



Cora McCorvey, Executive Director/Chief Executive Officer

FY2014 MOVING TO WORK PLAN

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MINNEAPOLIS PUBLIC HOUSING AUTHORITY

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

FY2014 MOVING TO WORK ANNUAL PLAN

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SECTION I: INTRODUCTION

Short and Long-Term MTW Goals and Objectives

Minneapolis Public Housing Authority (MPHA) is one among a small percentage of “Moving to Work” (MTW) public housing authorities in the nation. MTW allows public housing authorities to exercise flexibility over how and where their funding from HUD will be spent. It also permits MPHA to waive various rules and regulations in order to make choices about how programs and services are delivered enabling the Agency to respond to specific affordable housing needs in our community. MTW does not increase federal appropriations, but it does allow public housing authorities greater control in deciding how to use them. With the Agency facing funding shortages, which are expected to continue far into the foreseeable future, MPHA’s MTW designation provides a powerful tool that can be used to support its mission.

MPHA’s short term MTW goals can be encapsulated in using its MTW authority and flexibility to identify and implement strategies that will allow the agency to continue serving as many families as we can by providing safe, affordable and decent housing opportunities in the wake of on-going reductions in federal and local funding, dealing with the impact of sequestration and addressing the continuing and burdensome and bureaucratic demands made on our programs.

In 2014, MPHA will adopt a comprehensive Rent Reform Initiative in our Section 8 Housing Choice Voucher (HCV) program that will simplify administrative process, provide a more participant friendly and easier to understand subsidy model and generate significant savings in federal expenditures that will allow the agency to continue to house 500 HCV families who without the Rent Reform Initiative would be terminated from the program.

MPHA will also engage in a continuous and ongoing review of its Asset Management Program portfolio and identify old, antiquated and unproductive properties that may be disposed of, refurbished and/or converted into small cluster developments, mixed financed communities and/or other income producing resources that support the Agency’s overall affordable housing programs. This may include utilizing RAD, Voluntary Conversion, Bonding, Low Income Housing Tax credits, New Markets Tax Credits, Historic Tax Credits and/or other sources of funds and supports. This includes a comprehensive review of MPHA’s 184 unit Glendale family townhome development and various scattered site housing units.

In undertaking redevelopment activities, MPHA may need to establish limited liability corporations/ partnerships in order to qualify for certain funding opportunities.

MPHA will also consider disposition of any vacant lots or parcels of land that are not tied directly to housing of tenants that could be sold, traded for other development opportunities and/or converted to some other purpose that benefits the Agency.

MPHA will consider partnering with other agencies, organizations, units of government to fully utilize its Faircloth ACC authority to expand and/or create additional affordable housing in our community and or specific housing and housing with services opportunities for families with children who are homeless and in shelter.

MPHA will explore and as opportunities present themselves utilize authority granted it under PIH 2011-45 **Local, Non-Traditional Activities under the Moving to Work Demonstration Program** partner and/or engage in activities that will position MPHA to contribute to affordable housing needs in the community. MPHA understands that prior to taking advantage of the opportunities it will be required to have HUD review and approval prior to implementation.

Long Term MTW Plan:

Over the next five years, MPHA is committed to responding proactively and strategically in determining its priorities and actions, including when and how to exert its MTW flexibility. MPHA's decision to take the more 'proactive' approach is not new. Since 1991, when it became an independent agency, MPHA has boldly taken calculated risks, engaged the community, and structured its decisions and actions to take maximum advantage of available opportunities to better serve its residents and program participants as well as contribute to the critical housing needs of some of the most vulnerable in our community.

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

MPHA's long term vision integrates the mission and values of the Agency, the seven strategic directions adopted as part of its recently approved Strategic Plan with MTW flexibility to best position MPHA to address the challenges and seize the opportunities it will face during the next five years.

Strategic Direction 1

MPHA's highest priority is to preserve its viable housing portfolio so it remains a resource for affordable, safe, and high quality housing for its residents.

- *Goal 1: Conduct physical needs assessments that provide the basis for capital improvements planning and implementation on a regular and reasonable basis.*
- *Goal 2: Provide maintenance and capital improvements to ensure a consistent livability standard that meets or exceeds HUD's Uniform Physical Condition Standards (UPCS).*
- *Goal 3: Implement sustainable strategies and technologies when carrying out capital and maintenance activities and agency operations.*

- *Goal 4: Take advantage of opportunities to maintain Public Housing subsidies and pursue other opportunities that contribute to the preservation of existing viable sites.*
- *Goal 5: Develop evaluation criteria, including housing program needs, cost effectiveness, and long-term sustainability measures, to consider when determining which properties should be retained and which should be eliminated from MPHA's portfolio.*
- *Goal 6: Investigate opportunities to reposition single family homes into more cost effective and operationally efficient housing inventory.*
- *Goal 7: Conduct a comprehensive assessment of security needs and practices with the goal of contributing to a safe and secure environment in a cost effective manner.*

Strategic Direction 2

MPHA will maximize effective use of its Section 8 Housing Choice Voucher Authority and have as a priority to maintain its baseline number of Tenant-Based vouchers and respond to additional critical Minneapolis community affordable housing needs by assessing revenue streams, resource implications, and opportunity costs as it allocates its vouchers.

- *Goal 1: MPHA's priority will be to affect a balanced approach aimed at housing families from the agency's current wait list by maintaining and, where possible, expanding its allocation of Tenant-Based Vouchers and creating partnerships in order to make the most effective use of its limited Project Based Authority.*
- *Goal 2: When allocating Project Based Vouchers, MPHA will adopt strategies that will promote affordable housing to families with specifically identified needs, promote service enriched housing, leverage increases in the supply of affordable housing, and foster operational stability for affordable housing development.*
- *Goal 3: When awarding Project Based to potential partners, MPHA will develop and implement evaluation criteria that will include the partner's willingness to cover MPHA's costs above those that would be provided by HUD for Tenant- Based vouchers.*
- *Goal 4: Create policies that position the agency to respond to natural disasters and other emergencies as determined by the MPHA Board of Commissioners.*

Strategic Direction 3

MPHA will seek partnerships with the goal of enhancing services, promoting health and wellness, contributing to safety and supporting residents and participants in their efforts to live independent lives.

- *Goal 1: Promote opportunities, in cooperation with its partners, for residents to age in place and receive services and supports that will allow residents to have quality lives.*

- *Goal 2: Sustain its Senior Housing Designation Plan, which creates and sustains senior communities within MPHA public housing developments and, offers choices for seniors regarding housing location and assisted living programs.*
- *Goal 3: Encourage and support resident involvement and participation in agency activities that impact residents and their homes. MPHA will work with established resident council and representation systems to support this goal.*
- *Goal 4: Provide through its partnerships education, training and employment opportunities for residents and participants seeking to become economically self-sufficient.*
- *Goal 5: Coordinate with the City of Minneapolis, Hennepin County and other partners to identify and implement specific strategies that promote health and wellness opportunities for residents and participants, including making MPHA smoke-free within the next five years.*

Strategic Direction 4

MPHA will continue to participate and communicate with HUD, the State of Minnesota, the Metropolitan Council, Hennepin County, and the City of Minneapolis to contribute to the development of housing policy and housing policy implementation as well as to ensure that the affordable housing needs of Minneapolis residents and the agency’s capacity and ability to address these needs will be considered when housing-related decisions are being made.

- *Goal 1: Continue to interact with other units of government to contribute to the development of housing policies, rules, and regulations.*
- *Goal 2: Interact with local jurisdictions to create a local housing policy agenda, contribute to the housing elements of local plans, address immediate housing issues, develop emergency response strategies, and encourage a cooperative approach to implementing housing policy and services.*
- *Goal 3: Strategically communicate MPHA’s successes, initiatives and capabilities to local leaders, businesses, and stakeholders and partners in order to increase awareness of MPHA’s capabilities and contributions.*

Strategic Direction 5

MPHA will use its resources in an efficient and accountable manner, in compliance with all laws and regulations, and will seek to maintain an adequate financial reserve to ensure the long term viability of the agency and protect it from unanticipated costs and the consequences of fluctuating federal appropriations.

- *Goal 1: MPHA will look for ways to streamline its operations in order to realize financial efficiencies and economies of scale.*
- *Goal 2: MPHA will maintain an adequate financial reserve to safeguard the agency against unanticipated costs and widely varying federal appropriations.*

- *Goal 3: MPHA recognizing the importance of operating with transparency, accountability and integrity, will meet all financial reporting, audit and expense eligibility requirements to the satisfaction of granting agencies and other financing partners.*
- *Goal 4: Conduct business and financial functions with a focus on best practices and integrity.*

Strategic Direction 6

MPHA will update and strengthen its operational policies and practices to ensure: a) that all staff can perform their duties at the highest levels of competency and b) the long-term viability of the agency, including cultivating and attracting the next generation of leadership.

- *Goal 1: Provide staff training that benefits both the employee and the agency to ensure staff is abreast of and responsive to current trends.*
- *Goal 2: Provide diversity training for staff to improve communications with an increasingly diverse base of customers.*
- *Goal 3: Provide regular opportunities for staff to reflect on their goals and accomplishments.*
- *Goal 4: Design and implement management succession strategies that, at a minimum, include cultivating. Retaining, and attracting the next generation of leadership.*
- *Goal 5: Recruit and retain a diverse and talented workforce.*

Strategic Direction 7

MPHA will continue its commitment to promote participation in its operations by women, minority and Section 3 residents and Businesses as well as other Small and Underutilized Business Program (SUBP) participants.

- *Goal 1: Recruit and hire qualified women, minority and Section 3 residents as part of a commitment to promote participation in its operations and comply with appropriate Section 3 requirements.*
- *Goal 2: Conduct procurement activities in compliance with Section 3 requirements and to promote MPHA goals related to participation of women and minority enterprises in agency business activities.*
- *Goal 3: Create a MPHA Job Bank that provides a list of Section 3 eligible residents, job interest categories and contact information that can be provided to firms doing business with MPHA.*
- *Identify and engage with organizations that provide education, training and support for employment related to the kinds of work performed by firms doing business with MPHA and refer residents to these organizations.*

SECTION II: GENERAL HOUSING AUTHORITY OPERATING INFORMATION

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

(II) General Housing Authority Operating Information

Annual MTW Plan

II.1.Plan.HousingStock

A. MTW Plan: Housing Stock Information

Planned New Public Housing Units to be Added During the Fiscal Year

AMP Name and Number	Bedroom Size							Total Units	Population Type *	# of UFAS Units	
	0	1	2	3	4	5	6+			Fully Accessible	Adaptable
PIC Dev. # /AMP PIC Dev. Name	0	0	0	0	0	0	X	0	Type Noted *	0	0

Total Public Housing Units to be Added

0

* **Select Population Type from:** Elderly, Disabled, General, Elderly/Disabled, Other

If Other, please describe:

N/A

Planned Public Housing Units to be Removed During the Fiscal Year

PIC Dev. # / AMP and PIC Dev. Name	Number of Units to be Remov ed	Explanation for Removal
PIC Dev. # /AMP PIC Dev. Name	0	Explanation for Removal
PIC Dev. Name		
Total Number of Units to be Removed	0	

New Housing Choice Vouchers to be Project-Based During the Fiscal Year

Property Name	Anticipated Number of New Vouchers to be Project-Based *	Description of Project
Emerson North Family Housing - Portico	10	<p>The project is located at 1808 Emerson Avenue North, Minneapolis. It will consist of 48 new construction units of affordable family housing of which 10 units will be Project Based Section 8 Housing Choice Voucher units. Emerson North Family Housing will be a mixed income development with 10 units receiving MPHA Project Based Assistance (25 % of the units) and 34 of the units with incomes affordable to households at or below 50% of Area Median Income (75% of the units). The Project Based Assistance units will provide permanent supportive housing for Long Term Homeless Families with Services provided by Families Moving Forward (FMF). The Non- Project Based Assistance units will be leased to working families making around \$20,000 - \$40,000 a year (affordable between 40% and 50% area median income).</p>
South Quarter - Phase IV - AEON	15	<p>The project will encompass an entire city block, or approximately 2.3 acres. It will add 90 new mixed-income, high performance homes; transition Aeon's existing 30 unit Pine Cliff Apartments (7 PBV units) into an operationally efficient and energy-wise property; and add approximately 12,000 square feet for Aeon's new office headquarters. South Quarter IV will be a truly economically integrated development, providing market rate and affordable apartment homes for a variety of household sizes, economic levels and lifestyles. The market rate units will have a strong appeal for reasons related to proximity to downtown, easily available transit options, on-site parking, and project amenities that will include a fitness room and outdoor common areas in an urban community. The affordable component will cater to individual families earning between 30%, 50%, and 60% of the area median income (AMI) and will also include 12 apartment homes for individuals and families experiencing long-term homelessness.</p>

**Anticipated
Total New
Vouchers to
be Project-
Based**

25

Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year

723

Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year

723

*New refers to tenant-based vouchers that are being project-based for the first time. The count should only include agreements in which a HAP agreement will be in place by the end of the year.

Other Changes to the Housing Stock Anticipated During the Fiscal Year

80 MTW Public Housing Units will be held off-line each month in 2014 due to substantial rehab.

Under its MTW Agreement with HUD, MPHA is authorized to convert 112 units of its mixed financed public housing units to project based Section 8. However, this conversion is only valid through the demonstration and is not a permanent authorization. In addition, HUD is continuing funding for these units as public housing units as it has not provided additional funding for the conversion. These units will not be removed from the public housing inventory until HUD would authorize a permanent conversion and provide MPHA with additional voucher resources to support the costs related to project basing of these units. MPHA included conversion of an additional 200 public housing mixed finance units in its 2011 MTW Plan and is negotiating with HUD regarding additional voucher resources for this initiative. If HUD approves and provides additional voucher resources, these units will also be removed from the MPHA's public housing inventory.

