSES

MPHA strives for operational excellence, measured in terms of customer and employee satisfaction. Our nearly 300 employees are the heart of the agency. Investing in the way we do business leads to savings we can apply to our other priorities—and better service to our families and community.

MPHA is facing the future with a new unified software system.

Throughout 2020, MPHA moved forward on implementing a new, unified software platform for MPHA's major business functions. **By undergoing this much-needed software upgrade to Yardi Voyager, we anticipate gains in productivity, cost savings, compliance, customer and employee satisfaction.** The design, data conversion, and staff training during 2020 brought us steadily closer to our goal. The original go-live date projected for late 2020 was pushed out to early 2021, and MPHA went live with the new Yardi software platform on February 1, 2021.

MPHA's plans for workforce development and agency culture in 2020 adapted to the COVID-19 pandemic. The agency designated a COVID-19 Officer to centralize our planning for all aspects of the pandemic. Along with adopting a COVID-19 Operations Plan and new protocols to continue our jobs safely, MPHA adapted work processes and invested in technology to allow remote work wherever possible. MPHA created a telecommuting policy and adopted COVID-specific leave policies and reimbursement processes designed to support employees in their work and their lives during this challenging time.

Throughout 2020, MPHA's executive leadership team met daily to assess the health and safety of our residents and employees. Employees stayed informed through regular COVID Task Force Update emails and employed online training on COVID-19 operations and precautions. Virtual "town halls" with MPHA's Executive Director, held at regular intervals and attended by more than 100 employees each time, gave staff the chance to pose questions and remain connected to the agency mission.

After creating the employee **Diversity, Equity, and Inclusion** (DEI) Committee in 2019, MPHA further cemented our commitment to equity by recasting our lead human resources role as a *Director of Human Resources and Diversity, Equity, and Inclusion,* hiring a new director to lead us in this work. MPHA is working with a consultant to create a strategic DEI framework to cultivate and imbed the work into our agency.

Like many businesses, MPHA gained insights from the conditions and events of 2020 that will inform the agency's approach to our workplace long after the pandemic passes. We continue our focus on making MPHA an employer-of-choice that honors our diverse staff and sets our employees up for success. We know that a strong workforce means a strong commitment to our mission, and better results for the Minneapolis families we serve.

(II) GENERAL OPERATING INFORMATION

ANNUAL MTW REPORT

A. HOUSING STOCK INFORMATION

i. Actual New Project Based Vouchers

Tenant-based vouchers that the MTW PHA project-based for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (AHAP) was in place by the end of the Plan Year. Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).

PROPERTY NAME	NUMBER OF VOUCHERS NEWLY PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
PBV Conversion of Metropolitan Housing Opportunity Program (MHOP)	306	0	N/A	No	MPHA LIPH currently holds the ACC for 306 Hollman Consent Decree units inside and outside the City of Minneapolis that will be converted to PBV.
Scattered Sites	717	707	Leased/Issued	No	MPHA converted most of its scattered sites under Section 18.
Elliot Twins	184	174	Leased/Issued	Yes	RAD Conversion. Original 174 units were converted; 10 new PBV units will be added when construction is complete in 2021.
14th and Central	25	25	Committed	No	Low-income housing
Wadaag Commons	16	0	Committed	No	Low-income disabled homeless
Snelling Yards	11	0	Committed	No	Low-income homeless veterans
Portland Village	1	1	Leased/Issued	No	Homeless families with disabled adult. *Addition to existing HAP contract.*
Energy Pilots	5	0	N/A	No	Project did not take place
Catholic Charities “Exodus 2”	0	56	Committed	No	Chronically homeless, including those recovering from illness or injury
	1265	**963**	**Planned/Actual Total Vouchers Newly Project-Based**		

* Figures in the “Planned” column should match the corresponding Annual MTW Plan.

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

Please describe differences between the Planned and Actual Number of Vouchers Newly Project-Based:

The PBV conversion of MHOP was not initiated in 2020. PBV conversion is still pending for a small number of scattered sites which were under rehab and/or unoccupied at the time the majority of units converted. At the Elliot Twins, 10 additional PBVs will not be placed until as construction completes in 2021. The planned construction of MPHA “energy pilot” scattered site homes was postponed indefinitely. Waadag Commons and Snelling Yards did not receive AHAPs as expected. The scattered site “energy pilot” project was indefinitely postponed. MPHA entered into an AHAP with Catholic Charities for its Exodus 2.0 development.

ii. Actual 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 was in place by the beginning of the Plan Year. Indicate whether the unit is included in RAD.

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned*	Actual			
Archdale	13	13	Leased/Issued	No	Serves homeless youth
Armadillo Flats - 2727	4	4	Leased/Issued	No	Serves low-income people
Armadillo Flats - 2743	4	4	Leased/Issued	No	Serves low-income people
Barrington	3	3	Leased/Issued	No	Serves low/mod. income people
Bottineau Lofts	9	9	Leased/Issued	No	Serves low-income people
Boulevard	6	6	Leased/Issued	No	Serves low-income people
Catholic Eldercare	24	26	Leased/Issued	No	Assisted living facility for elderly people
Central Ave Apts	61	61	Leased/Issued	No	Serves low-income people
Central Ave Lofts	8	8	Leased/Issued	No	Serves low-income people
Clare Apts	28	28	Leased/Issued	No	Serves single adults who have HIV/AIDS
Collaborative Village	16	16	Leased/Issued	No	Serves homeless indiv. & families
Creekside Commons	6	6	Leased/Issued	No	Serves low-income people
Downtown View	25	25	Leased/Issued	No	Serves homeless youth
Emanuel Housing	6	6	Leased/Issued	No	Serves Veterans
Families Moving Forward	12	12	Leased/Issued	No	Serves homeless individuals and families
Franklin Portland	7	7	Leased/Issued	No	Serves low-income people
Gateway Northeast	26	26	Committed		Includes 10 units for families formerly experiencing long-term homelessness.
Hiawatha Commons	20	20	Leased/Issued	No	Serves low-income people
Jeremiah	18	18	Leased/Issued	No	Serves low-income single women with children
Journey Homes	12	12	Leased/Issued	No	Supportive services for disabled, homeless families
Lamoreaux	13	13	Leased/Issued	No	Serves homeless individuals
Lindquist	24	24	Leased/Issued	No	Serves low-income people
Lonoke	4	4	Leased/Issued	No	Serves low-income people
Loring Towers	43	43	Leased/Issued	No	Serves low-income people

The Louis	10	10	Leased/Issued	No	Serves low-income people
Lutheran Social Services	12	12	Leased/Issued	No	Serves homeless households
Lydia	40	40	Leased/Issued	No	Serves disabled homeless individuals
Many Rivers East	7	7	Leased/Issued	No	Serves low-income people
Many Rivers West	3	3	Leased/Issued	No	Serves low-income people
Maya Commons	4	4	Leased/Issued	No	Serves low-income people
Minnehaha Commons	15	10	Leased/Issued	No	Individuals over 55 with history of homelessness and/or disability. ***Also includes 5 project-based VASH.***
MN Indian Women's Resource Center	13	13	Leased/Issued	No	Serves homeless, Native American families
Park Ave. Apts. (LSS)	10	10	Leased/Issued	No	Serves low-income people
Park Plaza (phase I)	16	16	Leased/Issued	No	Serves low-income people
Park Plaza (phase II)	12	12	Leased/Issued	No	Serves low-income people
Park Plaza (phase III)	48	48	Leased/Issued	No	Serves low-income people
Passage	10	10	Leased/Issued	No	Serves low-income single women with or without children
Penn Avenue Station	4	4	Committed	No	Serves low-income people
Phillips Family	28	28	Leased/Issued	No	Serves low-income people
Phillips Redesign	4	4	Leased/Issued	No	Serves low-income people
Pinecliff	7	7	Leased/Issued	No	Serves low-income people
Portland Village	24	24	Leased/Issued	No	Serves homeless families with a disabled adult member
PPL Foreclosure	21	21	Leased/Issued	No	Serves low-income people
PPL Fourth Ave	6	6	Leased/Issued	No	Serves low-income people
The Redwell	22	22	Leased/Issued	No	Serves low-income people
River Runs	16	16	Leased/Issued	No	Serves low-income people
The Rose	15	15	Leased/Issued	No	Serves low-income people
Spirit on Lake	5	5	Leased/Issued	No	Serves low-income people
St. Anthony Mills	17	17	Leased/Issued	No	Serves low-income people
St. Barnabas	39	39	Leased/Issued	No	Serves homeless and at-risk youth
Trinity Gateway	16	16	Leased/Issued	No	Serves low-income people
Tubman	10	0	N/A	No	Serves single women with or w/o children. *HAP ended 2020.*
West River Gateway	12	12	Leased/Issued	No	Serves low-income people
	838	**825**	**Planned/Actual Total Existing Project-Based Vouchers**		

* Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

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

Please describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:

The HAP agreement with Tubman ended in 2020. This table removes five project-based (non-MTW) VASH vouchers from the total previously reported under Minnehaha Commons, and corrects for a two-unit reporting discrepancy at the Catholic Eldercare development.

iii. Actual Other Changes to MTW Housing Stock in the Plan Year

Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.

ACTUAL OTHER CHANGES TO MTW HOUSING STOCK IN THE PLAN YEAR
N/A

iv. General Description of All Actual Capital Expenditures During the Plan Year

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

GENERAL DESCRIPTION OF ALL ACTUAL CAPITAL EXPENDITURES DURING THE PLAN YEAR

Actual 2020 Capital expenditures totaled approximately $13.65 Million. Major work, completed or initiated, included:

- Site lighting improvements at Glendale Townhomes
- Security surveillance system installation at Minnehaha Townhomes
- Roof/siding replacement, unit renovation, and other structural/electrical/site improvements at various scattered sites, both pre- and post-conversion
- Scattered sites pre-development work
- Site security upgrades at 315 Lowry Avenue North
- Window replacement and HVAC systems upgrades at 600 18th Avenue North
- Redundant boiler installation at 1015 4th Avenue North
- Corridor flooring replacement at 350 Van White Memorial Boulevard
- Site security upgrades, HCPD accessible unit upgrades, and common area improvements at the Hiawatha Towers complex
- Generator and main electrical switch gear replacement at 1707 3rd Avenue South
- Plumbing replacement, HVAC improvements, apartment modernization, fire alarm system replacement, fire suppression system installation, and handicapped accessibility upgrades at 1611 South 6th Street
- Elevator modernization at Horn Towers and 1627 S 6th Street
- HVAC systems upgrades at several highrises
- Pre-development work at the Elliot Twins
- Property improvements associated with MPHA's Quality Maintenance Program

The variance between forecasted and actual spending was primarily due to delays in planning and construction activities caused by the COVID-19 pandemic.

B. LEASING INFORMATION

i. Actual Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA actually served at the end of the Plan Year.

NUMBER OF HOUSEHOLDS SERVED THROUGH:	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS SERVED**	
	Planned^^	Actual	Planned^^	Actual
MTW Public Housing Units Leased	74,976	64,068	6,248	5339
MTW Housing Choice Vouchers (HCV) Utilized	54,108	64,464	4,509	5372
Local, Non-Traditional: Tenant-Based	2760	1704	230	142
Local, Non-Traditional: Property-Based	120	1224	10	102
Local, Non-Traditional: Homeownership	144	144	12	12
Planned/Actual Totals	**132,108**	**131,604**	**11,009**	**10967**

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan).

** "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 (as shown in the Annual MTW Plan).

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Please describe any differences between the planned and actual households served:

The significant difference in Actual Public Housing Units (and a corresponding difference in MTW vouchers) is primarily accounted for by the conversion of units to PBV under RAD and Section 18. The difference in tenant-based LNT is largely due to fewer-than-projected families in Stable Homes Stable Schools rental assistance. Certain property-based LNT units also came online earlier than expected.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS TO BE SERVED*	
		Planned^^	Actual	Planned^^	Actual
Tenant-Based	2018-2 Goal-Oriented Housing (Stable Homes Stable Schools)	1800	852	150	93
	2020-3 Flexible Subsidy for Community Priorities	960	108	80	19
	2016-2 Reintegration of Offenders (Better Futures)	0	360	0	30
Property-Based	2016-2 Reintegration of Offenders (Great River Landing/Beacon)	0	480	0	40
	2020-3 Flexible Subsidy for Community Priorities (Hook and Ladder; sponsor-based)	120	120	10	10

	2016 – 3 Supp. Housing for Youth (Beacon Properties)	0	624	0	52
Homeownership	2010-4 Lease-To-Own Initiative	144	144	12	12
Planned/Actual Totals		3024	2688	252	256

* The sum of the figures provided should match the totals provided for each Local, Non-Traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

HOUSEHOLDS RECEIVING LOCAL, NON-TRADITIONAL SERVICES ONLY	AVERAGE NUMBER OF HOUSEHOLDS PER MONTH	TOTAL NUMBER OF HOUSEHOLDS IN THE PLAN YEAR
None	0	0

ii. Discussion of Any Actual Issues/Solutions Related to Leasing

Discussion of any actual issues and solutions utilized in the MTW housing programs listed.

HOUSING PROGRAM	DESCRIPTION OF ACTUAL LEASING ISSUES AND SOLUTIONS
MTW Public Housing	MPHA closed its family waiting lists in 2019 when they reached capacity. We continue to explore ways to expand agency-owned and alterative subsidy programs to aid families with children.
MTW Housing Choice Voucher	The Minneapolis rental market continues to be tight, with vacancy rates under 2% for the more affordable Class C rental units. MPHA continues to invest in owner outreach efforts to cultivate landlords who are willing to accept vouchers.
Mainstream Vouchers	In 2020, MHPA received two substantial awards of Mainstream vouchers, which resulted in a temporarily low lease-up rate in the latter part of 2020. In addition to waiting list pulls for eligible households, MPHA is in conversation with partners who can use these vouchers with individuals that will receive housing search support and stability services.
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. Our 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. Actual Waiting List Information

Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year. The "Description" column should detail the structure of the waiting list and the population(s) served.

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED	WAS THE WAITING LIST OPENED DURING THE PLAN YEAR
Public Housing Elderly/Disabled/Near-Elderly	Disabled persons between the ages of 18 and 49, Near-Elderly 50-61, and	7,505	Open	Yes

	Elderly persons 62+.			
Public Housing Family	Families with at least one dependent	8,322	Closed	No
Housing Choice Voucher Program	All households who applied	2122	Closed	No

Please describe any duplication of applicants across waiting lists:

Households who are eligible for more than one MPHA program may apply to each program when its waiting list is open and thus may be active on multiple MPHA waiting lists.

ii. Actual Changes to Waiting List in the Plan Year

Please describe any actual 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 ACTUAL CHANGES TO WAITING LIST
N/A	N/A

D. INFORMATION ON STATUTORY OBJECTIVES AND REQUIREMENTS

i. 75% of Families Assisted Are Very Low Income

HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA should provide data for the actual families housed upon admission during the PHA's Plan Year reported in the "Local, Non-Traditional: Tenant-Based"; "Local, Non-Traditional: Property-Based"; and "Local, Non-Traditional: Homeownership" categories. Do not include households reported in the "Local, Non-Traditional Services Only" category.

INCOME LEVEL	NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR*
80%-50% Area Median Income	0
49%-30% Area Median Income	3
Below 30% Area Median Income	104
Total Local, Non-Traditional Households Admitted	107

ii. Maintain Comparable Mix

HUD will verify compliance with the statutory requirement that MTW PHAs continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

BASELINE MIX OF FAMILY SIZES SERVED (upon entry to MTW)					
FAMILY SIZE	OCCUPIED PUBLIC HOUSING UNITS	UTILIZED HCVs	NON-MTW ADJUSTMENTS*	BASELINE MIX NUMBER	BASELINE MIX PERCENTAGE
1 Person	4,485	1,575	X	6,060	60%
2 Person	497	783	X	1,280	13%
3 Person	216	696	X	912	9%
4 Person	170	586	X	756	7%
5 Person	112	350	X	462	5%
6+ Person	204	410	X	614	6%

TOTAL	5,684	4,400	X	10,084	100%

* "Non-MTW Adjustments" are defined as factors that are outside the control of the MTW PHA. An example of an acceptable "Non-MTW Adjustment" would include demographic changes in the community's overall population. If the MTW PHA includes "Non-MTW Adjustments," a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any "Non-MTW Adjustments" given above:

No such adjustments.

MIX OF FAMILY SIZES SERVED (in Plan Year)				
FAMILY SIZE	**BASELINE MIX PERCENTAGE****	**NUMBER OF HOUSEHOLDS SERVED IN PLAN YEAR^**	**PERCENTAGE OF HOUSEHOLDS SERVED IN PLAN YEAR^^**	**PERCENTAGE CHANGE FROM BASELINE YEAR TO CURRENT PLAN YEAR**
1 Person	60%	6,703	61%	1.02%
2 Person	13%	1,350	12%	-0.38%
3 Person	9%	836	8%	-1.42%
4 Person	7%	718	7%	-0.95%
5 Person	5%	478	4%	-0.22%
6+ Person	6%	882	8%	1.95%
TOTAL	100%	10,967	100%	0%

** The "Baseline Mix Percentage" figures given in the "Mix of Family Sizes Served (in Plan Year)" table should match those in the column of the same name in the "Baseline Mix of Family Sizes Served (upon entry to MTW)" table.

^ The "Total" in the "Number of Households Served in Plan Year" column should match the "Actual Total" box in the "Actual Number of Households Served in the Plan Year" table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline Year must be provided below.

Please describe the justification for any variances of more than 5% between the Plan Year and Baseline Year:

N/A

iii. Number of Households Transitioned to Self-Sufficiency in the Plan Year

Number of households, across MTW activities, that were transitioned to the MTW PHA's local definition of self-sufficiency during the Plan Year.

MTW ACTIVITY NAME/NUMBER	# OF HH TRANSITIONED TO SELF SUFFICIENCY*	MTW PHA LOCAL DEFINITION OF SELF SUFFICIENCY
Public Housing Working Family Incentive	39	Public housing residents whose rent increased to the flat rent amount for their unit.
Biennial Income Recertification	39	Public housing residents whose rent increased to the flat rent amount for their unit.
Lease-To-Own Initiative	4	Income sufficient to purchase home
Soft Subsidy Initiative	0	Participant is off of government financial assistance
GO Housing	0	Grad. from program; no longer require rental assistance
HCV Rent Reform Initiative	325	Households going off program due to $0 HAP

Shelter to Home – PH	0	Graduating from program.
Shelter to Home – PBV	3	Graduating from program.
Reintegration of Offenders	0	Maintained lease in own name for 90 days, employed at least 90 days for 20 hrs/ week, no new offenses or return to custody for 90 days.
Permanent Supportive Housing for Youth	0	Youth on an education or employment trajectory and able to afford safe and decent housing upon exit from program
	-39	**(Households Duplicated Across MTW Activities)**
	371	**Total Households Transitions to Self Sufficiency**

* Figures should match the outcome reported where metric SS#8 is used in Section IV of this Annual MTW Report.

III. Proposed MTW Activities

All proposed MTW activities that were granted approval by HUD are reported in Section IV as “Approved Activities.”

IV. Approved MTW Activities

Implemented Activities

Implemented Activities	Approved	Implemented
Affordable Housing Creation & Preservation Toolkit	2020	2020
Asset Verification	2018	2018
Biennial 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 Housing Initiative	2018	2018
Inspections & Rent-Reasonableness for MPHA-Owned	2020	2020
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
Permanent Supportive Housing for Youth	2016	2016
Property Owners Incentive Program	2018	2018
Public Housing Working Family Incentive	2010	2011
Rent Reform Initiative	2014	2014
Replace form of DOT with LURA to Preserve PH	2019	2020
Shelter to Home – Public Housing	2015	2017

Activities Not Yet Implemented

Activities Not Yet Implemented		
	-	-

Activities On-Hold

Activities On-Hold	Approved	Implemented	On-Hold/Closed
Alternate Income Verifications	2013	-	2017
Public Housing Earned Income Disregard	2009	2010	2017

Closed-Out Activities

Closed in 2020:			
Conversion of 312 Mixed-Financed PH Units to PBV	2010	2019	2020
Reintegration of Offenders	2016	2017	2020
Shelter to Home – Project-Based Vouchers	2016	2016	2020
Soft-Subsidy Initiative	2011	2013	2020
Targeted Project-Based Initiative	2011	2012	2020
Previously Closed:			
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
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

The MPHA MTW Annual Plan and activities therein are approved, authorized, and implemented in accordance with the MTW Demonstration Program's enabling laws and related regulations, and the terms and conditions of its Amended and Restated MTW Agreement with the Department of Housing and Urban Development. MPHA's MTW Agreement governs and supersedes, as appropriate, applicable Federal laws, rules, regulations, contracts, and agreements that have been or will be waived and/or modified by the MTW Agreement.