MPHA is exploring the possibility of RAD conversion of its 184 unit townhome development at Glendale. If a determination is made to move forward, MPHA will follow the process as outlined in HUD's guidance.

Examples of the types of other changes can include but are not limited to units that are held off-line due to the relocation of residents, units that are off-line due to substantial rehabilitation and potential plans for acquiring units.

General Description of All Planned Capital Fund Expenditures During the Plan Year

The Minneapolis Public Housing Authority (MPHA) is applying for a \$8.48 million CFP allocation for 2014. Further, projects that were initiated under previous funding cycles, but not fully completed in prior years, will carry over and experience expenditures in 2014. Additionally, a portion of the projects slated for 2014's \$8.48 million budget will not be fully expended in 2014 and will carry into 2015. This expenditure schedule is based on the assumption of receiving the Capital Fund grant at the end of July 2014 (it should be noted that MPHA has not yet received the 2013 Capital Fund grant at the time of this publication). MPHA has estimated approximately \$13.2 million in capital expenditures for FY 14 targeted at specific projects in all of its seven Asset Management Projects (AMPs). Included in the \$13.2 million Capital Funds expenditures are roofs and infrastructure upgrades for our scattered site developments. Major plumbing replacement, roof repairs and apartment rehab in our highrise developments focusing on AMPs 3,4,6, and 7. MPHA is also doing major elevator rehab in AMP 4 and facade restoration in AMP 5. Details of this activity can be seen in Exhibit B. In performing its capital work, MPHA adheres to Federal, State and Local codes and regulatory processes.

II.2.Plan.Leasing

B. MTW Plan: Leasing Information

Planned Number of Households Served at the End of the Fiscal Year

MTW Households to be Served Through:	Planned Number of Households to be Served*	Planned Number of Unit Months Occupied/ Leased***
Federal MTW Public Housing Units to be Leased	6,140	73,680
Federal MTW Voucher (HCV) Units to be Utilized	4,407	52.884
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Property-Based Assistance Programs **	20	240
Number of Units to be Occupied/Leased through Local, Non-Traditional, MTW Funded, Tenant-Based Assistance Programs **	0	0
Total Households Projected to be Served	10,567	126,804

* Calculated by dividing the planned number of unit months occupied/leased by 12.

** In instances when a local, non-traditional program provides a certain subsidy level but does not specify a number of units/households to be served, the PHA should estimate the number of households to be served.

***Unit Months Occupied/Leased is the total number of months the PHA has leased/occupied units, according to unit category during the fiscal year.

Reporting Compliance with Statutory MTW Requirements

If the PHA has been out of compliance with any of the required statutory MTW requirements listed in Section II(C) of the Standard MTW Agreement, the PHA will provide a narrative discussion and a plan as to how it will return to compliance. If the PHA is currently in compliance, no discussion or reporting is necessary.

Minneapolis Public Housing Authority is in compliance with MTW Statutory Requirements and thus no reporting is necessary.

Description of any Anticipated Issues Related to Leasing of Public Housing, Housing Choice Vouchers and/or Local, Non-Traditional Units and Possible Solutions

Housing Program

Description of Anticipated Leasing Issues and Possible Solutions

Public Housing

Public housing units in North Minneapolis are difficult to lease due to neighborhood crime and high foreclosure rates in North Minneapolis which results in many non-MPHA units being vacant in the neighborhood. Applicants do not want to live in a neighborhood with many vacant units. MPHA is partnering with the Northside Achievement Zone (NAZ) which is a collaboration of organizations and schools helping families in a geographic "Zone" of North Minneapolis to prepare children to graduate from high school ready for college. Families and children move through a "Cradle-to-career" pipeline that provides comprehensive support from pre-natal through college to career. Families who agree to move into the NAZ area are allowed to apply even though the waiting list is closed, with the requirement that they accept a unit in the "zone". There are 59 scattered site units in the NAZ. MPHA has studio (efficiency) units located throughout Minneapolis, depending on the actual size and the location, which can be also difficult to rent. MPHA is trying new strategies at three buildings with especially hard to lease units where by all new move-ins are housing in efficiencies and when a one bedroom opens up in that building, it is filled by the resident who has been living in an efficiency the longest. MPHA has used this strategy for less than a year and has yet to determined whether it is successful. We also have one location (1710 Plymouth) where for the past

	<p>10+ years, MPHA has secured permission from HUD to engage in permissible deductions to annual income such that residents pay 20% of their adjusted gross income for rent for these specific units. MPHA recognizes that the units off line will delay a number of highrise families from being taken from the waiting list but it does not impact lease up issues for the Agency.</p>
<p>Public Housing Rent-To-Own</p>	<p>MPHA has struggled to identify families who meet the rigorous screening criteria of work history, minimum income and an ability to demonstrate credit sufficient to obtain financing within 5 years. MPHA is working with its housing consultant to provide additional counseling and support as we consider families for this program.</p>
<p>Section 8/HCV</p>	<p>MPHA has not accepted new admissions to the voucher program since 2012, but has assisted families who moved during this timeframe. Families at times have experienced difficulty finding units due to the very low vacancy rate and the limited supply of affordable units. MPHA's rent reform initiative will allow greater flexibility for families use of resources to assist with lease up.</p>

II.3.Plan.WaitList

C. MTW Plan: Wait List Information

Wait List Information Projected for the Beginning of the Fiscal Year

Housing Program(s) *	Wait List Type**	Number of Households on Wait List	Wait List Open, Partially Open or Closed***	Are There Plans to Open the Wait List During the Fiscal Year
Federal MTW Public Housing Units - Highrise	Community-Wide	3,400	Open *	N/A
Federal MTW Public Housing Units - Family	Community-Wide	5,800	Partially Open **	N/A
Federal MTW Public Housing Rent-To- Own	Site Based	3	Open ***	List will remain open until all units are filled and reopen for vacancies
Federal MTW Housing Choice Voucher Program	Community-Wide	9,193	Closed	No

Rows for additional waiting lists may be added, if needed.

* *Select Housing Program*: Federal MTW Public Housing Units; Federal MTW Housing Choice Voucher Program; Federal non-MTW Housing Choice Voucher Units; Tenant-Based Local, Non-Traditional MTW Housing Assistance Program; Project-Based Local, Non-Traditional MTW Housing Assistance Program; and Combined Tenant-Based and Project-Based Local, Non-Traditional MTW Housing Assistance Program.

** *Select Wait List Types*: Community-Wide, Site-Based, Merged (Combined Public Housing or Voucher Wait List), Program Specific (Limited by HUD or Local PHA Rules to Certain Categories of Households which are Described in the Rules for Program Participation), None (If the Program is a New Wait List, Not an Existing Wait List), or Other (Please Provide a Brief Description of this Wait List Type).

*** For Partially Open Wait Lists, provide a description of the populations for which the waiting list is open.

* Open for Public Housing elderly, disabled and near-elderly

** Partially Open (third Wednesday of every month) for families eligible for 3, 4, and 5 bedroom units

*** Open for eligible MTW working families with minimum income and demonstrated capacity to purchase unit within a 5-year period.

If Local, Non-Traditional Housing Program, please describe:

Name and Description of "Local, Non-Traditional" Housing Program

If Other Wait List Type, please describe:

Name and Description of "other" wait list type

If there are any changes to the organizational structure of the wait list or policy changes regarding the wait list, provide a narrative detailing these changes.

Narrative of changes

Other Changes to the Housing Stock Anticipated During the Fiscal Year

MPHA will seek funding for developing new single family units to replace units that have been approved for disposition and/ or units that are being considered for disposition. The newly developed housing will be Energy Star certified and preferably in clusters of approximately four or more units depending on land availability. These units will have 3-4 bedrooms each and one of the units will comply with Section 504 of the Fair Housing Act. MPHA will submit a development application to HUD when suitable land and funding has been identified for development. MPHA understands that regulations call for 5% of units to be handicapped accessible and an additional 2% for sight or hearing impaired.

MPHA is also considering creating additional senior housing and possibly a development initiative to create housing for very large families who currently are at risk of homelessness due to a lack of such housing in the city. MPHA understands that prior to moving forward with this specific proposal, the agency will take appropriate action to amend the MTW Plan and secure needed HUD approvals and will follow development regulations found at 24 CFR 941. If successful in securing suitable land and sufficient funds for development opportunities described above, MPHA intends to dispose of a number of single family units from its AMP2. These units will be disposed as part of MPHA's asset management plan to replace units that are difficult to rent and that have high operating, maintenance and capital needs with newly built units in clusters that are more efficient and cost effective to maintain and operate. An application for disposal of these units will be submitted to HUD at the appropriate time. MPHA understands that subsequent to the submission of this plan, HUD published the final CFP rule and the agency will comply with the CFP rule requirements.

Under its MTW Agreement with HUD, MPHA is authorized to convert 112 units if its mixed financed public housing units to project based Section 8. However, this conversion is only valid through the demonstration and is not a permanent authorization. In addition, HUD is continuing funding for these units as public housing units as it has not provided additional funding for the conversion. These units will not be removed from the public housing inventory until HUD would authorize a permanent conversion and provide MPHA with additional

voucher resources to support the costs related to project basing of these units. MPHA included conversion of an additional 200 public housing mixed finance units in its 2011 MTW Plan and is negotiating with HUD regarding additional voucher resources for this initiative. If HUD approves and provides additional voucher resources, these units will also be removed from the MPHA's public housing inventory.

MPHA is exploring the possibility of RAD conversion of its 184 unit townhome development at Glendale. If a determination is made to move forward, MPHA will follow the process as outlined in HUD's guidance.

SECTION III: PROPOSED MTW ACTIVITIES: HUD APPROVAL REQUESTED

FY2014 ACTIVITY 1: HCV RENT REFORM INITIATIVE

A. Description of Activity

Since early 2012, MPHA has evaluated options to use MTW authority to streamline and simplify the rent determination and recertification processes while also promoting self-sufficiency for HCV participants. The initial goal of rent reform was to control costs and eventually achieve savings that would allow us to move families from our waitlist. However, with the advent of sequestration the focus shifted to maintaining assistance for all current families within a severely decreased budget. The following are the proposed elements of MPHA's revised HCV rent reform initiative.

- 1. Flat Subsidy:** MPHA will replace the standard rent calculation method, regulated by 24 CFR 982.503 and 982.518, with a simplified, flat subsidy model which incorporates consideration for tenant paid utilities. MPHA will determine the subsidy paid to the owner on behalf of the family by using a flat subsidy amount based on household income and bedroom size. In instances where the applicable subsidy is greater than the contract rent, MPHA will cap the subsidy at the contract rent amount, minus the minimum rent of \$75.

MPHA will establish, annually review, and periodically update two flat subsidy tables. One table will be used when the owner provides heat as part of the rent. The other table will be used when the household is responsible for paying heat and includes an adjustment based on average heat costs. Under the flat subsidy model, utility allowance payments are eliminated. The tables are included in Appendix A.

- 2. Minimum Rent:** MPHA will discontinue MTW Activity 2010-2 for the Housing Choice Voucher program. As part of the flat subsidy model, MPHA will revise the application of minimum rent policies, regulated by 24 CFR 5.630. When establishing and updating the flat subsidy tables, MPHA will structure the minimum rent, which is currently \$75, into

MTW Authorizations:

Attachment C–D1 c. The Agency is authorized to define, adopt and implement a re-examination program that differs from the re-examination program currently mandated in the 1937 Act and its implementing regulations.

Regulations waived: 982.516

Attachment C-D1.g The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities.

Regulations waived: 982 Subpart H

Attachment C–D2 a. The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements.

Regulations waived: 982.503, 982.508, 982.518

Attachment C–D2 c. The Agency is authorized to develop a local process to determine reasonable rent that differs from the currently mandated program requirements.

Regulations waived: 982.507

Attachment C–D3 b. The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements.

Regulations waived: 982.516, 982 Subpart E

Other regulations waived: 24 CFR 5.520(c)(2)

Statutory Objectives:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures
- Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient

the tables. If a participant's calculated rent amount is less than the minimum rent amount, the participant shall pay the minimum rent to the owner. MPHA has the discretion to revise the minimum rent. If MPHA would like to revise the minimum rent, the revision would be included in an MTW Plan submission to HUD for review and approval prior to implementation. 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 they are also exempt from the Rent Reform Initiative.

3. **40% Affordability Cap:** MPHA will eliminate the 40% affordability cap, regulated by 24 CFR 982.508, 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% of their monthly adjusted income without supervisory review and approval.
4. **Revised Asset Income Calculation and Verification Policies:** MPHA will revise existing policies on asset verification and calculation, regulated by 24 CFR 982.516. When the market value of a family's asset(s) is below the established asset threshold, initially set at \$50,000, 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. MPHA will allow HCV households to self-certify assets in all instances when the market value of the household's total assets is below the established threshold. At the time of implementation, MPHA will determine the passbook savings rate consistent with HUD requirements.
5. **Interim Re-examinations:** MPHA will make the following changes to the interim re-examination policy, regulated by 24 CFR 982.516:
 - a. MPHA will limit HCV families to one discretionary interim re-examination between regular annual recertifications.
 - b. Between annual recertifications, household members who are employed will not be required to report increases in earned income.
 - c. For household members who are not employed, if they become employed that must be reported. Additionally, increases in or new sources of unearned income for any household member and changes in household composition must still be reported.
6. **Working Family Incentive and Streamlined Deductions and Exclusions:** As part of MPHA's revisions to the standard rent calculation method, MPHA will streamline deductions and exclusions as outlined below.
 - a. **Working Family Incentive:** To lessen the impact of removing the childcare and dependent deductions, MPHA will continue to administer the Working Family Incentive, which is a 15% exclusion of earned income for families with minor children.
 - b. **Elimination of Earned Income Disregard (EID):** MPHA will phase out the MTW EID initiative. Participants who currently receive the EID will be exempt from this policy for the duration of their EID term; however, no additional EIDs will be granted. Accordingly, MTW Activity 2012-2 will phase out when all current participants' EID terms expire.
 - c. **Eliminate Childcare, Medical Expense and Dependent Deductions:** MPHA will eliminate childcare, medical expenses, and dependent deductions when calculating adjusted income.
 - d. **Elderly/Disabled Deduction:** To offset the impact of removing medical expense deductions, MPHA will increase the standard elderly/disabled deduction from \$400 to \$750.

e. **Full-time Student Income:** MPHA will exclude 100% of income for adult, full-time students, other than the head of household, co-head or spouse.