A. IMPLEMENTED ACTIVITIES

Affordable Housing Creation and Preservation Toolkit (2020 – 2)

Approved and Implemented in 2020

Objective: Housing Choice

Description/Update

MPHA will use our flexibility as an MTW agency to preserve and create deeply affordable housing for our Minneapolis community. Whether renovating or redeveloping to preserve existing public housing, expanding current properties, or acquiring new properties for purposes that serve our mission and families, we will employ MTW authorizations 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 see visions through to 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.

Partnership: MPHA's portfolio plan envisions working with tax-credit and other partners to create mixed-finance developments that preserve our housing and potentially expand our service to the community. We may also develop our properties with an eye to facilitating work by service-provider partners who can reach our residents with resources and improve quality of life. We believe the MTW authorization under Attachment C - C.7(a) provides assurance to all partners—and, quite importantly, 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. The waiver related to site acquisition requirements allows MPHA to move quickly in such cases, acquiring sites without prior HUD approval (while understanding the agency must still meet all site-selection requirements).

In 2020, MPHA completed a RAD conversion at the Elliot Twins that leveraged our MTW single-fund flexibility, certain approved regulatory waivers, and a tax credit partnership to minimize the near-term impact on residents and to preserve and reinvest in these homes. MPHA's plans to acquire a small number of sites for scattered site homes in 2020 did not materialize, given other more urgent priorities during the year; however, MPHA will likely conduct such acquisitions in 2021 and beyond. Ten additional units at the Elliot Twins were listed in the 2020 plan, but this was premature; these units will come online with the project completion in 2021.

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). If units reach a specific type of household give that type in this box)	0	5 Family Housing 10 (Disabled/ADA-compliant units)	0	No*
* Anticipated purchases did not occur; the 10 ADA-compliant units will come online in 2021.				

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.	0	174	174	Yes

Asset Verification (Activity 2018 – 4)

Approved and implemented, 2018

Objective: Cost-effectiveness

Description/Update

MPHA modified the definition of annual income to exclude income from assets valued at $50,000 or less. In cases where household assets are valued at more than $50,000, MPHA calculates and counts only the imputed income from assets by using the market value of the asset and multiplying it by the MPHA-established Passbook Savings Rate. MPHA only seeks third-party verification for assets valued at more than $50,000. By eliminating a time-consuming process that has shown only a marginal positive impact on MPHA revenues, this change saves the agency time and overall allows more cost-effective utilization resources.

In 2018, MPHA began phasing this change in at each scheduled or interim rent redetermination. At this pace, it will have been fully implemented in 2021.

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

None.

CE#1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$28,509	$2,479	$273	Yes

CE#2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	1150 Hours	100 Hours	11 Hours	Yes

CE#3: Decrease in Error Rate of Task Execution*				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average error rate in completing a task as a percentage (decrease).	1	0	0	Yes

* Not an objective of this activity.

Biennial Income Recertification for Public Housing (2018 – 3)

Approved and implemented, 2018

Objective: Cost-effectiveness, Self-Sufficiency

Description/Update

This initiative changed income certification of non-elderly, non-disabled families to every other year, rather than annually. (MPHA already certified families who are elderly or disabled, and who are on a fixed income, every three years.) Residents may still request interim recertifications or utilize a hardship policy if they believe they are adversely affected by the biannual 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. Although the primary objective of this activity is cost-effectiveness, 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 at each new, interim, or recertification. As of 2020, it was fully phased-in. The activity generate substantial time and cost savings; benchmarks may be too aggressive. We expect self-sufficiency metrics suffered because of the broader economic effects of COVID-19.

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

None

CE#1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$31,310	$15,667	$16,957	No

CE#2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	1,263 Hours	632 Hours	684 Hours	No

*CE#5: Increase in Agency Rental Revenue**				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total Household contributions towards housing assistance.	$20,050,000	$20,500,000	$20,021,584	No

* Not an objective of this activity.

SS#1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	$26,600	2020: $27,400	$26,185	no

SS#3: Increase in Positive Outcomes in Employment Status*				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?***
(1) Employed Full-Time	0	0	405	Yes
(2) Employed Part-Time	0	0	836	Yes
(3) Enrolled in an Educational Program	0	0	0	Yes
(4) Enrolled in Job Training Program	0	0	0	Yes
(5) Unemployed	0	0	329	Yes
(6) Other	0	0	0	Yes

* Not an objective of this activity.

SS#4: Households Removed from Temporary Assistance for Needy Families*				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (increase).	265	265	253	Yes

SS#8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase).*	360	370	39	No
* 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 106 units of public housing in 16 cities in the Metropolitan Housing Opportunity Program (MHOP), as well as 200 mixed-finance units at Heritage Park in Minneapolis. MPHA neither owns nor manages these units. These units were created under the *Hollman v. Cisneros* Settlement Agreement. 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 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. At Heritage Park, the original compliance period has expired and we must explore a transition of the property that preserves the deeply affordable housing there and protects families.

This activity is implemented, but still at the planning stage.

For the 106 non-Heritage Park MHOP units, MPHA will work with HUD to operationalize a conversion of the Public Housing Operating Subsidy and Capital Funds for this AMP to project-based vouchers (PBVs). By converting these units to PBVs, tenants, owners, and MPHA will received the rewards of increased cost-effectiveness. HUD currently has a process for this transfer of funds under the RAD program. However, the small number of units (4 -13 units per property) across 16 different entities is not conducive to a RAD and/or Voluntary Conversions where there are extensive costs related to such conversions.

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

In 2020, MPHA closed another activity that was overlapped substantially with this one (Activity 2010-3, Conversion of Mixed-Finance Public Housing Units to PBV), consolidating the two activities here. Both activities were still in planning stages, and neither had made progress toward its metrics. Benchmarks from the closed activity are integrated into this activity. MPHA made no other changes to the activity, metrics, or data in the plan year.

CE#1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$72,000	$35,000	0	No*

CE#2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	1,136 Hours	550 Hours	0	No*

MPHA Metric				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of Units Converted	306	12	0	No*

*Activity in planning stage

Flexible Subsidy for Community Priorities (2020 – 3)

Approved and Implemented in 2020

Objective: Housing Choice

Description/Update

Our 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 extend our reach to 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. As community needs arise, MPHA would propose the specific additional uses of LNT subsidy in future plans as it deems appropriate.

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. This activity also covered the extension of an emergency, term-limited flat subsidy to nine households supported by MPHA amid a specific eviction crisis involving a landlord whose rental license was revoked. This subsidy ended in 2020. These households are properly considered units of housing *preserved*—a premise fully contemplated under this activity as proposed—and thus they are tracked under HC#2 below.

In the 2020 MTW Annual Plan, MPHA had forecast the use of up to 30 subsidies under this activity to affect families affected by a hotel fire; ultimately, this assistance was not needed/applied. Nor did this activity play a role in stabilizing families or homeless individuals affected by COVID-19, as other forms of federal emergency rental assistance were widely available to the community.

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

Note the addition of metric HC#2 to reflect subsidies that preserved families in units where they otherwise would have faced eviction.

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)	10	Yes

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.	0	0	9	Yes

HC #5: Increase in Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households able to move to a new or better unit and/or neighborhood as a result of the activity (increase)	0	80	**0**	**N/A**

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	10	10	Yes

Goal-Oriented 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 program guidelines, training opportunities, and participant incentives will arise from conversations with service-provider partners and market research to understand the needs of potential participants.

Stable Homes Stable Schools: The "Stable Homes Stable Schools" program is a partnership launched in 2019 with the City of Minneapolis and the Minneapolis Public Schools to provide rental assistance and supportive services to families of elementary students experiencing homelessness. In the core, MTW-driven component of the partnership, MPHA and the city jointly fund three-year 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.

The number of families served has been modest to start, and will gradually increase as the partners build up our experience with the program. As of the end of 2020, MPHA served approximately 71 families through the three-year rental-assistance component of Stable Homes Stable Schools. Recruitment was challenged in 2020 by remote learning imposed at the elementary schools in the program. Finding appropriate housing for this voucher-like subsidy that keeps the family within its present school boundaries is also an ongoing challenge; the partners remain committed to working closely with eligible families to locate and lease-up in a safe, convenient home. In 2020, the program expanded from 15 to 18 elementary schools. The City of Minneapolis also made Stable Homes Stable Schools funding a permanent part of the city budget, meaning that the program is no longer a three-year pilot.

The framework of Stable Homes, and MPHA's administrative role, have extended to include other forms of one-time assistance that are non-MPHA-funded. The philanthropy-funded "Housing Stability Fund" provides one-time financial assistance and services to families at risk of homelessness (but not yet homeless). The Stable Homes infrastructure was also used in 2020 to distribute certain COVID-19 rental assistance to families of elementary children.

Great River Landing **and** ***Better Futures:*** *This activity (MTW Activity 2016-2) was closed in 2020, and will be integrated into Goal-Oriented Housing going forward.* Great River Landing is a sponsor-based, property-based voucher partnership focused on ex-offenders committing to a program of job-training and employment. MPHA has committed to subsidy for 40 residents in this 72-unit development run by Beacon Interfaith Housing Collaborative. In addition to stable housing and access to employment resources, the participants receive social and supportive services that help the men reunify with their families and establish civic pride and ties to their communities once they enter the program.

In addition to the Great River Landing property-based subsidies, in 2020 MPHA continued to provide up to 30 tenant-based subsidies to ex-offenders via our partner at Better Futures. The objectives and supports are similar, although these recipients live independent at not at a central property.

After 2020, this activity also integrates the concept and authorizations from a previously implemented activity that is no longer active: Activity 2011-2 (Soft Subsidy Initiative) was narrowly drafted many years ago for a specific partner; it shares the intent but lacks the scope of Goal-Oriented Housing. Activity 2011-2 will be closed as of 2020 and incorporated into this newer activity going forward.

For final-year metrics for activities 2016-2 and 2011-2, see "Closed Activities" → "Activities Closed in 2020" in this MTW Annual Report.

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

Note that MPHA's *Reintegration of Offenders* activity (2016-2) and *Soft Subsidy Initiative* (2011-2) are closing out in 2020. As detailed in the 2020 MTW Annual Plan, authorizations from Activities 2016-2 and 2011-2 will port over to this activity.

SS#1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).*	$24,976	$25,376	$25,081	No
**Income of families with employment income.*				

SS#2: Increase in Household Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of savings/escrow of households affected by this policy in dollars (increase).	0	0	0	No*
**Asset information is not collected and there is no escrow program for this activity.*				

SS#3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
(1) Employed Full-Time	7	20	22	Yes
(2) Employed Part-Time	15	30	9	No
(3) Educ. Program	N/A	0	N/A	No
(4) Job Training Program	N/A	0	N/A	No
(5) Unemployed	22	10	62	No
(6) Other	0	0	0	Yes

SS#4: Households Removed from Temporary Assistance for Needy Families				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	25	15	51	No*
** Given ongoing program expansion to new homeless families, we would expect growth in this number (in the initial years) to outweigh families who advance toward self-sufficiency.*				

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	70	93	Yes

SS#6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	$0	0	$0	No*
** Families served by SHSS are not currently served by MPHA.*				

SS#7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
PHA rental revenue in dollars (increase).	0	0	0	Yes*
**Not a feature of the one program currently covered by this activity.*				

SS#8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase).*	0	10	0	No
**Self-Sufficiency defined as graduation / no longer requiring subsidy.*				

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. In order 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. These activities will be subject to MPHA's voucher program Quality Control (QC) processes.

This activity could not be fully implemented in 2020, nor could metrics be properly calculated, given the unexpected circumstances imposed by COVID-19 that prevented staff from entering units except under very limited conditions. Under appropriate HUD waivers, MPHA postponed the regular inspections it would otherwise have performed under this activity. We expect to fully implement in 2021.

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

No changes to the activity scope, description, metrics, or data.

Subsequent to HUD's approval of this activity in MPHA's 2020 MTW Annual Plan, the MPHA Board of Commissioners adopted the Fourth Amendment to MPHA's Moving to Work Agreement. This amendment—drafted and provided to all MTW PHAs by HUD—introduces additional authorizations into Attachment C of the MTW Agreement, which shall support this activity going forward.

CE#1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$51,000	2020: $35,700 (30% decrease)	0	No*
** Metrics for this activity could not be calculated for 2020, as the activity was not fully implemented given the conditions of COVID-19. Under appropriate HUD waivers, MPHA did not perform the inspections it would otherwise have performed under this activity, thus providing a basis to calculate metrics. We expect to fully implement in 2021.*				

CE#2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	2020 Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	0	2020: -700 hours *(increase)**	0	No*

** MPHA does not currently spend any staff time inspecting these units, so the baseline is zero. This activity uses MPHA staff in lieu of paying a third party, so we would expect an increase in staff time, which will be reported here as a negative number.*

CE#3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Benchmark	2020 Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)*	50%	2020: 50%	0	No

**Measured as the percentage of units that fail initial HQS inspection. MPHA does not expect this activity to fundamentally change those dynamics, but will track and observe outcomes.*

Lease-To-Own Initiative (2010 – 4)

Approved in 2010, Implemented in 2012

Objectives: Housing Choice, Self-Sufficiency

Description/Update

MPHA utilized funds from the American Recovery and Reinvestment Act grant to purchase 20 townhome units (the Sumnerfield 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. LTO residents enroll in a program with Habitat for Humanity to provide homeowner-readiness counseling and mortgage financing options.

MPHA began 2020 with eight townhomes sold, and 12 still in our public housing program. During 2020, we sold four more homes to their residents, which represents an outstanding year for the program's primary goal of creating new homeowners. The remaining households were naturally affected by the economic recession caused by COVID-19, affecting earnings and savings metrics, although these metrics are always biased downward because they reflect only the subset of families who have not closed (and exited the program), and may be struggling more than others. We continue to try to understand why the savings-match component continues to be a challenge for these families. We do anticipate better results as the economy and employment markets rebound.

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

None.

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	$46,377	No

SS #2: Increase in Household Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy in dollars (increase).*	0	$750 per-household average	$0	No

SS #8: Households Transitioned to Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase). *Self-sufficiency: income sufficient to purchase a home.*	0	2	4	Yes

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 (increase).	0	0	0	Yes*

** This metric is not applicable to this activity, as the townhomes are not in an area of opportunity.*

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	2	4	Yes

Local Project-Based Voucher Program (2018 – 6)

Approved and Implemented: 2018
Integrates Prior Activities: *Shelter to Home - Project-Based Vouchers (2016-1); Targeted Project-Based Initiative (2011-1)*

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.
- Waiving the caps on the proportion of a development that may be project-based; waiving the caps on allocation of MPHA's voucher program budget authority 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 and obtain MPHA approval on tenant selection plans, including establishing guidelines for selection from the waiting list, screening, re-exams and transfers.
- 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) and continuation of certain public housing lease, grievance, and due process-related provisions at properties that have undergone subsidy conversion.
- Promoting housing stability for families occupying wrong-sized units (per PBV occupancy standards) when converting properties from public housing to PBVs by providing continued assistance until a right-sized unit becomes available.

The first initiative under this activity was the launch of MPHA's open-ended PBV Request for Proposals (RFP) in 2018. Through the RFP, MPHA can strategically place up to 400 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. MPHA continues to evaluate and make ongoing awards under the open PBV RFP, including the 30 awards indicated in metric HC#1, below.

In 2020, MPHA project-based for the first time at properties owned by the agency, following subsidy conversions under RAD (174 high-rise units at one property) and Section 18 (707 scattered site units). Ten scattered site units were not immediately converted because of in-progress modernization work, causing the outcome to fall just short of the benchmark.

This activity's protections for wrong-sized families at the time of subsidy conversion protected 101 families. Given the nature of MPHA's portfolio, we anticipate these protections will be rarely needed in the future, but were critical in 2020 to meeting MPHA's commitment to safeguard housing stability for residents through any portfolio repositioning.

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

As stated in the 2020 MTW Annual Plan, in 2020 this activity integrated the authorizations/ waivers of the project and budget caps on project-basing. In addition, the MPHA Board of Commissioners formally amended the 2020 MTW Annual Plan during 2020 to include protections (and identify the applicable regulatory waivers) for families in wrong-sized units at the time of conversion. This change included the incorporation of metric HC#4.

This activity (2018-6) is subsuming two approved MTW activities that close out in this 2020 MTW Report: *Shelter to Housing PBV (2016-1)* and *Targeted Project-Based Initiative (2011-1).* The narrow actions envisioned by these older activities are fully covered by the broader open PBV RFP established under this (newer) activity.

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	25	30	Yes

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.	0	891	881	No*
* Ten scattered site units were not immediately converted because of in-progress modernization. Conversion is expected in 2021.				

HC#4: Displacement Prevention				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 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*	101	No*
*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.				

Low-Rent Annual to Three-Year Certifications (2009 – 2)

Approved in 2009, Implemented in 2012

Objective: Cost-effectiveness

Description/Update

MPHA recertifies every three years (instead of annually) elderly, disabled or other public housing residents who are on a fixed income and whose sources of income are not likely to change for extended periods of time. MPHA anticipates this change would save the agency time and allow better utilization of its resources and believes this change also provides a significant benefit to its residents. MPHA has maintained its policy of reporting changes in income. This activity has the highest impact on our highrise residents. Changing the annuals to every three years for Elderly/Disabled/residents with a stable income has allowed staff to concentrate their efforts on residents with substantial rent changes. MPHA runs HUD Enterprise Income Verification (EIV) reports every three months for minimum renters and continues to run the EIV reports for tenants who are not required to do their annual certification in the current year. MPHA continues interim recertifications for any household that is required to be recertified or who requests recertification due to a change in circumstances.

The rental revenue metric did not achieve its benchmark because of wider economic effects of the COVID-19 pandemic.

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

None.

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (decrease).	$78,349	$31,335	$26,327	Yes

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	3161 hours	1264 hours	1062 hours	Yes

CE #5: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	$14,437,400	$21,000,000	$20,021,584	No

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.

Since adoption, this activity has typically been accompanied by an annual increase in agency rental revenue. However, rental revenue was affected in 2020 by the economic effects of the COVID-19 pandemic and did not meet the benchmark in 2020. Although these effects will persist into 2021, we ultimately expect this downturn will be temporary.

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

None

CE #5: Increase in Agency Rental Revenue - Public Housing				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Rental revenue in dollars (increase).	$221,400.00	$480,000	$455,400	No

Mobility Voucher Program (2009 – 6)

Approved in 2009, Implemented in 2010

Objective: Housing Choice

Description/Update

MPHA created a Mobility Voucher program to encourage low-income families to move to communities of greater opportunity that are not impacted by concentrated poverty or race and to find safe, decent and affordable housing in an environment conducive to breaking the cycle of poverty. This initiative responds to HUD's goal of deconcentrating families who live in poverty and Affirmatively Furthering Fair Housing. The program is structured to increase housing choices for families on the MPHA Section 8 Waiting List and current program participants who live in Areas of Concentrated Poverty and who are willing to move into non-concentrated areas (also referred to as "areas of opportunity").

We serve families under the Mobility Program by a) offering incentives and enhanced support to help families find and keep homes in areas of opportunity within the City of Minneapolis, and b) allowing participant families to lease a unit outside the City of Minneapolis, provided the unit is located in an area of opportunity. Mobility Voucher Program offers material incentives to the program such as security deposit assistance, application fee assistance, higher payment standards, bus cards, and moving assistance. Mobility families who port-out cannot be absorbed during the three years they are under the Contract of Participation with the receiving housing authority.