7. **Changes in Fair Market Rents (FMRs):** MPHA will review HUD’s Fair Market Rents annually and may conduct a research and market analysis on local rents in updating the subsidy tables.

MPHA will waive the requirement, outlined in 24 CFR 982.507, that the agency conduct reasonable rent determinations on all HCV units when there is a 5% decrease in the FMR in effect 60 days before the contract anniversary as compared with the FMR in effect one year before the contract anniversary. MPHA will continue to conduct reasonable rent determinations at the time of initial lease-up, at the time of owner rent increases, and at all other times deemed appropriate by MPHA.

8. **Flat Subsidy Reasonable Accommodation:** As a reasonable accommodation for individuals with qualifying disabilities, MPHA may provide a higher subsidy for accessible units. When an accessible unit is needed for an individual with disabilities and the rent is reasonable, MPHA may increase the subsidy by 10% of the flat subsidy amount.

9. **Portability:** MPHA will revise portability policies, regulated by 24 CFR 982 Subpart H. Participants will be approved to port-out of Minneapolis only for reasons related to employment, education, safety, medical/disability, VAWA, or housing affordability. Housing affordability means the family wishes to port to a jurisdiction in which the FMR is at least 5% less than the FMR in Minneapolis and the family’s rent portion is greater than 40% of their monthly adjusted family income. Families who are denied portability have the right to request an informal hearing.

10. **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.

B. Statutory Objectives

Reduce cost and achieve greater cost effectiveness in Federal expenditures: this rent reform model will help MPHA to more efficiently use Federal resources, protect current participant families from being removed from the program due to funding cuts, and subsequently may allow MPHA to serve more families.

Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient: this activity’s incorporation of the Working Family Incentive will promote increased employment among participants who are not currently working and increased earnings among participants who are working.

C. Anticipated Impacts

With the simplification of rent calculations and the limit on interim re-examinations, this rent reform initiative will reduce the administrative burden involved in processing annual and interim re-examinations and reduce the rate of errors in calculating adjusted income and rent. The staff time saved through this initiative will allow MPHA to increase the focus upon program integrity, by monitoring zero income families and ensuring that both participants and owners are in compliance with program rules. Additionally, staff will have more time to focus upon tenant education. This education may include self-sufficiency activities, understanding lease agreements, expanding housing search, connecting to community resources, and exploring educational opportunities.

MPHA projects that this activity will promote self-sufficiency for participants by limiting the extent to which increases in income will result in corresponding rent increases. Also, the change to income reporting requirements will allow employed family members to keep any increase in their earnings, rather than contributing a portion to their rent, until the time of their annual recertification. These projected impacts will be greater when full implementation of rent reform is complete.

D. Anticipated Schedule

Rent reform will be implemented January 1, 2014 for all participants. Achievement of the MTW Statutory Objectives is an ongoing and ever-changing process, of which the Rent Reform initiative is a pivotal part.

-E, F, and G. Baseline and Benchmarks

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Yearly Benchmark
Total cost of task in dollars (budget for Section 8 HCV program – expenses)	2013 budgeted expenses of \$44,451,999	2014 expenses will decrease 9.65%, to \$40,162,621

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Yearly Benchmark
Length of time required to complete annual recertification or lease-up	4.5 hours, including all associated tasks (scheduling/rescheduling, interviewing, data gathering and verification, determination of affordability, negotiation of rents, rent	30 minutes will be saved through the elimination of verification for medical and child care deductions and the simplified rent calculation using the flat subsidy tables

	reasonableness, rent calculation, and execution of HAP contract) 5,599 annual recertifications and lease-ups were conducted in 2012, equating to 25,195.5 hours of staff time	2,799.5 hours of staff time will be saved Time saved will be dedicated to program integrity and tenant education activities
Length of time required to complete interim re-examination	2 hours, including all associated tasks 2,766 interims were conducted in 2012, equating to 5,532 hours of staff time 210 of these were tenant-requested for households who had already requested an interim within the year, equating to 420 hours of staff time	15 minutes will be saved through the administrative efficiencies gained under rent reform 210 less interims will be conducted due to the limit of one tenant-requested interim 1,059 total hours of staff time will be saved
Length of time required to re-do rent reasonableness for all units if FMRs decrease by 5%	30 minutes per unit, or 2,289.5 hours of staff time	100% decrease in time required to re-do rent reasonableness, or 2,289.5 hours saved

CE #3: Decrease in Error Rate of Task Execution

Unit of Measurement	Baseline	Yearly Benchmark
Average error rate in calculating adjusted income as a percentage	12.6% error rate in adjusted income calculation	9% error rate in adjusted income calculation

SS #1: Increase in Household Income

Unit of Measurement	Baseline	Yearly Benchmark
Average income from employment	\$17,495	Earned income will increase 2%, to \$17,846

SS #3: Increase in Positive Outcomes in Employment Status

Unit of Measurement	Baseline	Yearly Benchmark
6. Other – with earned income	1,504 heads of households had earned income	1,552 heads of households will have earned income
	58% of work-able households had a head of household with earned income	Work-able households with a head of household with earned income will increase 2%, to 60%

SS #4: Households Removed from Temporary Assistance to Needy Families (TANF)

Unit of Measurement	Baseline	Yearly Benchmark
Number of households receiving TANF assistance	2,418 receiving TANF	2,418 will be receiving TANF

SS #6: Reducing Per Unit Subsidy Costs for Participating Households

Unit of Measurement	Baseline	Yearly Benchmark
Average per unit cost	\$730	Per unit cost will decrease 8%, to \$672

SS #8: Households Transitioned to Self-Sufficiency

Unit of Measurement	Baseline	Yearly Benchmark
Number of households transitioned to self-sufficiency as measured by number of households going off program for having \$0 HAP subsidy amount - they are self-sufficient because they are paying the full contract rent	14	25

I. Data Sources

MPHA will use our software to monitor the impacts of this activity on household rent and tenant income. Additionally, MPHA may use other methods of assessing the effectiveness of these activities at meeting the stated objectives. MPHA may not implement these data collection methods until the activity is fully implemented.

J. MTW Authorizations

Attachment C–D1 c. The Agency is authorized to define, adopt and implement a re-examination program that differs from the re-examination program currently mandated in the 1937 Act and its implementing regulations. Regulations waived: 982.516.

Attachment C-D1.g The Agency is authorized to establish its own portability policies with other MTW and non-MTW housing authorities. Regulations waived: 982 Subpart H.

Attachment C–D2 a. The Agency is authorized to adopt and implement any reasonable policy to establish payment standards, rents or subsidy levels for tenant-based assistance that differ from the currently mandated program requirements. Regulations waived: 982.503, 982.508, 982.518.

Attachment C–D2 c. The Agency is authorized to develop a local process to determine reasonable rent that differs from the currently mandated program requirements. Regulations waived: 982.507.

Attachment C–D3 b. The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements. Regulations waived: 982.516, 982 Subpart E. Other regulations waived: 24 CFR 5.520(c)(2).

K. Need for Cited Authorizations

The cited authorizations are needed in order to identify the regulations that MPHA will modify or waive under the Rent Reform Initiative.

L.. Rent Reform

- 1. Board Approval:** The MPHA Board of Commissioners approved this policy as part of the resolution adopting the MTW Annual Plan.
- 2. Impact Analysis:** In developing this initiative, MPHA conducted and presented to its Board a thorough analysis on the potential impacts of this activity on HCV households. The effects of these policies will differ between families. MPHA will create hardship policies, as described below, for qualifying families who are adversely affected by the implementation of the initiative. Please refer to Appendix A for further impact analysis information.

3. **Annual Reevaluation:** MPHA will reevaluate this activity on an annual basis to ensure that it continues to meet its objectives. As needed, MPHA may revise components of this activity to meet the objectives. The results of the annual reevaluation will be included in subsequent MTW Annual Plans & Reports.
4. **Hardship Case Criteria:** MPHA has established hardship policies related to rent reform, including a Hardship Review Committee, comprised of HCV staff, which will review all hardship requests. Details on each hardship policy are outlined below.

- a. **Transition Waiver**

The Transition Waiver is related to the transition to rent reform and will apply only to households who are already on the HCV program at the time of the transition. Households receiving EID and households admitted to the program after the effective date of rent reform will not be eligible to request the Transition Waiver.

MPHA will notify families whose rent increases \$100 or more that they are eligible to request the Transition Waiver. The Transition Waiver will delay the implementation of rent reform for 90 days. MPHA must receive a written request for the Transition Waiver within 15 days from the date of the rent change notice.

- b. **Rent Increase Cap**

Households whose rent increases \$150 or more due to the transition to rent reform will have the increase capped at \$150 for the first nine months of rent reform.

- c. **Limit on Interim Re-examinations Waiver**

MPHA will advise families who request a second interim re-examination between regular reexaminations that they can request a waiver of the Limit on Interim Re-examinations policy.

A hardship exists when any of the following apply:

- i. The family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program
- ii. The income of the family has decreased because of a significant change in circumstance, including loss of employment
- iii. The death of a family member has occurred affecting a major source of income for the family

- d. **Minimum Rent Hardship**

MPHA will advise families who are paying minimum rent that they can request a hardship exemption from paying minimum rent. To qualify for a hardship exemption, a family must submit the Minimum Rent Hardship Request Form, with supporting documentation as specified on the form, within 15 days of the date of the rent change notice. A hardship that lasts for 90 days or less is a temporary

hardship and does not qualify for this exemption. An approved hardship exemption from paying minimum rent is limited to 12 months.

A hardship exists when any of the following apply:

- i. The family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program
- ii. The income of the family has decreased because of a significant change in circumstance, including loss of employment
- iii. The death of a family member has occurred affecting a major source of income for the family

The Hardship Review Committee will make a decision within 30 days of receiving the Minimum Rent Hardship Request Form and all supporting documentation. MPHA will suspend the Minimum Rent beginning the month following the approval of the request.

Prior to implementation, MPHA may continue to develop specific policies and procedures for hardship requests and may make future revisions to identify and assist families adversely impacted by these policies.

- 5. Transition Period:** To prepare for implementation, MPHA will modify its third party software package; train staff; and develop forms, letters, and reports. MPHA plans to convert all eligible participants to the rent reform rent calculations on January 1, 2014. Participants will be notified of their new rent portion November 1, 2013. Households will keep their current annual recertification date. All new admissions to the program will be subject to the new rent policies. MPHA may review this schedule to ensure an efficient and smooth transition.
- 6. Documentation of Public Hearing:** The public hearing for this activity was conducted as part of the public hearing for the MTW Plan. See the Administrative section (Section VIII) of this MTW Plan, which includes explanation and documentation of MPHA's public hearing process for this MTW Plan.

SECTION IV: APPROVED MTW ACTIVITIES: HUD APPROVAL PREVIOUSLY GRANTED

IMPLEMENTED ACTIVITIES

FY2013 Activity 2: Alternate Income Verifications

Description (Approved and implemented in 2013)

MPHA faces a dilemma regarding verification requirements in Notice PIH 2008-44 (HA) and the successful operation of its Housing with Services / Assisted Living public housing programs regarding verification of incomes. There are instances where a potential HWS / Assisted Living public housing resident must be quickly approved for public housing or otherwise have to remain in hospital, sent home or to a relative without appropriate care or transferred to a nursing home or other non-public housing assisted living provider. These actions potentially put vulnerable persons at risk, cost additional local, state and/or federal dollars, and threaten the stability of MPHA's Assisted Living programs in that apparently eligible persons are delayed from moving in due to HUD's income verification and asset verification requirements. For example, Social Security verification can take 10 days, and are only sent to the requestors address, not to MPHA. Potential residents with vulnerabilities may not be at their home to get the verifications, may forget to open them, etc. and the placement into assisted living can be delayed. This results in a loss of a placement and threatens the viability of assisted living at a PHA development. Loss of this vital resource then puts vulnerable residents at risk, results in others having to go to nursing homes, emergency rooms, hospitals etc. and results in significantly higher taxpayer costs.

MTW Authorization:

This initiative invokes certain provisions of Attachment C - C 2. Local Preferences and Admission and Continued Occupancy Policies and Procedures This authorization waives certain provisions of Section 3 of the 1937 Act and 24 CFR 960.206 as necessary to implement the Agency's Annual MTW Plan; Attachment C - C 4. Initial, Annual and Interim Income Review Process. This authorization waives certain provisions of Section 3 (a) (1) and 3 (a) (2) of the 1937 Act and 24 CFR 966.4 and 960.257 206 as necessary to implement the Agency's Annual MTW Plan.

Statutory Objective:

As an MTW Initiative, this activity addresses the statutory objective of expanding housing choices by providing a supportive and/or housing with services option to persons who would otherwise be required to remain in the hospital, nursing home or remain in an extremely vulnerable living situation without necessary assisted living or other needed services.

- These clients often come from a situation where the person may be homeless, has no family etc. many times they cannot find or access verifications of income or assets or because of physical or mental state cannot access this information timely.
- MPHA believes that if an applicant is eligible and has income information, such as SSI income with another unit of government, e.g. State/County Medicaid, Food Stamp program etc. 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. If there is a small discrepancy in actual income, for example an increase in SSI or SSA since the county last verified income, that can be taken care of with a correction, in the same manner as a mistake in rent calculation.
- This initiative went into effect in January of 2013 and due to low turnover in this program, MPHA is revising its benchmarks to reflect the most likely utilization.

Anticipated Impacts:

The primary purpose of this activity is 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. This activity will permit extremely vulnerable persons who are in desperate need of both public housing and Assisted Living and/or Housing with Services to be admitted to public housing without delay. It will also support service providers with continuity of placement that will allow them to meet their operations costs that are continually threatened by program vacancies. It is a win for potential residents, MPHA and Assisted Living/Housing with Services providers.

Baseline and Benchmarks

Baseline: Zero – MPHA is currently unable to use alternate income verifications.

Benchmarks: Five (5) admissions per year utilizing alternate income verifications. MPHA has seven Assisted Living and Housing with Services programs that are licensed to provide care for those at a vulnerability level where delays in placement would threaten their ability to be housed in these programs.

Data Collection & Metrics

1. MPHA and Assisted Living service providers will collaborate in identifying resident/participants, on gathering the alternate income verifications and documenting assignment of units and simultaneous admittance into the Assisted Living program.

- MPHA will track the start date of the application verification process to the approval date for all highrise assisted living applicants and compare that time period to the start date of the application verification process to the approval date for those highrise assisted living applicants where MPHA utilized the alternative income verification.

<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase).	Zero. At time of adoption, MPHA was unable to use income verifications.	Five per year.		

These HUD Metrics will replace current metrics as they are inclusive of current metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

Activity 2012-1: Biennial Housing Quality Standards Inspections for Multifamily Complexes

Description: (Approved and implemented in 2012)

The HCV Program implemented biennial Housing Quality Standards (HQS) inspections beginning in February 2012.

The HCV Program modified its annual inspection process to allow for biennial Housing Quality Standards (HQS) inspections of qualifying HCV units that are in multifamily complexes of 6 units or more. MPHA identified complexes of 6 units or more as the threshold for this initiative as these developments are typically managed by professional management companies, which tend to have more experienced maintenance staff and more resources to draw on to perform any needed repairs.

MPHA inspects these units every two years as long as the following are true:

- 80% of units in the complex passed HQS inspection in the last two years, excluding units that fail solely for tenant-caused violations.
- The complex is managed by a professional residential property management company.
- In the year that MPHA does not inspect their property, owners self-certify that each unit meets HQS.

Participants and owners are always able to request a special inspection pursuant to the allowances provided by MPHA's Administrative Plan. Owners have the same time period to cure defects as under current regulations (24 hours for life-threatening conditions and 30 days for other defects).

Update: MPHA has added the MTW metrics as these metrics have not been used in a previous annual report and information isn't currently available, MPHA will be tracking this in 2014 (the current fiscal year).

Changes or Modifications

No changes or modifications to this activity are anticipated.

MTW Authorization:

This provision invokes certain provisions of Attachment C generally and including Section B1b.iv; Section D 5 and waives certain provision of Section 8(o)(8) of the 1937 Act and 24C.F.R. 982 Subpart I (See Attachment III for MPHA's Inspection Self-Certification Overview and Form).

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Metrics, Baselines, and Benchmarks

<i>CE #1: Agency Cost Savings</i>		
Unit of Measurement	Baseline	Yearly Benchmark
Total cost of task in dollars (decrease).		

<i>CE #2: Staff Time Savings</i>		
Unit of Measurement	Baseline	Yearly Benchmark
It takes 30 minutes of staff time to complete an in-person annual inspection and 15 minutes of staff time to complete an in-person annual re-inspection	1,643 hours of staff time were dedicated to annual inspections and re-inspections of multifamily complexes ¹	1,000 hours of staff time will be dedicated to annual inspections and re-inspections of multifamily complexes

These HUD Metrics will replace current metrics as they are inclusive of current metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

¹ 2,895 in-person annual inspections and 783 in-person re-inspections of multifamily complexes were conducted in 2011
 Revised FY2014 MTW Plan

Activity 2012-2: Earned Income Disallowance Simplification (HCV Program)

1. Status of Activity

The Earned Income Disallowance (EID) Simplification activity was implemented in January 2012.

2. Description of Activity

In the Housing Choice Voucher Program, Federal Regulations allow families whose Head of households are 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 has created a full two-year income disregard for eligible families and eliminated the administrative hardship and time consuming monitoring.

3. Anticipated Changes

Due to the Rent Reform Initiative, starting in 2014 the EID Simplification activity will be phased out as current EID participants complete their income disregard terms. Current EID participants will continue to receive the income disregard until their two-year period ends.

4. Metrics, Baseline, and Benchmarks

<i>SS #3: Increase in Positive Outcomes in Employment Status</i>		
Unit of Measurement	Baseline	Yearly Benchmark
6. Other – with earned income	23	29

MTW Authorization:

This provision invokes certain provisions of Attachment C generally and including Section D 3 a, and b. and waives certain provision of Section 8(o)(4) of the 1937 Act and 24C.F.R. 5.603, 5.609, 5.611, 5.628 and 982.201, 516 and 982 Subpart E as necessary to implement the Agency’s MTW Plan.

Statutory Objective:

As an MTW initiative this activity addresses the statutory objective of achieving greater cost effectiveness in federal expenditures.

These HUD Metrics will replace current metrics as they are inclusive of current metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

FY 2011 – Activity 1

Targeted Project Base Initiative

Description (Approved in 2011 and phased in implementation with last two projects to be implemented in 2014.)

MPHA issued an RFP to allocate a limited number of vouchers for Project Basing for the specific purpose of creating additional, non-project based, affordable housing for low-income families in the City of Minneapolis. MPHA used the MTW waiver to expand location of PBV programs and to limit voucher awards relative to a proration impact that required creation of additional non-PBV affordable housing.

Under this initiative, the MPHA Project Based Vouchers will foster development of additional affordable housing beyond the number of units to be project based. MPHA has a goal of 120 new affordable units to come from this project.

These vouchers were awarded to programs and organizations that proposed developments where there is a high ratio of new affordable units to those subsidized through MPHA's project based initiative. To facilitate this goal, MPHA limited the number of vouchers that were awarded to be project based to any development from a low of five vouchers to a high of twenty vouchers.

MPHA awarded vouchers under this initiative in early 2012. All voucher awards are subject to HUD subsidy layering requirements and the specific Targeted Project Base Initiative benchmarks. MPHA expects to sign AHAPS in 2012 and PB HAP Contracts in 2012 and 2013. This initiative will be complete when all developments are under contract and participants lease up their units.

As part of their agreements with MPHA, all families seeing affordable housing will be assisted 'offered services' making appropriate housing choices related to those types of housing offered by the agencies overseeing the development.

Update

Subsidy Layering Reviews (SLR) were completed and AHAP's have been signed for two projects; Emanuel Housing and Spirit on Lake. It is expected that development is completed, HAP contracts executed and occupancy to occur at these projects in 2013. MPHA has informed Project Developers that Subsidy Layering Reviews must be completed for the two additional projects before MPHA can issue the vouchers to be project based. We expect this to occur in 2014. . One project, The Lonoke, has withdrawn their request for vouchers because they are pursuing alternate funding; this project was awarded 4 PBV vouchers. These 4 vouchers will not be allocated to other developments because of funding cuts which include sequestration.

MTW Authorization: This provision waives certain provisions of Attachment C Section D 7 b 24C.F.R. 983.51 ; Section D 7 c; 24C.F.R. 983.57; and Section D 7 d. Section 8(o)(8) of the 1937 Act and 24C.F.R. 982 Subpart I

Statutory Objective:

Increases housing choices

After reducing the award from 40 to 36 vouchers, MPHA’s targeted project based initiative created a total of 297 units, which include the 36 PBV units. The total number of units without housing assistance that MPHA leveraged using the 36 project based vouchers is 249.

CE #4: Increase in Resources Leveraged

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	MPHA anticipated a per unit cost for PBV units to be \$330,000 TDC. For the 36 vouchers awarded baseline dollars are \$12,880,000.	MPHA required a 3 to 1 ratio and the benchmark of additional leveraged dollars was \$35.6 million.	Actual amount leveraged after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

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.	Zero. No housing units of this type existed prior to implementation.	Forty project based voucher units and 120 additional affordable tax credit units.		

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).	Zero. No households receiving this type of service prior to implementation.	160 households will be offered services in making an affordable housing choice.		

These HUD Metrics will replace current metrics as they are inclusive of current metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

FY2011 – Activity 2: Soft Subsidy Initiative that Increases Housing and Promotes Self-Sufficiency

Description (Approved in 2011 and implemented in 2013)

MPHA entered into an agreement with Alliance Community Housing with set subsidies for special conditions that are also time limited and flexible in amount and duration (lasting up to five years). These subsidies are structured to incentivize work so that the household is better off financially if the parent works and not penalized if they work. While it is difficult for many parents to move to work and then to better-paying work, parents who do move to work show increasing self-esteem and pride, find their work a source of meaning and support, and an activity that instills structure which is good for their kids and introduces the family to a working (or middle class) life. Studies show that parents who work are good for their children: children from families where the parent works do better in school. This program will not involve reduction in the number of Section 8 Voucher but will be funded out of MTW flexible funds. MPHA will enter into an Agreement with Alliance Community Housing that will detail the terms and conditions of this initiative.

Alliance Community Housing will provide high quality housing to 20 homeless or formerly homeless families in 2012. Most of these families will be multi generationally poor, African American, single parents with little to no work history. Many will have little education, poor rental history and some will have criminal histories. The program's goal is to get the parents off government assistance and into the working class.

The subsidies provided under this initiative are structured to make work more attractive and less risky. The intensive staff contact provided through Alliance Community Housing with families will help them with logistical problems as well as questions and concerns that might lead them to give up if unaddressed.

Update

MPHA has made changes to this implemented activity in regards to the Statutory Objectives. The primary focus is self sufficiency as evidenced by our current metrics; therefore, we are removing the metric of expanding housing choice, which was erroneously placed in the plan. In 2013 MPHA executed the agreement with Alliance Community Housing for the Soft Subsidy Initiative. The intake process for families has begun; it is expected that by the end of 2014 all 20 available spaces will be filled by active families. MPHA has included metric SS#6; however, this metric

MTW Authorization:

The authorization utilizes the authority allowed in the amendment to Attachment D "broader uses of funds authorization" which HUD has approved.

Statutory Objective:

Self Sufficiency.

has not been used in a previous annual report and information is not currently available. MPHA will be tracking this information in 2014, the current fiscal year.

SS #1: Increase in Household Income

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average annual income for families over a five year period (increase).	Zero prior to implementation.	Increase of household income \$13,195.		

SS #3: Increase in Positive Outcomes in Employment Status

Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of families with stable employment histories (increase) (1) Employed Full-Time - N/A (2) Employed Part-Time - N/A (3) Enrolled in an Educational Program - N/A (4) Enrolled in Job Training Program - N/A (5) Unemployed - N/A (6) Other: Percentage of Households with Earned Income	0% prior to implementation of activity.	15 families 75% after implementation of activity.		

<i>SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of families on TANF.	Fifteen	5 receiving TANF.		
<i>SS #5: Households Assisted by Services that Increase Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self sufficiency (increase).	Zero households receiving self-sufficiency services prior to implementation of activity.	Twenty households receiving self sufficiency services after implementation of the activity.	Actual number of households receiving self sufficiency services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

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).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

SS #8: Households Transitioned to Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self sufficiency (increase). The PHA may create one or more definitions for "self sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Zero households transitioned to self sufficiency .	Two expected households transitioned to self sufficiency.	Actual households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

FY2011 – Activity 3 (Amendment to the FY2011 Plan)

Absence from Unit Initiative

Description (Approved and implemented in 2011)

HUD approved the Absence from Unit Initiative as an amendment to MPHA’s 2011 MTW Plan. This initiative would preserve the rent obligation for residents who have a temporary loss of income related to an extended absence from the unit defined as 30 days or more. For example, a tenant may quit a job to be away from the unit or have their government benefits terminated because of travel outside of the country. This voluntary action results in a loss of income and consequently, a reduction in rent. MPHA believes such voluntary action should not result in increased Federal expenditures to support this family.

Update

MPHA has adopted policy changes and provided notice and communication to residents regarding this initiative. MPHA has created a hardship exemption and will continue this initiative in 2014.

Even though, in previous Plans this activity included Section 8 participants, this activity was never implemented in the Section 8 HCV Program. Given the limitations on rent re-certifications in the Rent Reform, MPHA will evaluate in 2014 the relevance of this initiative for Section 8 Participants and if it is found unneeded, will exclude Section 8 Participants in the 2015 MTW Plan.

MTW Authorization:

MTW Amended and Restated Agreement – Attachment C [C11 – Authorizations related to public housing only – Rent Policies and Term Limits]. This authorization waives certain provisions of Sections 3, 6, 7, 16 and 31 of the 1937 Act and 24 C.F.R. 945 Subpart C, 960 Subparts B, D, E, and G as necessary to implement the Agency’s Annual MTW Plan and [D2 – Authorizations related to Section 8 only – Rent Policies and Term Limits]. This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 C.F.R. § 982.508, §982.503 and §982.518 as necessary to implement the Agency’s Annual MTW Plan.