In the first part of 2020, with the loss of in-person interactions, the COVID-19 pandemic inhibited MPHA's ability to expand and recruit for the Mobility Voucher Program. As the year unfolded, MPHA also entered into discussions with a partner and ultimately applied for HUD Mobility Voucher Demonstration. If selected for the demonstration, our mobility efforts would evolve considerably under parameters that might not correspond with our existing program. We have thus limited the expansion of this activity while we await clarity on our application and the direction of our overall mobility efforts.

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

None.

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	34	No
[redacted]				

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	34	No

Permanent 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.

This activity began when two local partners, Project for Pride in Living (PPL) and YouthLink, worked together to build a new facility to provide supportive housing for 46 homeless youth (ages 18-23). MPHA has placed 25 project-based vouchers in the development, called Downtown View, opened in February 2018. YouthLink and PPL provide educational support, job training, and other supportive services. Case managers also help them navigate the often-difficult system of community-based adult services such as education, employment, and independent housing. As a PBV arrangement, youth pay approximately 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. MPHA operates under an agreement with PPL and YouthLink that details funding and operational requirements of the program along with the reporting requirements.

This activity grew in 2020 to include additional *sponsor-based* partnerships, on a similar model. The first is at *Nicollet Square*, where MPHA funding supports 42 efficiency units for youth between 16 and 22 experiencing homelessness, including those in extended foster care. At *Cedar View*, 10 one-bedroom apartments serve homeless pregnant or parenting youth ages 18 to 22, with services provided by Simpson Housing. Both programs also feature the involvement of Beacon Interfaith Housing Collaborative.

Units in these projects were not fully leased in 2020, resulting in fewer households served than the 77 units available.. We intend to work with our partners and Beacon and Youthlink to assure they are addressing this challenge in 2021, and to assure the partners are tracking all necessary data for these self-sufficiency programs.

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

None.

CE#4: Increase in Resources Leveraged				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Amount of funds leveraged in dollars (increase).	0	$11,900,649	$11,900,649	Yes

HC #1: Additional Units of Housing Made Available				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 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	77	77	Yes

HC #5 Households Assisted by Services that Increase Resident Mobility				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	77	63	Yes

HC #7: Households Assisted by Services that Increase Housing Choice				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase housing choice (increase).	0	77	63	No

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**2019 Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy (increase).*	0	$8,487	$5,374.00	No
* For 2020, because of temporary partner data limitations, outcome reflects participants in the Downtown View property only.				

SS #2: Increase in Household Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average amount of savings/escrow of households affected by this policy (increase).	0	$300	$0.00	No

SS #3: Increase in Positive Outcomes in Employment Status*				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
(1) Employed Full-Time -	0	0	3	Yes
(2) Employed Part-Time -	0	8	0	No
(3) Enrolled in an Educational Program -	0	8	0	No
(4) Enrolled in Job Training Program -	0	8	0	No
(5) Unemployed -	25	0	14	Yes
(6) Other:	0	0	9	No
* For 2020, because of temporary partner data limitations, outcome reflects participants in the Downtown View property only.				

SS #5: Households Assisted by Services that Increase Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households receiving services aimed to increase self sufficiency (increase).	0	77	63	Yes

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase).*	0	2	0	No
* Self Sufficiency Definition: Youth on an education or employment trajectory and able to afford safe and decent housing upon exit from program.				

Property Owners Incentive Program (2018 – 1)

Approved and implemented, 2018

Objectives: Housing Choice

Description/Update

MPHA and the City of Minneapolis partner to fund and administer incentives that encourage 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. MPHA anticipates these incentives will increase 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.

The incentives, covered under a Memorandum of Understanding with the city, include:

> Property damage protections: The city will protect property owners by covering tenant damage claims that exceed the security deposit, up to $2,500. MPHA will manage the funds and work with the city to evaluate claims.
>
> 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.

MPHA processes and pays claims and receives reimbursement from the city for the city's portion (50 percent). The program is considered a pilot, with a length to be determined by the draw-down of the initial $50,000 funding pool. We will monitor claim patterns and the draw-down of the pool. At or before the pilot's conclusion, the city and MPHA will jointly reassess the success of the incentives and 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.

Since the program's inception, the property damage benefit has been rarely used, and the holding fee has become largely irrelevant given changes MPHA's policies in distribute HAP payments to owners of new units.

In 2020, the incentive was consistently disbursed to property owners who mentioned it, or were pitched on it as a part of MPHA's outreach efforts; in prior years, it had been distributed to all new property owners, regardless of origin. This choice in 2020 would have restricted the number of incentives given. MPHA will use insights from these different approaches to assess which model we will proceed with in coming years.

Although just short of our benchmark, MPHA is please that nearly half of units where incentives were given were in areas of economic opportunity.

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). If units reach a specific type of household, give that type in this box.	0	30	35	Yes

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 (increase)	0	15	14	No

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	9	No

Public Housing Working Family Incentive (2010 – 1)

Approved and Implemented in 2011

Objectives: Self-Sufficiency

Description/Update

The rent calculation includes an automatic 15 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.

In the years since its implementation, 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.

However, several benchmarks were not achieved in 2020. We attribute this in large part to the economic effects of the COVID-19 pandemic, which had an effect on employment and the number of hours available for households to work. While this effect may persist into 2021, we expect it to be circumstantial and ultimately temporary.

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)

None

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average earned income of households affected by this policy in dollars (increase).	$15,970.00	$27,400	$26,185	No

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
(6) Other - Households with earned income.	1,241	1,253	1,240	Yes
(Expressed as percent)	21%	22%	21.00%	Yes

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance (decrease).	546	300	253	Yes

*SS #6: Reducing Per Unit Subsidy Costs for Participating Households**				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	$306.00	$315	$323.13	No

*This metric was required by HUD, but it does not provide valid information as subsidy proration has significantly changed. Subsidy is provided by AMP, not individual tenant.

SS #7: Increase in Agency Rental Revenue				
Unit of Measurement	**Baseline (2009)**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
PHA rental revenue in dollars (increase).	$14,437,400	$21,000,000	$20,021,584	No

SS #8: Households Transitioned to Self Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency (increase).*	270	370	39	No

* 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

Objectives: Cost-Efficiency and Self-Sufficiency

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 us to more serve more families from our waitlist. 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 Operational Policies:

a) **Flat Subsidy:** MPHA replaced the standard rent calculation method with a simplified, flat subsidy model that incorporates consideration for tenant-paid utilities. We aspire 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 of where they could move.
b) **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.
c) **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.
d) **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.
e) **Interim Re-examinations:** MPHA limits HCV families to one discretionary interim re-examination between regular annual recertifications. Between annual recertifications, household members who are employed are not required to report increases in earned income. Unemployed household members must report any subsequent employment. Increases in unearned income for any household member and changes in household composition must still be reported.
f) **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).

g) **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. In 2020, we intend to explore updating our payment standards to reflect this local market analysis as way of increasing choice for families.

h) **Flat Subsidy Reasonable Accommodation:** As a reasonable accommodation for individuals with qualifying disabilities, MPHA may provide a higher subsidy for accessible units.

i) **Mixed Families:** For families with mixed immigration status, MPHA will deduct 10% from the flat subsidy amount. This 10% deduction is a flat deduction from the subsidy amount, regardless of the number of ineligible family members in the household.

j) **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.

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)

In the 2020 MTW Annual Plan, this activity was renamed "Rent Reform Initiative" from "Housing Choice Voucher Rent Reform Initiative," for simplicity and to provide clarity that rent reform applies to all Section 8-funded vouchers administered by MPHA (unless prohibited by federal law). The narrative also added a paragraph to be clearer on this point, particularly as MPHA in 2020 expects additions to its PBV program in 2020 from Section 9 subsidy conversions.

In 2020,, the narrative was updated to convey that MPHA will no longer restrict portability. The narrative added a new item (Item J) indicating out intent under rent reform to mitigate rent increases for the limited number of PBV participants who will enter that program in 2020 through subsidy conversion programs and might otherwise experience an increase in tenant rent. While abiding by RAD and any other applicable program rules, MPHA intends to mitigate rent increases upon conversion and maintain rent levels for these households for a reasonable transition period.

There are no changes to metrics or data collection.

CE #1: Agency Cost Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total cost of task in dollars (budget for Section 8 HCV program – expenses)	$44,451,999	$50,578,800	$55,731,400	No

CE #2: Staff Time Savings				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Total time to complete the task in staff hours (decrease).	0*	0*	0*	0*
* In assembling this report, MPHA has looked closely at our prior reporting on this metric and investigated the capacity of our existing internal data sources to measure baselines and outcomes. Our review has determined that we are currently unable to measure this metric in a verifiable, usable way. MPHA will continue exploring whether to reinstate this metric in the future.				

CE #3: Decrease in Error Rate of Task Execution				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average error rate in calculating adjusted income as a percentage	12.6% error rate in adjusted income calculation	4% error rate in adjusted income calculation	10.5%	No

SS #1: Increase in Household Income				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average income from employment	$17,495	$25,611	$25,959.00	Yes
*Among employed households.				

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
6. Other – work-able households with earned income*	1,504 heads of households had earned income	1825 heads of households had earned income	1762 households have earned income.	No
	58% of work-able households had a head of household with earned income	70% of work-able households had a head of household with earned income	60% of Work-able households had earned income.	No
"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**	**2020 Outcome**	**Benchmark Achieved?**
Number of households receiving TANF assistance	2,418	450	570	No

SS #6: Reducing Per Unit Subsidy Costs for Participating Households				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Average per unit cost	$730	2020 - $751.00 (1.6% COLA 2020)	$884	No

SS #8: Households Transitioned to Self-Sufficiency				
Unit of Measurement	**Baseline**	**Benchmark**	**2020 Outcome**	**Benchmark Achieved?**
Number of households transitioned to self-sufficiency*	14	2020: 350	199	No*
*Includes homeownership, zero HAP, and voluntary withdrawals due to achieving financial stability.				

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

Objectives: Housing Choice, Cost-Effectiveness

Description/Update:

MPHA has implemented a *Strategic Vision and Capital Plan* featuring multiple strategies for preserving its portfolio, including RAD and Section 18. However, these HUD programs may be infeasible or undesirable in limited cases where properties are nonetheless in need of significant rehabilitation. 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 is 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). There was little progress on operationalizing this activity given other urgent priorities for the agency in 2020. However, MPHA hopes to revive this currently dormant conversation with HUD in 2021 and move forward.