Statutory Objective:

Reduce cost and achieve greater cost effectiveness in federal expenditures.

CE #5: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity - \$11,250	Expected rental revenue after implementation of the activity - \$32,550.		

MPHA has incorporated the applicable HUD standard metrics for this activity. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

FY2010 – Activity 1

Public Housing Working Family Incentive

Description (Approved and implemented in 2011)

The MPHA Public Housing implemented a Working Family Incentive in an effort to increase the income and asset level of families with minor children in which any adult member is employed. For public housing the definition of family is expanded to include households that are exclusively adult. The rent calculation contains an automatic fifteen (15) percent deduction from the gross annual earned income of each wage earner in the family. This deduction provides the Working Family with available money to support work related costs, including but not limited to transportation, uniforms, and health insurance premiums.

MPHA believes this initiative promotes self-sufficiency. We expect to see an increase in income to those employed and provide a push to those unemployed, yet able to work, to seek employment. This initiative is automatically available to all public housing residents who work.

Update

MPHA has had mixed results with this initiative. The average income of those employed decreased, the number of households employed increased. 1,038 families were employed throughout 2012. At the end of 2012, there were 1,403 public housing households with earned income, an increase of 2% over 2011, while the average income of those households decreased to \$18,325. MPHA had no requests for hardship under this initiative in 2012. In 2012, 593 families vacated of which 103 had earned income averaging \$18,746, 563 families moved into housing, 116 had an average earned income of \$15,109.

For those families who continued work, this activity increased the Working Family's level of income and enhanced the likelihood that the family would achieve a livable wage and move toward self-sufficiency. In 2010 and 2011, 933 families were employed.

Update: MPHA has added the MTW metrics as these metrics have not been used in a previous annual report and information isn't currently available, MPHA will be tracking this in 2014 (the current fiscal year).

MTW Authorization:

MTW Amended and Restated Agreement – Attachment C [C11 – Authorizations related to public housing only - Rent Policies and Term Limits]; This authorization waives certain provisions of Sections 3, 6, 7, 16 and 31 of the 1937 Act and 24 CFR 945 Subpart C, 960 Subparts B, D, E and G as necessary to implement the Agency's Annual MTW Plan and [D2 – Authorizations related to Section 8 only – Rent Policies and Term Limits] This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518 as necessary to implement the Agency's Annual MTW Plan.

Statutory Objective:

Provide incentives to families to obtain employment and become economically self-sufficient.

There is a financial impact on the low-rent program for 2012 because the change in calculation results in changes to the amount of rent paid; due to a proration in subsidy, MPHA will experience a loss.

MPHA will continue this activity in 2014 for public housing residents. MPHA’s Section 8 HCV program has incorporated its Working Family Incentive Activity into its comprehensive Rent Reform Initiative and information regarding this activity is located there.

MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

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).	Average earned income of households affected by this policy prior to implementation of the activity \$15,970.	Expected average earned income of households affected by this policy after implementation of the activity \$16,609.		

SS #3: Increase in Positive Outcomes in Employment Status

Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full- Time – N/A (2) Employed Part- Time – N/A (3) Enrolled in an Educational Program – N/A (4) Enrolled in Job Training Program – N/A (5) Unemployed – N/A (6) Other: Households with Earned Income	Households with earned income prior to implementation of the activity - 1,241	Households with earned income after implementation – 1,253		
	Percentage of households with earned income prior to implementation – 21%.	Percentage of households with earned income prior to implementation – 21%.		

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).	Households receiving TANF prior to implementation of the activity (number)	Expected number of households receiving TANF after implementation of the activity (number).	Actual households receiving TANF after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

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).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

SS #7: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

SS #8: Households Transitioned to Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self sufficiency (increase). The PHA may create one or more definitions for "self sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Actual households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

MPHA will use the HUD Standard metrics above to replace the previous metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

FY2010 – Activity 2

MPHA’s minimum rent Initiative for public housing residents.

Description (Approved in 2010 and implemented in public housing in 2011)

Tenants moving into public housing will pay the minimum rent that is in effect at the time of lease up. This initiative would increase the minimum rent of existing public housing tenants at the first annual or interim re-exam following:

January 1, 2010	\$75.00
January 1, 2014	\$75.00
To Be Determined	\$100.00
To Be Determined	\$125.00
To Be Determined	\$150.00

This would not apply to households in which all members are either elderly and/or disabled, and whose sole source of income is Social Security, SSI or other fixed annuity pensions or retirement plans. Those households would continue to pay 30% of their adjusted gross income.

Update

MPHA’s Public Housing Low Rent Program implemented the minimum rent initiative in 2011 with the current minimum rent being \$75 per month. MPHA will not increase the minimum rent in the Low Rent program to \$100, effective January 1, 2014. Resident feedback during the comment period demonstrated the proposed increase would create undue hardship for many residents. MPHA will decide at a future date when to increase the minimum rent further. MPHA has determined that the increase in the minimum rent has not resulted in increased self-sufficiency and has deleted it from the Statutory Objectives. When MPHA decides to increase the minimum rent, residents will be notified and given the required period to comment. This will be done during the MTW Plan review.

MPHA continues its hardship exemption program in Low Rent Public Housing.

MTW Authorization:

MTW Amended and Restated Agreement – Attachment C [C11 – Authorizations related to public housing only - Rent Policies and Term Limits]; This authorization waives certain provisions of Sections 3, 6, 7, 16 and 31 of the 1937 Act and 24 CFR 945 Subpart C, 960 Subparts B, D, E and G as necessary to implement the Agency’s Annual MTW Plan and [D2 –**Statutory Objective:**

Reduce cost and achieve greater cost effectiveness in federal expenditures.

MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

MPHA’s Section 8 HCV program has incorporated its Minimum rent Initiative into its 2014 comprehensive Rent Reform Initiative and information regarding this activity is located there.

<i>CE #5: Increase in Agency Rental Revenue</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Rental revenue in dollars (increase).	Rental revenue prior to implementation of the activity - \$221,400	Expected rental revenue after implementation of the activity - \$325,800		

FY2010 – Activity 4

MPHA Rent-to-Own Initiative (Sumner Field Townhomes)

Description: (Approved in 2010 and phased in implementation 2012-2014).

MPHA utilized funds from its ARRA Formula Grant, to purchase 20 townhome development units and intends to create a Rent-to-Own Initiative where qualified public housing residents, Section 8 participants, families on both waiting lists as well as, MPHA and City of Minneapolis employees who qualify for public housing will have an opportunity to initially rent and subsequently purchase these units. This activity was initially referred to as ‘The BrightKeys’ after BrightKeys Development; however, the developments are legally named Sumner Field Townhomes.

Update: MPHA has nineteen (19) of its twenty (20) units under lease and expects to have all twenty units under lease in 2013. All new Rent-to-Own tenants are encouraged to participate in MPHA’s MTW savings match program and are required to work with the agency’s Lease To Own staff to develop a specific plan to purchase their unit within the five-year timeframe called for in the MPHA’s MTW Rent-To-Own initiative.

Should vacancies arise due to tenant inability to meet Rent-To-Own requirements, MPHA will open its site-based waiting list in order to market to new Rent-To-Own families. MPHA will continue this initiative until all units are purchased by participating families.

MTW Authorization:

MTW Amended and Restated Agreement – Attachment C [C1 – Site Based Waiting List; C7 a and b – Simplification of the Development and Redevelopment Process for Public Housing . . . “establish reasonable low-income homeownership programs such as lease-to-own . . .” This authorization waives certain provisions of Section 6(r) of the 1937 Act and 24CFR 903.7 and certain provisions of Section 6(c) of the 1937 Act and 24 CFR 960.201 as necessary to implement the Agency’s Annual MTW Plan

Statutory Objective:

Provide incentives to families to obtain and keep employment and become economically self-sufficient and increase housing choices.

<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average household income for nineteen participants \$38,444.	2% increase in earned income. Total \$39,212.		
<i>SS #2: Increase in Household Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of savings/escrow of households affected by this policy in dollars (increase).	No households currently participating - \$0.	Average amount of annual savings/escrow \$997.10		
<i>SS #8: Households Transitioned to Self Sufficiency</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self sufficiency (increase). MPHA has defined self-sufficiency as income sufficient to purchase home.	Zero households have incomes sufficient to purchase at time of move in.	Three households will achieve self-sufficiency (income sufficient to purchase home) within one year.		

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).	Zero households have incomes sufficient to purchase at time of move in.	One household will purchase home in one year.		

These metrics will replace current metrics as these were metrics related to the leasing of these Rent-To-Own units. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

FY2010 – Activity 5

Foreclosure Stabilization Project Based Voucher Demonstration Program

Description of Activity (Approved in 2010 and phased in implementation through 2012).

The Foreclosure Stabilization Initiative allows MPHA to expand and increase housing choices and secure operational stability for a program developed by Project for Pride in Living (PPL) to purchase, rehab and rent out units that had been subject to foreclosure.

Applicants for participation in this program will be recommended by PPL pursuant to the funding requirements under PPL’s CDBG and ARRA funds with priority going to referrals that are also on MPHA’s Section 8 HCV waiting list. MPHA’s Section 8 HCV waiting list will have a ‘remains open’ clause for specific referrals for this program

Update

All twenty-one (21) units are currently occupied in 2013. It is expected that all units will remain occupied and remain active in 2014 as a preserved unit of affordable housing.

In 2014, MPHA intends to use the HUD required standard metric in place of the current metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

MTW Authorization:

MTW Amended and Restated Agreement – Attachment C: D Authorizations related to Section 8 housing choice vouchers only; 7 b and c : These authorizations waive certain provisions of 24CFR 983.51 as necessary to implement the Agency’s Annual MTW Plan and Site selection standards set forth in 24CFR Section 1983.57

Statutory Objective:

Increase Housing Choices: This will enable very low income families who are at risk of homelessness to secure housing and also help achieve greater cost effectiveness in federal expenditures by helping to secure the investments of the Federal NSP program expenditures and providing a stable operating fund for the purchased and rehabbed developments.

CE #4: Increase in Resources Leveraged

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Amount of funds leveraged in dollars (increase).	\$2,554,083 leveraged prior to implementation of the activity.	\$2,554,083 leveraged after implementation of the activity.	Actual amount leveraged after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

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.	Housing units preserved prior to implementation of the activity - 0.	Expected housing units preserved after implementation of the activity - 21.		

FY2009 – Activity 1

Block Grant and Fungible Use of MPHA Resources

Per HUD direction, this Activity is addressed in Section VII: Sources and Uses of Funding.

FY2009 - Activity 2

Recertify Elderly or Disabled Public Housing Resident Families Once Every Three Years Instead Of Annually

Description of Activity (Approved in 2009 and phased in implementation through 2012)

MPHA certifies families who are elderly or disabled and who are on a fixed income every three years instead of annually. This saves time and effort for these residents and helps MPHA to more effectively target its resources.

This measure reduces costs and enables MPHA to focus staff resources on other critical needs. After implementation, many elderly and disabled residents have favorably commented on this initiative. MPHA is utilizing EIV to assist with monitoring incomes and outcome metrics for this initiative.

Update

MPHA phased this in over a three-year period and it is now fully implemented. MPHA now recertifies residents every three years according to a schedule that allows one-third of impacted residents to be recertified every year. It is estimated that 3,300 residents will benefit from this MTW activity.

This activity has reduced the number of annuals done per Eligibility Technician (ET) allowing the ET's to follow up on long-term minimum renters and MPHA's high number of interim recertification requests. MPHA will continue this initiative in 2014. These metrics have not been used in a previous annual report and information is not currently available. MPHA will be tracking this information in 2014, the current fiscal year.

MTW Authorization:

Initial, Annual and Interim Income Review Process: Provided in Attachment C Section C 4. This Section waives certain provisions of Sections 3(a) (I) and 3 (a) (2) of the 1937 Act and 24 C.F.R. 966.4 and 960.257, as necessary to implement the Agency's Annual MTW Plan.

Statutory Objective:

Reduce costs and achieve greater cost effectiveness. MPHA anticipated 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.

CE #1: Agency Cost Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity - 4,406 hours.	Expected amount of total staff time dedicated to the task after implementation of the activity - 3,376 hours.		

The HUD standard metric above incorporates MPHA’s current metrics and it will replace same. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

FY2009 – Activity 4 (Rent Reform)

Public Housing Two Year Income Disregard

Description of Activity (Approved in 2009 and implemented in 2010).

Federal regulations allow certain families 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 full two year income disregard for eligible families, which eliminated the administrative hardship and time consuming monitoring.

This MTW initiative enables MPHA to reduce costs and achieve greater cost effectiveness. In addition, it provides an incentive for families to maintain employment because the program is limited to two years. By maintaining employment, they receive a full disregard for two years instead of the full disregard for one year and a 50% disregard for the second year. MPHA has adopted changes to the ACOP and implemented this initiative. MPHA estimates that 200 families will take advantage of this program. MPHA will track the families on this program and after two years evaluate its success. MPHA is utilizing EIV to assist with monitoring incomes and outcome metrics for this initiative.

Update

Staff reports that this has greatly streamlined and simplified the Earned Income Disregard (EID). Residents understand and are able to follow this program better. This program has had more limited participation than initially estimated due to the economic crisis that has denied resident the opportunity to secure employment and take advantage of this program. MPHA intends to continue this program in 2014.

MPHA has included the MTW metric charts for this activity, but as these metrics have not been used in a previous annual report and the information is not currently available, MPHA will be tracking this information in 2014, the current fiscal year.

MTW Authorization:

Rent Policies and Term Limits: Provided in Attachment C Section C 11. This Section waives certain provisions of Sections 3(a)(2) and 3 (a) (3)(A) and Section 6(1) of the 1937 Act and 24 C.F.R. 5.603, 5.611, 5.628, 5.632, 5.634 and 960.255 and 966 Subpart A, as necessary to implement the Agency's Annual MTW Plan.