Once fully implemented, MPHA projects applying the activity to no more than 50 units. Based upon a comprehensive assessment of its property needs and values, MPHA has 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.

NOTE: HUD staff is considering 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 determines that HUD can approve a LURA under these existing regulations, MPHA will be able to use such a HUD-approved LURA and this MTW will become unnecessary. If HUD determines the activity is necessary, HUD and MPHA agree to execute a Community-Specific Authorization that will support the activity.

Units to which we would seek to apply this activity:

Property Name	Property ID	AMP
Bloomington Gardens	89-0001	MN002000002, Scattered Sites
Bloomington Gardens	89-0002	MN002000002, Scattered Sites
Bloomington Gardens	89-0003	MN002000002, Scattered Sites
Bloomington Gardens	89-0004	MN002000002, Scattered Sites
Bloomington Gardens	89-0005	MN002000002, Scattered Sites
Bloomington Gardens	89-0006	MN002000002, Scattered Sites
Linden Hills	52-1316	MN002000002, Scattered Sites
Linden Hills	52-1318	MN002000002, Scattered Sites
Linden Hills	52-1320	MN002000002, Scattered Sites
Linden Hills	52-1322	MN002000002, Scattered Sites
Linden Hills	52-1324	MN002000002, Scattered Sites

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

None.

CE#4: Increase in Resources Leveraged				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
Amount of funds leveraged in dollars (increase).	0	TBD*	TBD	No
* Activity still in planning stage.				

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 percent of AMI that would otherwise not be available (increase). If units reach a specific type of household, give that type in this box.	0	TBD*	TBD	No
* Activity still in planning stage.				

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 (and one philanthropic contribution). They are public housing, constructed under MPHA's Faircloth Limit, using public funds.

MPHA owns and manages these 16 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 intensive, self-sufficiency-focused services from a partner in the initial months after move-in.

2020 was the first full year of occupancy, and we are reporting on self-sufficiency metrics for the first time. We believe self-sufficiency goals for families at the Minnehaha Townhomes were affected by the economic effects of the COVID-19 pandemic. Although these effects will persist into 2021, we are optimistic that 2020 was a unusual year and employment outcomes will improve going forward.

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	16	Yes

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	16	16	No

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	16	16	No

SS #3: Increase in Positive Outcomes in Employment Status				
Unit of Measurement	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
(1) Employed Full-Time	0	4	1	No
(2) Employed Part-Time	0	4	3	No
(3) Enrolled in an Educational Program	0	0	0	Yes
(4) Enrolled in job Training Program	0	0	0	Yes
(5) Unemployed	16	8	10	No
(6) Other	0	0	2	Yes

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	7	yes

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	7	yes

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). *(Def: Moving to flat-rate rent)*	0	2	0	No

B. ACTIVITIES NOT YET IMPLEMENTED

None.

C. ACTIVITIES ON HOLD

Alternate Income Verifications (2013 – 2)

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

Description

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.

Reactivation Update (Plan) or Actions Taken (Report)

MPHA's plans and timeline are indeterminate at this time. The activity was placed on-hold in 2017, and we continue to assess its future potential need.

Changes or Modifications Since Approval

None.

Public Housing Earned-Income Disregard (2009 – 4)

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

Description

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 placed this activity on hold when we judged that we could continue it without MTW authority. However, we believe there may be circumstances in which we would reactivate it in the future.

Reactivation Update (Plan) or Actions Taken (Report)

MPHA's plans and timeline are indeterminate at this time. The activity was placed on-hold in 2017, and we continue to assess its future potential need.

Changes or Modifications Since Approval

None.

D. CLOSED OUT ACTIVITIES

Activities closed in 2020

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

Approved in 2010, Implemented in 2019, Closed in 2020

Explanation for Closure

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).* Both activities are fundamentally the same; one 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 envisioned under 2010 – 3, now unified under the auspices of 2018 – 5.

Outcomes and Summary Table(s)

Although implemented in 2019 with good-faith intent to move forward, the activity was not fulfilled prior to closure and consolidation with 2018 – 5 (which also remains in-progress). Fully implementing the activity required administrative capacity MPHA has not been able to provide to-date, and depends upon external factors related to the properties and their owners. This activity had only a single metric, CE#2. The table of final outcomes below applies to all years of the activity.

	CE#2: Staff Time Savings				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2019 - 2020	Total time to complete the task in staff hours (decrease).	96 hours/week	30 hours/week	0	No

Reintegration of Offenders (2016 – 2)

Approved in 2016, Implemented in 2017, Closed in 2020

Explanation for Closure

MPHA will integrate this partnership under a newer MTW activity going forward*: 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 is closed in 2020.

Background: The program has two components: *Great River Landing* and *Better Futures*. Great River Landing is a sponsor-based, property-based voucher partnership providing apartments with services to ex-offenders who commit to a program of job-training and employment. The Great River Landing facility, developed and operated by Beacon Interfaith Housing Collaborative, opened near downtown Minneapolis in 2019; prior to that point, participants received services and a tenant-based rental subsidy. In addition to stable housing and access to employment resources, the partner organizations provide social and supportive services that help the men reunify with their families and establish civic pride and ties to their communities once they enter the program. Starting in 2020, through a second partner, Better Futures Minnesota, MPHA provides up to 30 tenant-based subsidies to ex-offenders with a similar suite of services. Nine people were a part of this program in 2020.

Outcomes and Summary Tables

As stated above, the program is ongoing and closing out because we are merging it with a similar MTW activity. Thanks to credible, experienced, and engaged partners, this activity got off-and-running very quickly, extending its reach to the 40 participants who were initially envisioned. Though short of benchmarks, employment and training outcomes have been substantial—although 2020 was a difficult year for these men, as it was for so many in the lower-skilled workforce. Income outcomes surpassed benchmarks by 2019, but understandably fell back again in the midst of the COVID-19 recession. Full self-sufficiency, as defined by this activity, has also been out-of-reach, suggesting MPHA and the partners might wish to revisit whether the definition is overly rigorous. Over its five years of development, this activity has provided stable homes and a fresh start for dozens of men who otherwise might have had a hard landing upon exiting incarceration.

	HC #1: Additional Units of Housing Made Available				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	40	40	Yes

2018	Housing serves ex-offenders emerging from incarceration.	0	40	40	Yes
2019		0	40	40	Yes
2020		0	40	70	Yes

	HC#5: Increase in Resident Mobility				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Number of Households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	40	0	No
2018		0	40	0	No
2019		0	40	32	No
2020		0	40	49	Yes

	HC#7: Households Assisted by Services that Increase Housing Choice				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Number of households receiving services aimed to increase housing choice (increase).	0	40	40	Yes
2018		0	40	40	Yes
2019		0	40	32	No
2020		0	40	49	Yes

	SS#1: Increase in Household Income				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Average annual income for families (over a five-year period) (increase)	0	$8,880.00	0	No
2018		0	$8,880.00	$4,000	No
2019		0	$8,880.00	$19,969	Yes
2020*		0	$8,880.00	$12,839	Yes
** Better Futures partner unable to provide data for 2020; outcome reflects the 40 Great River Landing participants only.*					

	SS #3: Increase in Positive Outcomes in Employment Status				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Number of families with stable employment histories (increase) (1) Employed Full-Time - (2) Employed Part-Time - (3) Enrolled in an Educational Program - (4) Enrolled in Job Training Program - (5) Unemployed - (6) Other:	0	25 59 90 10 0 0	5 35 40 0 0 0	No (Partial year result)
2018		0	25 59 90 10 0 0	10 53 2 63 0 0	No No No Yes Yes Yes
2019		0	14 40 0 0 0 0	4 14 0 0 9 1	No No Yes Yes No No
2020*		0	14 26 0 0 0 0	5 19 0 0 9 2	No No Yes Yes No No
** Better Futures partner unable to provide data for 2020; outcome reflects the 40 Great River Landing participants only.*					

	SS #5: Households Assisted by Services that Increase Self Sufficiency				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Number of households receiving services aimed to increase self-sufficiency (increase).	0	40	40	Yes
2018		0	40	40	Yes
2019		0	40	32	No
2020		0	40	49	Yes

	SS #8: Households Transitioned to Self Sufficiency				
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2017	Number of households transitioned to self sufficiency (increase).*	0	25	0	No (Partial Year)
2018		0	25	10	No
2019		0	10	0	No
2020		0	15	0	No

**Self Sufficiency: Maintained lease in own name for 90 days, engaged in addressing health and wellness needs at home, employed at least 90 days for 20 hours per week, no new offenses and no return to custody for at least 90 days Increased parenting skills, if applicable); met within 12 months of enrollment.*

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

Approved in 2016, Implemented in 2016, Closed in 2020

Reason for Closure

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 is closing this activity as its intentions, potential outcomes, and authorizations are fully encompassed within approved activity 2018-6.

Background: 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 would receive ongoing services from the county or other partners. MPHA issued an initial request-for-proposals (RFP) in August 2016 and the response was muted. MPHA subsequently awarded a housing assistance payments (HAP) contract to one housing provider, Lutheran Social Services, for 12 PBVs. These units were converted to PBV in the course of natural attrition of units starting in 2018; they are now a part of our regular PBV portfolio. MPHA received no subsequent applications. We will continue to explore the potential for PBVs to serve this hard-to-house population through our broader Local PBV Program.