Statutory Objective:

Reduce costs and achieve greater costs effectiveness and gives incentives to families to obtain employment. Allows MPHA to reduce costs and focus staff resources on other agency needs.

Gives families incentive to work by disregarding the incremental earnings of qualified families.

Families Participating in Earned Income Initiative				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of families (increase).	Total number of families participating in EID prior to implementation – 6.	Expected number of families after implementation – 200.		

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease).	Cost of task prior to implementation of the activity (in dollars).	Expected cost of task after implementation of the activity (in dollars).	Actual cost of task after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease).	Total amount of staff time dedicated to the task prior to implementation of the activity (in hours).	Expected amount of total staff time dedicated to the task after implementation of the activity (in hours).	Actual amount of total staff time dedicated to the task after implementation of the activity (in hours).	Whether the outcome meets or exceeds the benchmark.

<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease).	Average error rate of task prior to implementation of the activity (percentage).	Expected average error rate of task after implementation of the activity (percentage).	Actual average error rate of task after implementation of the activity (percentage).	Whether the outcome meets or exceeds the benchmark.
<i>SS #1: Increase in Household Income</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase).	Average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Expected average earned income of households affected by this policy prior to implementation of the activity (in dollars).	Actual average earned income of households affected by this policy prior to implementation (in dollars).	Whether the outcome meets or exceeds the benchmark.

SS #3: Increase in Positive Outcomes in Employment Status

Report the Baseline, Benchmark and Outcome data for each type of employment status for those head(s) of households affected by the self-sufficiency activity.

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Report the following information separately for each category: (1) Employed Full- Time (2) Employed Part- Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program (5) Unemployed (6) Other	Head(s) of households in <<category name>> prior to implementation of the activity (number). This number may be zero.	Expected head(s) of households in <<category name>> after implementation of the activity (number).	Actual head(s) of households in <<category name>> after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.
	Percentage of total work-able households in <<category name>> prior to implementation of activity (percent). This number may be zero.	Expected percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Actual percentage of total work-able households in <<category name>> after implementation of the activity (percent).	Whether the outcome meets or exceeds the benchmark.

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).	Average subsidy per household affected by this policy prior to implementation of the activity (in dollars).	Expected average subsidy per household affected by this policy after implementation of the activity (in dollars).	Actual average subsidy per household affected by this policy after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

SS #7: Increase in Agency Rental Revenue

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
PHA rental revenue in dollars (increase).	PHA rental revenue prior to implementation of the activity (in dollars).	Expected PHA rental revenue after implementation of the activity (in dollars).	Actual PHA rental revenue after implementation of the activity (in dollars).	Whether the outcome meets or exceeds the benchmark.

SS #8: Households Transitioned to Self Sufficiency

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self sufficiency (increase). The PHA may create one or more definitions for "self sufficiency" to use for this metric. Each time the PHA uses this metric, the "Outcome" number should also be provided in Section (II) Operating Information in the space provided.	Households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) prior to implementation of the activity (number). This number may be zero.	Expected households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Actual households transitioned to self sufficiency (<<PHA definition of self-sufficiency>>) after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

FY2009 – Activity 6 (Amendment): Section 8 HCV Mobility Voucher Program

1. Description of Activity (Approved in 2009 and implemented in 2010).

MPHA created a Mobility Voucher program to encourage low-income families to move to communities of greater opportunity that are not impacted by poverty or race 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. The program was structured to increase housing choices for families on the MPHA Section 8 Waiting List and current program participants who lived in areas concentrated by poverty and who were willing to move into non-concentrated areas. MPHA has created an appendix to its Section 8 Administrative Plan that details the specific elements of this initiative.

On January 1, 2012, due to severe budget constraints, the Minneapolis Public Housing Authority's (MPHA) Housing Choice Voucher (HCV) Program placed a hold on all new admissions to the program from the Waiting List; which included new admissions to the Mobility Voucher Program. Then on April 25, 2012, MPHA submitted to the Board of Commissioners an amendment to its Section 8 HCV Moving to Work Mobility Initiative. The amendment broadened the admission process of the Mobility Program to include current participants, as we could no longer select applicants from the Waiting List.

The amendment, which was approved by the Board of Commissioners, provided for monetary incentives to interested families, including moving costs of \$1,000 per family, and priority admission to the Family Self-Sufficiency (FSS) Program, which would allow Mobility participants to accumulate escrow funds. These incentives, combined with the increased subsidy costs, resulting from higher rent areas, would actually increase Housing Assistance Payments (HAP) costs and increase the strain on the dramatically reduced budget.

Although our intention in 2013 was to implement the amended Mobility Program, given the budget deficits of 2012 and the additional decrease of funding levels in 2013, the HCV Program elected to freeze the number of Mobility participants at the current level of 36 families. The Mobility Community Services Coordinator will continue to provide the Mobility families with case management services, referrals to community resources and employment/educational opportunities, as well as act as the liaison between the tenant family and the property owner. The HCV Program will continue to encourage all families to locate and obtain housing in communities of greater opportunity.

MTW Authorization:

Waiting List Policies: Provided in Attachment C Section D4. This Section waives certain provisions of Sections 8(o)(6,8(o)(13) and 8 (o) (16) of the 1937 Act and 24 C.F.R. 982

Subpart E, 982.305 and 983 Subpart F, as necessary to implement the Agency's Annual MTW Plan.

Statutory Objective:

Increase housing choices. Provides incentive for waiting list families and current Section 8 participants to move into non-poverty concentrated areas.

2. Anticipated Changes

The Mobility Voucher Program will remain closed to new participants in 2014, however, families currently participating in the program will continue to receive services from the Mobility Community Services Coordinator.

3. Metrics, Baseline, and Benchmarks

<i>HC #5: Increase in Resident Mobility</i>		
Unit of Measurement	Baseline	Yearly Benchmark
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity	0	25

<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>		
Unit of Measurement	Baseline	Yearly Benchmark
Number of households receiving services aimed to increase housing choice	0	25

These HUD Metrics will replace current metrics as they are inclusive of current metrics. MPHA is not using outside evaluators for this activity. MPHA does not anticipate a need to employ additional authorizations to continue initiatives under this section.

NOT YET IMPLEMENTED ACTIVITIES

FY 2013 Activity 1:

MPHA – Hennepin County Transitional Housing Demonstration Initiative

Description of Activity

MPHA is proposing a partnership with Hennepin County to create a ‘Transitional Housing with Supportive Services’ demonstration program to allow MPHA to set 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. . In PIC, MPHA will change the classification of these 8 units to MTW neighborhood services units.

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. Hennepin County will refer participants to the program and provide MPHA with income verification data to ensure compliance with public housing eligibility criteria. Hennepin County will determine the length of stay based upon the health and support needs of the participants. No stay will exceed four months. Hennepin County will be responsible for identifying housing assistance once the participant completes their temporary stay.

MPHA will provide the housing units, perform work orders and maintain common areas Hennepin County would provide staffing and supportive services, house-keeping and other interventions as needed for participants. Hennepin County would provide a payment to MPHA for use of the housing units.

Update: MPHA and Hennepin County signed contract to begin January 2, 2014.

MTW Authorization:

This initiative invokes certain provisions of Attachment D ‘Broader Uses of Funds authority; Attachment C – B 2. Partnerships - This authorization waives certain provisions of Sections 13 and 35 of the 1937 Act and 24 CFR 941 Subpart F as necessary to implement the Agency’s Annual MTW Plan. **Statutory Objective:** Achieving greater cost effectiveness in federal expenditures. The MPHA partnership reduces significantly federal expenditures of Medicaid and Increases Housing Choice. Without this program most of these participants would remain hospitalized, become homeless and/or be forced to live in vulnerable conditions without supportive services.

Anticipated Impacts:

The anticipated impact of this proposal is that 20 – 35 extremely vulnerable persons who need transitional housing with services will be provided safe and decent temporary housing and supportive services that will lessen the likelihood of re-hospitalization save thousands of dollars in medical expenses. This number consists of the estimated number of persons who will occupy the eight units over a one year period.

Baseline and Benchmarks:

- **Baseline:**
 - This is a new program and there are no current participants
 - Hennepin County estimates that there are over 100 persons annually who could possibly benefit from this initiative.
 - Estimated Hennepin County hospital cost for 48 persons for ten day average = \$288,000.

- **Benchmarks:**
 - This program will serve up to 48 persons in the first year of operation
Estimated cost savings for 48 participants for ten day average including operational costs of demonstration = \$110,000.
 - Receive higher than average rent for each of these eight units.

Data Collection & Metrics:

Hennepin County will provide MPHA with monthly reports on persons served including: name, unit and length of stay. Hennepin County will collect this data as part of its administrative responsibilities for persons who are part of the County's overall program.

Hennepin County will provide estimated costs savings related to the outcomes of this program on a quarterly basis.

FY2010 – Activity 3

Conversion of 312 Mixed-Financed public housing units to Project Based Section 8.

Description

MPHA intends to utilize MTW authority to convert 312 mixed-finance public housing units of which MPHA neither owns nor manages, to Section 8 Housing Choice Vouchers and then project base these units in the same mixed-finance development. For the 200 Heritage Park units, MPHA will also waive the current requirements limiting project based units to a certain percentage of the development.

Update

MPHA is continuing to work with HUD to identify strategies for successfully converting these units to Project Base Section 8.

MPHA is securing an updated appraisal that should allow MPHA to pass the conversion test.

MTW Authorization:

MTW Amended and Restated Agreement – Attachment D [B1] Attachment C [D Authorizations related to Section 8 housing choice vouchers only/ 2. Rent Policies and Term Limits, and 7. Establishment of an Agency MTW Section 8 Project-Based Program] This authorization waives certain provisions of Sections 3, 6, 7, 16 and 31 of the 1937 Act and 24 CFR 945 Subpart C, 960 Subparts B, D, E and G as necessary to implement the Agency’s Annual MTW Plan and [D2 – Authorizations related to Section 8 only – Rent Policies and Term Limits] This authorization waives certain provisions of Section 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H)-(I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518 as necessary to implement the Agency’s Annual MTW Plan.

Statutory Objective:

Reduce costs and achieve greater cost effectiveness in Federal expenditures and increase housing choices.

CLOSED OUT ACTIVITIES

FY2009 – Activity 3

Combine MPHA’s Current Homeownership Programs into a Single MTW Initiative with a Foreclosure Prevention Component

Description of Activity

Under MTW, MPHA’s homeownership initiatives, Home Ownership Made Easy (HOME) and Moving Home (Section 8 Homeownership Demonstration Program) was revised and combined with a new Foreclosure Prevention Initiative that is designed to assist some low-income families in avoiding foreclosure.

This program combines the funding for counseling and all activities leading to purchase through MPHA’s MTW homeownership initiatives, along with post-purchase follow-up efforts. Program participants are offered an opportunity to purchase their homes with Section 8 support or to utilize a significant down payment assistance offered through a partner agency and purchase without Section 8 assistance. The participant with assistance from the contracted counselor and the lending institution will select a purchase option.

Update

MPHA discontinued this program in 2012 due to federal funding cutbacks in its housing programs.

MTW Authorization:

Continuation of Previously Authorized Activities: Provided in Attachment D; A This Section waives certain provisions of Sections 8, 9 and 23 of the 1937 Act and 24 C.F.R.941, 982, and 984 as necessary to implement the Agency’s Annual MTW Plan.

Statutory Objective:

Expand housing choices and Self sufficiency. Will allow public housing residents and Section 8 participants to move into home ownership with Section 8 assistance.

Provides incentives that support self sufficiency goals.

FY2009 – Activity 5

Implement a New Public Housing Family Self-Sufficiency Program

Description of Activity

MPHA has implemented a new public housing Family Self-Sufficiency (FSS) program targeted for families who seek to become home owners. This program is targeted to serve 50-75 families and has participation requirements to meet MPHA’s homeownership program eligibility requirements. MPHA has implemented a provision that allows up to 25 working families or those who receive unemployment benefits to participate in the FSS program as long as they maintain homeownership as their primary goal.

Update

MPHA discontinued this program in 2012 due to federal funding cutbacks in its housing programs.

MTW Authorization:

Authorizations related to Self Sufficiency: Provided in Attachment C Section E. This Section waives certain provisions of Sections 23 of the 1937 Act and 24 C.F.R.984, as necessary to implement the Agency’s Annual MTW Plan.

Statutory Objective:

Promote Self Sufficiency and increase housing choices. The FSS program positions families to meet FSS purpose of MTW.

Homeownership focus support housing choices beyond public housing and market rate rental.

SECTION V: SOURCES and USES of FUNDS

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

(V) Sources and Uses of Funds

Annual MTW Plan

V.1.Plan.Sources and Uses of MTW Funds

A. MTW Plan: Sources and Uses of MTW Funds

Estimated Sources of MTW Funding for the Fiscal Year

PHAs shall provide the estimated sources and amounts of MTW funding by FDS line item.

Sources		
FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	18,350,000
70600	HUD PHA Operating Grants	62,341,755
70610	Capital Grants	12,135,000

70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	0
71100+72000	Interest Income	80,000
71600	Gain or Loss on Sale of Capital Assets	0
71200+71300+71310+71400+71500	Other Income	4,950,000
70000	Total Revenue	97,856,755

Estimated Uses of MTW Funding for the Fiscal Year

PHAs shall provide the estimated uses and amounts of MTW spending by FDS line item.