HC #1: Additional Units of Housing Made Available					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
2016	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). Families coming out of homeless shelters.	0	50	12	No
2017		0	12	12	Yes
2018		0	12	12	Yes
2019		0	12	12	Yes
2020		**0**	**12**	**12**	**Yes**

HC #5: Increase in Resident Mobility					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
2016	Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity.	0	50	0	No
2017		0	12	0	No
2018		0	12	8	No
2019		0	12	15	Yes
2020		0	12	12	Yes

HC #7: Households Assisted by Services that Increase Housing Choice					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
2016	Number of households receiving services aimed to increase housing choice (increase).	0	50	0	No
2017		0	12	0	No
2018		0	12	8	No
2019		0	12	15	No
2020		0	12	12	Yes

SS #1: Increase in Household Income					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved**
2016	Average annual income for households affected by this policy (increase).	TBD	TBD	TBD	TBD
2017		0	0	0	N/A
2018		0	$15,000	$15,448	Yes
2019		$15,448	$15,880	$9,709	No
2020		$9,709	$9864.34	$7,824.44	No

SS #3: Increase in Positive Outcomes in Employment Status					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2016	(1) Employed Full- Time (2) Employed Part- Time (3) Enrolled in Edu. Program (4) Enrolled in Job Training (5) Unemployed (6) Other: (SSI, etc.)	TBD	TBD	TBD	TBD
2017		0	0	0	N/A
2018		0 0 0 0 0 0	3 3 3 3 0 0	2 2 0 2 2 0	No
2019				1 1 0 0 13 2 (Note: SSI)	No
2020				1,2,0,0,9,3 (Note: 2 SSI, 1 Non-wage)	No

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2016	Number of households receiving TANF assistance (decrease).	TBD	TBD	TBD	TBD
2017		0	0	0	N/A
2018		12	6	7	No
2019		12	6	13	No*
2020		12	6	12	No

SS #5: Households Assisted by Services that Increase Self Sufficiency					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2016	Number of households receiving services aimed to increase self-sufficiency (increase).	0	50	0	No
2017		0	12	0	No
2018		0	12	8	No
2019		0	12	15	Yes
2020		0	12	12	Yes

SS #6: Reducing Per Unit Subsidy Costs for Participating Households					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2016	Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	TBD	TBD	TBD	TBD
2017		0	0	0	N/A
2018		0	0	$678	Yes
2019		$678.00	$697.00	$646.00	Yes
2020		$646	$658	$656	Yes

SS #7: Increase in Agency Rental Revenue					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**2019 Outcome**	**Benchmark Achieved?**
2016-2020	PHA rental revenue in dollars (increase)	0	0	0	No*
	* Metric does not apply to this PBV activity.				

SS #8: Households Transitioned to Self Sufficiency					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2016	Number of households transitioned to self-sufficiency (increase). Def: Graduation from program; no longer need subsidy.	TBD	TBD	TBD	TBD
2017		0	0	0	N/A
2018		0	0	0	N/A
2019		0	0	0	No
2020		0	0	3	Yes

Soft Subsidy Initiative (2011 – 2)

Approved in 2011, Implemented in 2013, Closed in 2020

Explanation for Closure

We have integrated this activity under a newer, previously MTW activity going forward*: 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 are absorbed into Goal-Oriented Housing activity, and any potential revival of the program envisioned here would be encompassed by Goal-Oriented Housing.

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.

Outcomes and Summary Table(s)

After some successful years, the initial partner experienced funding challenges and wound down the program during 2017. We continued unsuccessfully to seek another partner. While it was active, the partnership was generally successful in meeting earnings and employment goals. It was difficult for families to achieve the goal of full self-sufficiency, although that five-year goal was cut short as the program began to wind down in its fourth year.

SS #1: Increase in Household Income					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013	Average earned income of households affected by this policy in dollars (increase).	0	$13,195	*(Not reported)*	Yes
2014		0	$13,195	$ 16,146	Yes
2015		0	$13,195	$ 14,131	Yes
2016		0	$13,195	$ 21,059	Yes
2017		0	$13,195	$ 29,308	Yes
2018-2020		0	$0	$0	No

SS #3: Increase in Positive Outcomes in Employment Status					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013	(1) Employed Full- Time (2) Employed Part- Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other: % of HH with Earned Income	0	6	7,10,2,1,2,89%	YYYNNY
2014		0	6	6,15,1,1,6,95%	YYNNNY
2015		0	2	11,7,1,0,3,85%	YYNNNY
2016		0	5	12,8,6,0,0,100 %	YYYNYY
2017		0 0	0 75%	7,6,2,0,0,100%	YYYNYY
2018-2020		0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	No

SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013	Number of households receiving TANF cash assistance (decrease).	15	5	9	No
2014		15	5	3	Yes
2015		15	5	6	No
2016		15	5	1	Yes
2017		15	5	2	Yes
2018-2020		0	0	0	No

SS #5: Households Assisted by Services that Increase Self Sufficiency					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013	Number of households receiving services aimed to increase self-sufficiency (increase)	0	20	20	Yes
2014		0	20	20	Yes
2015		0	20	20	Yes
2016		0	20	20	Yes
2017		0	20	13	No
2018-2020		0	0	0	Yes

SS #6: Reducing Per Unit Subsidy Costs for Participating Households*					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013	Average amount of Section 8 subsidy per household affected by this policy in dollars (decrease).	0	$0	0	Yes
2014		0	$0	0	Yes
2015		0	$0	0	Yes
2016		0	$0	0	Yes
2017		0	$0	0	Yes
2018-2020		0	$0	$0	No
**This Section 8 metric was not applicable to this LNT, fixed-subsidy activity.*					

SS #8: Households Transitioned to Self Sufficiency					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013	Number of households transitioned to self-sufficiency (increase).	0	2	0	No
2014		0	2	6	Yes
2015		0	2	0	No
2016		0	2	0	No
2017		0	2	0	No
2018-2020		0	0	0	No
** Self Sufficiency is defined as: the participant leaves government financial assistance. The initial partnership under this activity was a program aiming for self-sufficiency after five years.*					

Targeted Project-Based Initiative (2011 – 1)

Approved in 2011, Implemented in 2012, Closed in 2020

Explanation for Closure

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 have been leveraged, 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.

Background: 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).

Outcomes and Summary Tables

MPHA first awarded vouchers under this initiative in early 2012, by 2015 ultimately awarding 41 vouchers that facilitated an additional 226 units (a total of 267 affordable housing units) across four developments. This widely exceeded the goal of 120 units, and the activity can be considered a success.

Note that while the program was implemented in 2012, the MTW Standard Metrics seen below began with the 2013 MTW Annual Report.

CE #4: Increase in Resources Leveraged					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013-2014	Amount of funds leveraged in dollars (increase).	$11.9 million*	$35.6 million**	$7.3 million	No
2015-2020		$11.9 million*	$35.6 million**	$88.1 million***	Yes
	* Based upon initial anticipated cost of $330,000 per unit, and 36 vouchers awarded. ** Target was a 3 to 1 voucher/non-voucher unit ratio ***Actual result was a total of 267 units and ratio of approximately 8 to 1.				

HC #1: Additional Units of Housing Made Available					
Year	**Unit of Measurement**	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
2013-2014	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase). Units reach low-income families, including some VASH.	0	40 PBV 120 additional units	11 PBV 11 VASH 152 additional units	No (Although "additional units" goal was met, MTW Reports state "no" on the basis of PBV count)
2015-2020		0	40 PBV 120 additional affordable units	30 PBV 11 VASH 226 additional affordable units	Yes

HC #7: Households Assisted by Services that Increase Housing Choice					
Year	**Unit of Measurement**	**Baseline**	**Yearly Benchmark**	**Outcome**	**Benchmark Achieved?**
2013-2014	Number of households receiving services aimed to increase housing choice (increase).	0	144	147	Yes
2015-2020		0	144	267	Yes

Previously Closed Out Activities

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.

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 his initiative.

Foreclosure Stabilization Project-Based Voucher 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 are in need of 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 out 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.

V. Sources and Uses of MTW Funds

ANNUAL MTW REPORT

A. ACTUAL SOURCES AND USES OF MTW FUNDS

i. Actual Sources of MTW Funds in the Plan Year
MPHA has submitted unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System – PHA (FASPHA), or its successor system.

ii. Actual Uses of MTW Funds in the Plan Year
MPHA has submitted unaudited and audited information in the prescribed FDS format through the FASPHA, or its successor system.

iii. Describe Actual Use of MTW Single Fund Flexibility
The MTW PHA shall provide a thorough narrative of actual activities that use only the MTW single fund flexibility. 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 (IV) of the Annual MTW Report. The MTW PHA shall also provide a thorough description of how it used MTW single fund flexibility to direct funding towards specific housing and/or service programs in a way that responds to local needs (that is, at a higher or lower level than would be possible without MTW single fund flexibility).

ACTUAL USE OF MTW SINGLE FUND FLEXIBILITY
MPHA did not have any activities that utilized only MTW single fund flexibility. MPHA used approximately $6.5 million from its HCV HAP Subsidy and $800,000 from CFP to partially pay-off 2010 financing used to make energy improvements in public housing units. The partial pay-off was required by HUD in order to convert the MPHA's Elliot Twins (RAD conversion) and 717 scattered site units (Section 18). MPHA used $600,000 in HCV HAP Subsidy to augment other programs in accordance with the needs of our local community. Of this amount: $380,000 was used for HCV Administration to supplement for HUD administrative fee pro-ration at 80% of the formula amount. $100,000 went to supplement MPHA's Public Housing Capital Budget; $22,000 to the Family Unification Program (FUP) for housing assistance; and $80,000 to MTW Local Initiatives (primarily research, reporting, and administration related to MPHA's MTW status). MPHA also used $2.9 million in HCV CARES Act resources for public housing operations. Among other things, these transfers helped augment additional security services and contracted maintenance help needed in response to COVID-19 management challenges. MPHA also used approximately $100,000 of CFP resources on former public housing units bought by MPHA's affiliate.

B. LOCAL ASSET MANAGEMENT PLAN

i. Did the MTW PHA allocate costs within statute in the Plan Year? **No**

ii. Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year? **Yes**

iii. Did the MTW PHA provide a LAMP in the appendix? Yes

iv. If the MTW PHA has provided a LAMP in the appendix, please provide a brief update on implementation of the LAMP. Please provide any actual changes (which must be detailed in an approved Annual MTW Plan/Plan amendment) or state that the MTW PHA did not make any changes in the Plan Year.

HUD approved MPHA's revised LAMP in the 2018 MTW Annual Plan. MPHA has implemented the LAMP, as revised, and did not make any changes from the LAMP described in the appendix of MPHA's MTW Plan.

VI. Administrative

A. Reviews, Audits, and Inspections

MPHA's 2019 Single Audit conducted in 2020 identified three findings. There was an issue of segregation of duties related to payroll; three individuals have the ability to process payroll and make changes to the payroll master file, which includes processing new hires, terminations, promotions, and pay increases. A Section 8 Program finding related to inaccurate data entry in MPHA's software system which led to errors that increased the risk that a program participant could receive benefits they were not entitled to, or the incorrect level of benefits. And errors found in the preparation of the HUD 60002 report indicated there was noncompliance with uniform guidance reporting requirements. MPHA has implemented or plans to implement a corrective action plan to resolve all findings.

An IRS audit in 2020 audited 1099-MISC forms from 2018. The audit found MPHA failed to timely furnish correct 1099 forms to 14 Section 8 property owners. This resulted in a $7500 penalty to MPHA.

B. Evaluation Results

MPHA has no results of MTW PHA-directed evaluations to report for the year.

C. MTW Statutory Requirement Certification

Please see certification on following page.

D. MTW Energy Performance Contract (EPC) Flexibility Data

This section is not applicable to MPHA. MPHA's EPC is standard, with no additional MTW flexibility.

APPENDIX A: MTW STATUTORY REQUIREMENT CERTIFICATION

Acting on behalf of the Public Housing Agency (PHA) listed below, as its authorized PHA official, I approve the submission of the Annual Moving to Work Report for the PHA fiscal year ending **December 31, 2020**, hereinafter referred to as "the Report", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Report and implementation thereof:

The Agency has met the three statutory requirements of: 1) assuring that at least 75 percent of the families assisted by the Agency are very low-income; 2) continuing to assist substantially the same total number of households as would have been assisted had the agency not participated in the MTW demonstration, and 3) maintaining a comparable mix of households (by family size) served as would have been served had the agency not participated in the MTW demonstration.

Minneapolis Public Housing Authority	MN002
PHA Name	PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Abdi Warsame	Executive Director/CEO
Name of Authorized Official	Title
	March 31, 2021
Signature	Date

APPENDIX B: 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.

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.

LOCAL DETERMINATION ON FEES

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.

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 will be implementing a new preventive maintenance program in 2019. The Quality Maintenance Program (QMP) will deliver 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 will prioritize 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 intends to use maintenance crew(s) that will 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.

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, and the QMP crews would be the only deviations from HUD's asset management guidelines.

APPENDIX G: Glossary of Acronyms and Housing Terms

***ARRA* –** The ***American Recovery & Reinvestment Act of 2009 ("*Recovery Act")** was a stimulus package enacted by Congress in 2009. Though the primary objective was to save and grow jobs, the Recovery Act also provided temporary relief for programs most affected by the recession and allowed investments in infrastructure, education, health, and renewable energy.

ACC - Annual Contributions Contract is the written contract between HUD and a Public Housing Authority (PHA) under which HUD agrees to provide funding for a program (under the Housing Act of 1937), and the PHA agrees to comply with HUD requirements for the program.

AMI - Area Median Income - an estimate from the Department of Housing and Urban Development (**HUD**) of how much money families in a given area earn on average.

AMP – Asset Management Projects is a term used to identify the PHA's property groupings.

CFP - Capital Fund Program is an annual grant in which HUD provides funds for the modernization and development of public housing beyond the scope of routine maintenance.

CFR – Code of Federal Regulations are published federal rules that define and implement laws; commonly referred to as "the regulations." Regulations related to HUD programs are primarily in the 24th section of the code, denoted 24 CFR.

CDBG - Community Development Block Grant is a flexible program that provides communities with resources to address a wide range of unique community development needs.

CMTO - Creating Moves to Opportunity is a nationwide collaboration between universities, foundations, and PHAs with the purpose of improving long-term outcomes of children by evaluating strategies that support Housing Choice Voucher (HCV) families in moving to higher opportunity neighborhoods.

Deeply Affordable Housing – This term is generally used to refer to homes affordable to people who meet HUD's definition of "Extremely Low-Income" (making below 30 percent of the Area Median Income).

DOT - Declaration of Trust is a legal instrument which grants **HUD** an interest in a public housing property. It also provides public notice that the property was developed, maintained, or operated with Federal assistance and is, therefore, held in **trust** by the public housing agency for the benefit of **HUD**.

EPC - Energy Performance Contract is a financing mechanism authorized by Congress designed to accelerate investment in cost-effective energy conservation measures in federally supported buildings such as public housing.

Extremely Low-Income Family – a family whose annual income does not exceed 30 percent of the area median income, as determined by HUD.

Faircloth Limit/Faircloth Authority – Named for former U.S. Senator, the Faircloth Limit refers to a cap, under federal law, on the number of Section 9 public housing units for which a PHA is allowed to receive subsidy. Where housing authorities are below this limit, Faircloth Authority refers to additional public housing subsidy PHAs could access, provided we can build or acquire the units.

Flat Rent – A maximum level of tenant rent payment, as defined by a PHA's rent policies for Section 9 public housing. Flat rent is established as a percentage of the estimated fair-market-rent for a unit. Flat rent is a relevant concept for the highest-income households, where a rent payment of 30 percent of adjusted income would exceed this amount. Also known as "ceiling rent."

FSS – Family Self-Sufficiency Program is a HUD program in which a PHA promotes self-sufficiency of assisted families, including the coordination of support services.

FUP – Family Unification Vouchers are special purpose vouchers provided to two different populations: families and former foster-care youth (ages 18-24) that are homeless or lack adequate housing. Eligible families are referred by the local child welfare agency to the PHA.

HAP - Housing Assistance Payments contract – a written contract between the PHA and a property owner established to provide rent subsidies on behalf of an eligible low-income family.

HCV – The Housing Choice Voucher (also known as "Section 8") program pays a portion of a tenant's rent in an apartment or home. Families contribute approximately 30 percent of their income toward their rent and utilities and MPHA provides the rest. Where a voucher-holder uses the voucher to live in a privately-owned home, this is referred to as a "tenant-based" voucher. (Families can use the voucher to choose where they want to live within Minneapolis or outside the city.) In some contexts, the HCV program may also refer to "project-based" vouchers (PBVs), defined separately in this glossary.

HQS - Housing Quality Standards are established by HUD and outline minimum life-safety requirements for any housing assisted under the voucher program.

HUD – The United States Department of Housing and Urban Development. HUD is the federal regulator and distributor of funds to PHAs. HUD is headquartered in Washington D.C. and has a field office in Minneapolis

LEP - Limited English Proficiency Plan is developed by the PHA, per HUD requirements, to make reasonable efforts to provide free language assistance and meaningful access to a client who does not speak English as their primary language or has limited ability to read, write, speak, or understand English.

Local, Non-Traditional – This HUD term describes activities that use MTW funds provided under the MTW block grant for activities outside of the Housing Choice Voucher and public housing programs established in Sections 8 and 9 of the U.S. Housing Act of 1937 (1937 Act). These activities must serve low-income families and meet the statutory objectives of the MTW program.

Low-Income Family – a family whose annual income does not exceed 80 percent of the area median income, as determined by HUD.

LIHTC - Low-Income Housing Tax Credit is a dollar-for-dollar tax credit in the United States for affordable housing investments that gives incentives for the utilization of private equity in the development of affordable housing aimed at low-income Americans.

LURA – Land Use Restriction Agreement is a legally binding contract requiring the parties to limit the use of a property for a specified term. LURAs are typically used in connection with low-income housing tax credits to ensure that a housing property is restricted to households who make a certain income (for example, 30% of Area Median Income) for an agreed-upon period. By agreement among the parties, this period need not match and may exceed the tax credit compliance period (for example, 30 years or more).

MTW – Moving to Work Demonstration Program created by Congress in 1996 allows housing authorities to design and test innovative, locally-designed strategies for providing low-income families with affordable housing. MTW allows the agency to waive most HUD regulations if the agency meets at least one of three statutory objectives: (1) increasing housing choices, (2) creating opportunities for families with

Portability – A family utilizing a Housing Choice voucher can choose to rent a dwelling unit in a city outside their initial PHA.

PBRA – Project-Based Rental Assistance was authorized by Congress in 1974 to provide rental subsidies for eligible tenant families residing in newly constructed, substantially rehabilitated, and existing rental and cooperative apartment projects. Under it, developers (for-profit or non-profit) would build low-income housing and HUD would make up the difference between the HUD-approved rent (Contract Rent) for the assisted unit and the HUD-required rental contribution from eligible tenant families. *MPHA does not participate in the PBRA program.*

PBVs – Project-Based Vouchers provide rental assistance to families living in privately owned apartments, or in buildings publicly controlled by the housing authority. Unlike “tenant-based” vouchers, PBVs are attached to the housing unit. (Both types of vouchers are considered different types of “Section 8” vouchers and funded by Congress under the Section 8 program.) Using the voucher funding, MPHA enters into a contract to ensure that these units are preserved as affordable housing for up to 20 years (or beyond, in the case of RAD).

PHA – Public Housing Authority.

PIC – PIH Information Center is the HUD’s inventory management system, used as the official record between HUD and the housing authority of public housing units and occupancy. It is sometimes referred to as IMS/PIC (where IMS stands for Inventory Management System).

RAD - Rental Assistance Demonstration was created by Congress to give PHAs a tool to preserve and improve public housing properties and address the nationwide backlog of deferred maintenance. The law authorizing RAD requires continued public ownership or control of public housing properties. Specifically, it requires that a public or not-for-profit entity maintain ownership or control of a public housing property that converts to PBRA or PBV assistance using RAD.

***Section 3* – HUD's Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting and other economic opportunities to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.**

***Section 8* –** Refers to Section 8 of the U.S. Housing Act of 1937, as amended (42 U.S.C. 1437). Section 8 of the Act covers voucher programs (tenant-based and project-based) and Project-Based Rental Assistance.

***Section 9* –** Refers to Section 9 of the U.S. Housing Act of 1937, as amended (42 U.S.C. 1437). Section 9 of the Act covers traditional, PHA-owned-and-operated public housing.

Subsidy Standards (or Payment Standards) are established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families based on the number of people and the family composition.

SNAP - Supplemental Nutrition Assistance Program, formerly known as Food Stamps, helps low income families to purchase nutritious food.

***TPVs* – Tenant Protection Vouchers** are issued to ensure there is no displacement of low-income residents as a result of underlying changes to subsidy assistance of a property. TPVs can also provide stability and facilitate an increased funding stream to the property.

VASH - Veterans Affairs Supportive Housing This joint HUD-Veterans Affairs (VA) program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA).

***Very Low-Income Family* –** A low-income family whose annual income does not exceed 50% of the area median income for the area, as determined by HUD.