Uses		
FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	9,593,810
91300+91310+92000	Management Fee Expense	7,566,130
91810	Allocated Overhead	0
92500 (92100+92200+92300+92400)	Total Tenant Services	881,025
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	7,864,180
93500+93700	Labor	325,000
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	11,467,740
95000 (95100+95200+95300+95500)	Total Protective Services	1,576,615
96100 (96110+96120+96130+96140)	Total insurance Premiums	960,000
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	2,880,190
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	1,600,000

97100+97200	Total Extraordinary Maintenance	172,905
97300+97350	Housing Assistance Payments + HAP Portability-In	40,534,160
97400	Depreciation Expense	14,540,000
97500+97600+97700+97800	All Other Expenses	0
90000	Total Expenses	99,961,755

Describe the Activities that Will Use Only MTW Single Fund Flexibility

MPHA will use the MTW Single Fund Flexibility to offset the anticipated federal funding shortfall in the Operating Fund Program. Cost savings due to the HCV Rent Reform Initiative will free up HAP funding, which will be used to offset the subsidy loss in the Operating Fund Program.

1

V.2.Plan.Local Asset Management Plan

B. MTW Plan: Local Asset Management Plan

Is the PHA allocating costs within statute?

Yes

or

No

Is the PHA implementing a local asset management plan (LAMP)?

Yes

or

No

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. The narrative shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

Yes

or

No

PHAs should provide a brief summary of any changes in the Local Asset Management Plan in the body of the Plan.

The Expenses exceed the Revenues on the Sources and Uses Report due to the inclusion of Depreciation Expense instead of capitalized expenditures. MPHA is not expecting to incur a net operating loss, the loss will reduce the equity balance shown in FDS line 508.1.

SECTION VI: ADMINISTRATIVE

- A. The Board of Commissioners approved the MPHA FY2014 Moving To Work Plan and supporting documents on October 9, 2013. A Resolution signed by the MPHA Board Chair adopting the Annual MTW Plan Certification of Compliance is attached in Appendix D .
- B. The MPHA Board of Commissioners approved the creation of a Resident Advisory Board for this year’s plan process in February 2013. The Resident Advisory Board (RAB) consists of eleven resident/participant members that represent the Tenant Advisory Committee, the Security Advisory Committee, the Maintenance, Modernization and Management Committee, the Minneapolis Highrise Representative Council, the Minneapolis Scattered Site Resident Council and Section 8/HCV. The Resident Advisory Board met with MPHA staff on the following dates:

April 9, 2013	July 9, 2013
April 23, 2013	August 6, 2013
May 14, 2013	August 27, 2013
May 28, 2013	September 10, 2013
June 11, 2013	September 24, 2013

All meetings were held at the MPHA Administrative offices at 1001 Washington Avenue North, Minneapolis, MN. The Resident Advisory Board adopted the following Guiding Principles for the Plan Process:

GUIDING PRINCIPLES

- Preserve Housing Stock and well maintained buildings
- Preserve Section 8 vouchers for current participants
- Maintain secure public housing, Project Lookout funding and create a comprehensive security program
- Increase revenue generating activities
- No rent increase (discussion)
- One-for-one replacement
- Prioritize needs
- Keep Resident Self Help funding
- Collaborations that increase affordable housing and/or services for residents
- No timelines
- Focus on the most needy
- Activities that provide incentives for resident participation
- Implement programs that check on residents (i.e., I'm Okay Program)
- Create a Job Bank and focus on resident employment opportunities including Section 3 as part of all MPHA activities.

MPHA began public informational meetings regarding the proposed Rent Reform initiative earlier than the actual public comment period began.

MPHA Executive Staff and Section 8/HCV staff hosted a meeting regarding the Rent Reform Initiative with Legal Aid Representatives on June 18, 2013 at the MPHA Administrative Offices and a conference call with MTW HUD staff on June 19, 2013.

MPHA Section 8/HCV staff invited all participants to four Rent Reform presentations through a mailing to each participant and posters in the Section 8 Department. MPHA Section 8/HCV Staff also scheduled two owner/landlord meetings. Comments were taken at these meetings and are included in Appendix B – Comments and Responses.

The meetings for participants were held on the following dates:

June 26, 2013 7:00 p.m. 41 participants attended

115 West 31st Street, Minneapolis, MN

June 27, 2013 2:00 p.m. 15 participants attended

600 – 18th Avenue N, Minneapolis, MN

July 11, 2013 2:00 p.m. 32 participants attended

1815 Central Avenue NE, Minneapolis, MN

July 16, 2013 7:00 p.m. 25 participants attended
1815 Central Avenue NE, Minneapolis, MN

Owners and landlords meetings were held on the following dates:

July 10, 2013 7:00 p.m. 12 property owners attended
Heritage Park Senior Services Center, 1015 Fourth Ave N, Minneapolis MN
July 18, 2013 2:00 p.m. 34 property owners attended
Heritage Park Senior Services Center, 1015 Fourth Ave N, Minneapolis, MN

MPHA published a Notice of the availability of the MPHA Draft FY2014 MTW Plan and supporting documents and public hearing in the Minneapolis Star Tribune Newspaper on July 28, 2013. The actual public comment period for the MPHA FY2014 MTW Plan and supporting documents began on July 31, 2013 and continued through September 3, 2013 for the public and through September 6, 2013 for residents and participants.

MPHA hosted an 'Advance Meeting' on August 15, 2013 for public housing residents of highrises, scattered sites and family development and also 400 random Section 8/HCV participants were invited. Approximately 200 residents/participants attended. MPHA presented the new initiatives in the Draft 2014 Plan and also significant changes to the MPHA Statement of Policies (ACOP), Section 8/HCV Administrative Plan and the 2014 Capital Fund Program plan. MPHA also e-mailed the Draft Plan and summaries of changes to the Statement of Policies (ACOP) and Section 8 Administrative Plan to approximately 150 community organizations.

There was a Public Hearing before the MPHA Board of Commissioners on Wednesday, August 28, 2013. Twelve residents/participants spoke regarding the Draft Plan and supporting documents before the Board. The President of the Minneapolis Highrise Representative Council also spoke before the Board.

A meeting of the Board of Commissioners was held on September 25, 2013 presenting the significant comments MPHA received regarding the Draft Plan and supporting documents and the Board was given a copy of the all comments received and MPHA responses.

MPHA received a total of 348 comments including six related motions by the Resident Advisory Board during the public comment period. MPHA responded to all comments which are attached to this Plan in Appendix C.

- C. MPHA has no planned or ongoing PHA-directed evaluations of the demonstration for the overall MTW Program or any specific MTW activities.
- D. The Annual Statement/Performance and Evaluation Report (HUD 50075.1) is attached in Appendix E of this document.

APPENDIX A: Section 8/HCV Rent Reform Impact Analysis

Impact Analysis

MTW Rent Reform Initiative

Minneapolis Public Housing Authority

Housing Choice Voucher Program

July 2013



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1. Suggested Tables from HUD's Draft Guidance for Moving to Work Agencies: Impact Analysis and Hardship Policies for Rent Reform Initiatives
 - a. Impacts on Households (All Households; Race- White, Black/African, and American Indian/Alaskan Native)
 - b. Impacts on Households (Race- Asian, Mixed/Other; Ethnicity- Hispanic or Latino, Not Hispanic or Latino)
 - c. Impacts on Households (Elderly; Disabled; Gender- Male Household Head, Female Household Head)
 - d. Rent as Percentage of Monthly Income

 2. MPHA Analysis by Family Type
 - a. Average Subsidy and Average Participant Rent without \$150 Cap
 - b. Distribution of Change in Participant Rent Portion without \$150 Cap
 - c. Average Subsidy and Average Participant Rent with \$150 Cap
 - d. Distribution of Change in Participant Rent Portion with \$150 Cap

 3. Proposed Flat Subsidy Tables
 - a. Owner Pays for Heat
 - b. Participant Pays for Heat
-

1. Suggested Tables from HUD’s Draft Guidance for Moving to Work Agencies: Impact Analysis and Hardship Policies for Rent Reform Initiatives

a. Impacts on Households (All Households; Race-White, Black/African, and American Indian/Alaskan Native)

Program: Housing Choice Voucher Program

	Race of Household Head							
	All Households Subject to Rent Reform		White		Black / African		American Indian / Alaskan Native	
	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014
Number of Households Served	3,887	3,813	646	633	2,923	2,866	145	143
Average Gross Income (Annual)	\$14,800	\$14,826	\$12,767	\$12,756	\$15,421	\$15,471	\$12,887	\$12,733
Average Adjusted Income (Annual)	\$12,505	\$13,295	\$11,482	\$11,779	\$12,854	\$13,769	\$11,334	\$11,925
Number of Households Employed¹	1,660	1,635	147	144	1,411	1,391	44	43
Average Annual Employment Income²	\$17,972	\$17,989	\$12,325	\$12,269	\$18,664	\$18,706	\$19,180	\$18,677
Average Rent	\$277	\$336	\$268	\$295	\$284	\$349	\$231	\$284
Average Rent / Gross Income (Rent Burden)	25%	32%	26%	30%	24%	33%	25%	33%
Average Rent / Adjusted Income (Rent Burden)³	29%	35%	29%	32%	29%	35%	27%	34%
Average Housing Assistance Payment (HAP)	\$696	\$637	\$547	\$521	\$722	\$656	\$749	\$694

¹At least one household member is working

²For households with employment

³Adjusted Income under Rent Reform is significantly different from HUD regulatory Adjusted Income

1. Suggested Tables from HUD’s Draft Guidance for Moving to Work Agencies: Impact Analysis and Hardship Policies for Rent Reform Initiatives

b. Impacts on Households (Race-Asian, Mixed/Other; Ethnicity- Hispanic or Latino, Not Hispanic or Latino)

Program: Housing Choice Voucher Program

	Race of Household Head				Ethnicity of Household Head			
	Asian		Mixed / Other ⁴		Hispanic or Latino		Not Hispanic or Latino	
	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014
Number of Households Served	59	58	114	112	88	86	3,800	3,727
Average Gross Income (Annual)	\$16,455	\$16,656	\$11,923	\$11,802	\$12,358	\$12,430	\$14,853	\$14,881
Average Adjusted Income (Annual)	\$13,685	\$14,564	\$10,178	\$10,877	\$10,741	\$11,502	\$12,543	\$13,337
Number of Households Employed¹	21	21	37	36	23	22	1,637	1,613
Average Annual Employment Income²	\$14,931	\$14,931	\$14,302	\$14,102	\$14,380	\$14,744	\$18,022	\$18,033
Average Rent	\$277	\$370	\$222	\$274	\$226	\$290	\$278	\$337
Average Rent / Gross Income (Rent Burden)	23%	30%	23%	34%	21%	32%	25%	32%
Average Rent / Adjusted Income (Rent Burden)³	26%	32%	28%	36%	26%	34%	29%	35%
Average Housing Assistance Payment (HAP)	\$822	\$735	\$743	\$690	\$698	\$640	\$696	\$637

¹At least one household member is working

²For households with employment

³Adjusted Income under Rent Reform is significantly different from HUD regulatory Adjusted Income

⁴Including Native Hawaiian/Other Pacific Islanders

1. Suggested Tables from HUD’s Draft Guidance for Moving to Work Agencies: Impact Analysis and Hardship Policies for Rent Reform Initiatives

c. Impacts on Households (Elderly; Disabled; Gender- Male Household Head, Female Household Head)

Program: Housing Choice Voucher Program

	Gender of Household Head							
	Elderly Households ⁵		Disabled Households (Non-Elderly)		Male HH Head		Female HH Head	
	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014	FYE 2013	Projected FYE 2014
Number of Households Served	471	464	1,091	1,068	670	656	3,218	3,157
Average Gross Income (Annual)	\$13,650	\$13,640	\$14,193	\$14,210	\$13,432	\$13,440	\$15,081	\$15,114
Average Adjusted Income (Annual)	\$12,445	\$12,580	\$12,672	\$12,905	\$11,815	\$12,167	\$12,645	\$13,530
Number of Households Employed¹	83	82	197	195	228	226	1,432	1,409
Average Annual Employment Income²	\$13,788	\$13,842	\$12,095	\$12,178	\$17,057	\$17,053	\$18,117	\$18,139
Average Rent	\$294	\$310	\$283	\$320	\$276	\$304	\$278	\$342
Average Rent / Gross Income (Rent Burden)	27%	28%	25%	28%	28%	32%	24%	32%
Average Rent / Adjusted Income (Rent Burden)³	29%	30%	28%	31%	31%	34%	29%	35%
Average Housing Assistance Payment (HAP)	\$532	\$518	\$602	\$566	\$561	\$533	\$724	\$659

¹At least one household member is working

²For households with employment

³Adjusted Income under Rent Reform is significantly different from HUD regulatory Adjusted Income

⁵Including those HH that are both elderly and disabled

1. Suggested Tables from HUD’s Draft Guidance for Moving to Work Agencies: Impact Analysis and Hardship Policies for Rent Reform Initiatives

d. Rent as Percentage of Monthly Income

Rent as % of Monthly Income	Gross Income				Adjusted Income*			
	Current	% of Total	Rent Reform	% of Total	Current	% of Total	Rent Reform	% of Total
0% - 5%	335	9%	20	1%	286	7%	4	0%
5.01% - 20%	977	25%	860	23%	567	15%	668	18%
20.01% - 25%	823	21%	603	16%	516	13%	494	13%
25.01% - 30%	1,149	30%	828	22%	1,622	42%	726	19%
30.01% - 35%	224	6%	523	14%	354	9%	693	18%
> 35%	285	7%	885	23%	405	10%	1,127	30%
\$0 Income	95	2%	94	2%	138	4%	101	3%
TOTAL	3,888	100%	3,813	100%	3,888	100%	3,813	100%

*Adjusted Income under Rent Reform is significantly different from HUD regulatory Adjusted Income

2. MPHA Analysis by Family Type

a. Average Subsidy and Average Participant Rent without \$150 Cap



	Count	%	Current		Rent Reform		Change in Average Subsidy (HAP+ UAP)	Change in Average Participant Rent
			Average Subsidy (HAP+ UAP)	Average Participant Rent	Average Subsidy (HAP)	Average Participant Rent		
Elderly/Disabled	1,527	40%	\$578	\$290	\$549	\$319	-\$29	\$28
Small Working Families (1 - 2 children)	541	14%	\$658	\$372	\$582	\$446	-\$76	\$74
Large Working Families (3+ children)	568	15%	\$808	\$397	\$697	\$504	-\$111	\$108
Working Adults with no minor children	254	7%	\$464	\$382	\$429	\$415	-\$35	\$33
Small Non-Working Families (1 - 2 children)	423	11%	\$897	\$122	\$802	\$200	-\$94	\$79
Large Non-Working Families (3+ children)	282	7%	\$1,119	\$108	\$975	\$215	-\$144	\$107
Non-Working Adults with no minor children	218	6%	\$684	\$113	\$634	\$158	-\$50	\$44
TOTALS / AVERAGES	3,813	100%	\$698	\$281	\$632	\$341	-\$65	\$59

Percent of Fair Market Rent	97%
% of Income Band Midpoint	30%
Overwrite rents of <\$75 with minimum rent	Yes
Income bands increment	\$3,000
Elderly/Disabled Deduction	\$750
Cap on increases in rent	N/A
Use Fair Market Rents for	2012

Monthly
Annually

Savings
\$248,193
\$2,978,311

2. MPHA Analysis by Family Type

b. Distribution of Change in Participant Rent Portion without \$150 Cap

Change in Rent	Count	Percent	Number of Elderly/ Disabled	As % of Elderly/ Disabled	Number of Small Working Families (1 - 2)	As % of Small Working Families	Number of Large Working Families (3+)	As % of Large Working Families	Number of Working Adults (0)	As % of Working Adults
Decrease of \$301 or more	1	0%	0	0%	1	0%	0	0%	0	0%
Decrease of \$201 - \$300	18	0%	11	1%	2	0%	5	1%	0	0%
Decrease of \$151 - \$200	48	1%	27	2%	5	1%	12	2%	1	0%
Decrease of \$101 - \$150	82	2%	54	4%	7	1%	15	3%	5	2%
Decrease of \$51 - \$100	170	4%	112	7%	16	3%	19	3%	16	6%
Decrease of \$1 - \$50	399	10%	286	19%	24	4%	19	3%	36	14%
No change	37	1%	15	1%	3	1%	5	1%	7	3%
Increase of \$1 - \$50	873	23%	449	29%	92	17%	37	7%	88	35%
Increase of \$51 - \$100	1,125	30%	339	22%	221	41%	89	16%	75	30%
Increase of \$101 - \$150	636	17%	157	10%	108	20%	177	31%	22	9%
Increase of \$151 - \$200	280	7%	49	3%	50	9%	114	20%	4	2%
Increase of \$201 - \$300	130	3%	27	2%	9	2%	67	12%	0	0%
Increase of \$300 or more	14	0%	1	0%	3	1%	9	2%	0	0%
Total Decrease	755	20%	505	33%	58	11%	75	13%	65	26%
Total Increase	3,058	80%	1,022	67%	483	89%	493	87%	189	74%
Total	3,813	100%	1,527	100%	541	100%	568	100%	254	100%

Continued from above table

Change in Rent	Number of Small Non-Working Families (1 - 2)	As % of Small Non-Working Families	Number of Large Non-Working Families (3+)	As % of Large Non-Working Families	Number of Non-Working Adults (0)	As % of Non-Working Adults
Decrease of \$301 or more	0	0%	0	0%	0	0%
Decrease of \$201 - \$300	0	0%	0	0%	0	0%
Decrease of \$151 - \$200	1	0%	2	1%	0	0%
Decrease of \$101 - \$150	0	0%	0	0%	1	0%
Decrease of \$51 - \$100	4	1%	2	1%	1	0%
Decrease of \$1 - \$50	15	4%	7	2%	12	6%
No change	4	1%	0	0%	3	1%
Increase of \$1 - \$50	85	20%	8	3%	114	52%
Increase of \$51 - \$100	198	47%	129	46%	74	34%
Increase of \$101 - \$150	82	19%	77	27%	13	6%
Increase of \$151 - \$200	27	6%	36	13%	0	0%
Increase of \$201 - \$300	7	2%	20	7%	0	0%
Increase of \$300 or more	0	0%	1	0%	0	0%
Total Decrease	24	6%	11	4%	17	8%
Total Increase	399	94%	271	96%	201	92%
Total	423	100%	282	100%	218	100%

- Increasing the elderly/disabled deduction from \$400 to \$750 results in an increased deduction for 87% of elderly/disabled families, because only 14% of the elderly/disabled households qualify for the out-of-pocket medical expenses deduction (and some of those who receive the medical expenses deduction receive amounts less than \$350)
- Analyzing the impact of rent reform on families who are losing both the childcare deduction and the dependent deduction led us to put a cap on rent increases of \$150 or more. Participant rent increases will be capped at \$150 for the first nine months of the transition to rent reform.

2. MPHA Analysis by Family Type

c. Average Subsidy and Average Participant Rent with \$150 Cap



	Count	%	Current		Rent Reform		Change in Average Subsidy (HAP+ UAP)	Change in Average Participant Rent
			Average Subsidy (HAP+ UAP)	Average Participant Rent	Average Subsidy (HAP)	Average Participant Rent		
Elderly/Disabled	1,527	40%	\$578	\$290	\$552	\$316	-\$26	\$26
Small Working Families (1 - 2 children)	541	14%	\$658	\$372	\$587	\$441	-\$71	\$70
Large Working Families (3+ children)	568	15%	\$808	\$397	\$714	\$488	-\$94	\$91
Working Adults with no minor children	254	7%	\$464	\$382	\$429	\$415	-\$35	\$33
Small Non-Working Families (1 - 2 children)	423	11%	\$897	\$122	\$805	\$198	-\$92	\$76
Large Non-Working Families (3+ children)	282	7%	\$1,119	\$108	\$983	\$207	-\$136	\$98
Non-Working Adults with no minor children	218	6%	\$684	\$113	\$634	\$158	-\$50	\$44
TOTALS / AVERAGES	3,813	100%	\$698	\$281	\$637	\$336	-\$60	\$54

Percent of Fair Market Rent	97%
% of Income Band Midpoint	30%
Overwrite rents of <\$75 with minimum rent	Yes
Income bands increment	\$3,000
Elderly/Disabled Deduction	\$750
Cap on increases in rent	\$150
Use Fair Market Rents for	2012

Monthly
Annually

Savings
\$229,132
\$2,749,579

2. MPHA Analysis by Family Type

d. Distribution of Change in Participant Rent Portion with \$150 Cap

Change in Rent	Count	Percent	Number of Elderly/ Disabled	As % of Elderly/ Disabled	Number of Small Working Families (1 - 2)	As % of Small Working Families	Number of Large Working Families (3+)	As % of Large Working Families	Number of Working Adults (0)	As % of Working Adults
Decrease of \$301 or more	1	0%	0	0%	1	0%	0	0%	0	0%
Decrease of \$201 - \$300	18	0%	11	1%	2	0%	5	1%	0	0%
Decrease of \$151 - \$200	48	1%	27	2%	5	1%	12	2%	1	0%
Decrease of \$101 - \$150	82	2%	54	4%	7	1%	15	3%	5	2%
Decrease of \$51 - \$100	170	4%	112	7%	16	3%	19	3%	16	6%
Decrease of \$1 - \$50	399	10%	286	19%	24	4%	19	3%	36	14%
No change	37	1%	15	1%	3	1%	5	1%	7	3%
Increase of \$1 - \$50	873	23%	449	29%	92	17%	37	7%	88	35%
Increase of \$51 - \$100	1,125	30%	339	22%	221	41%	89	16%	75	30%
Increase of \$101 - \$150	1,060	28%	234	15%	170	31%	367	65%	26	10%
Increase of \$151 - \$200	0	0%	0	0%	0	0%	0	0%	0	0%
Increase of \$201 - \$300	0	0%	0	0%	0	0%	0	0%	0	0%
Increase of \$300 or more	0	0%	0	0%	0	0%	0	0%	0	0%
Total Decrease	755	20%	505	33%	58	11%	75	13%	65	26%
Total Increase	3,058	80%	1,022	67%	483	89%	493	87%	189	74%
Total	3,813	100%	1,527	100%	541	100%	568	100%	254	100%

Continued from above table

Change in Rent	Number of Small Non-Working Families (1 - 2)	As % of Small Non-Working Families	Number of Large Non-Working Families (3+)	As % of Large Non-Working Families	Number of Non-Working Adults (0)	As % of Non-Working Adults
Decrease of \$301 or more	0	0%	0	0%	0	0%
Decrease of \$201 - \$300	0	0%	0	0%	0	0%
Decrease of \$151 - \$200	1	0%	2	1%	0	0%
Decrease of \$101 - \$150	0	0%	0	0%	1	0%
Decrease of \$51 - \$100	4	1%	2	1%	1	0%
Decrease of \$1 - \$50	15	4%	7	2%	12	6%
No change	4	1%	0	0%	3	1%
Increase of \$1 - \$50	85	20%	8	3%	114	52%
Increase of \$51 - \$100	198	47%	129	46%	74	34%
Increase of \$101 - \$150	116	27%	134	48%	13	6%
Increase of \$151 - \$200	0	0%	0	0%	0	0%
Increase of \$201 - \$300	0	0%	0	0%	0	0%
Increase of \$300 or more	0	0%	0	0%	0	0%
Total Decrease	24	6%	11	4%	17	8%
Total Increase	399	94%	271	96%	201	92%
Total	423	100%	282	100%	218	100%

3. Proposed Flat Subsidy Tables
 a. Owner Pays for Heat

HCV Proposed Flat Subsidy Table - Owner Pays for Heat

	Bedroom Size						
	0	1	2	3	4	5	6
Payment Standards	\$613	\$723	\$877	\$1,148	\$1,290	\$1,484	\$1,706
Annual Income	Subsidy Amount						
\$0 to \$3,000	\$538	\$648	\$802	\$1,073	\$1,215	\$1,409	\$1,631
\$3,001 to \$6,000	\$500	\$610	\$764	\$1,035	\$1,177	\$1,371	\$1,593
\$6,001 to \$9,000	\$425	\$535	\$689	\$960	\$1,102	\$1,296	\$1,518
\$9,001 to \$12,000	\$350	\$460	\$614	\$885	\$1,027	\$1,221	\$1,443
\$12,001 to \$15,000	\$275	\$385	\$539	\$810	\$952	\$1,146	\$1,368
\$15,001 to \$18,000	\$200	\$310	\$464	\$735	\$877	\$1,071	\$1,293
\$18,001 to \$21,000	\$125	\$235	\$389	\$660	\$802	\$996	\$1,218
\$21,001 to \$24,000	\$50	\$160	\$314	\$585	\$727	\$921	\$1,143
\$24,001 to \$27,000	\$0	\$85	\$239	\$510	\$652	\$846	\$1,068
\$27,001 to \$30,000	\$0	\$10	\$164	\$435	\$577	\$771	\$993
\$30,001 to \$33,000	\$0	\$0	\$89	\$360	\$502	\$696	\$918
\$33,001 to \$36,000	\$0	\$0	\$14	\$285	\$427	\$621	\$843
\$36,001 to \$39,000	\$0	\$0	\$0	\$210	\$352	\$546	\$768
\$39,001 to \$42,000	\$0	\$0	\$0	\$135	\$277	\$471	\$693
\$42,001 to \$45,000	\$0	\$0	\$0	\$60	\$202	\$396	\$618
\$45,001 to \$48,000	\$0	\$0	\$0	\$0	\$127	\$321	\$543
\$48,001 to \$51,000	\$0	\$0	\$0	\$0	\$52	\$246	\$468
\$51,001 to \$54,000	\$0	\$0	\$0	\$0	\$0	\$171	\$393
\$54,001 to \$57,000	\$0	\$0	\$0	\$0	\$0	\$96	\$318
\$57,001 to \$60,000	\$0	\$0	\$0	\$0	\$0	\$21	\$243
\$60,001 to \$63,000	\$0	\$0	\$0	\$0	\$0	\$0	\$168
\$63,001 to \$66,000	\$0	\$0	\$0	\$0	\$0	\$0	\$93
\$66,001 to \$69,000	\$0	\$0	\$0	\$0	\$0	\$0	\$18
\$69,001 to \$72,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

3. Proposed Flat Subsidy Table
 b. Participant Pays for Heat

HCV Proposed Flat Subsidy Table - Participant Pays for Heat

	Bedroom Size						
	0	1	2	3	4	5	6
97% of FMRs	\$613	\$723	\$877	\$1,148	\$1,290	\$1,484	\$1,706
Heat Allowance	\$43	\$58	\$70	\$76	\$90	\$92	\$101
Payment Standards	\$656	\$781	\$947	\$1,224	\$1,380	\$1,576	\$1,807
Annual Income	Subsidy Amount						
\$0 to \$3,000	\$581	\$706	\$872	\$1,149	\$1,305	\$1,501	\$1,732
\$3,001 to \$6,000	\$543	\$668	\$834	\$1,111	\$1,267	\$1,463	\$1,694
\$6,001 to \$9,000	\$468	\$593	\$759	\$1,036	\$1,192	\$1,388	\$1,619
\$9,001 to \$12,000	\$393	\$518	\$684	\$961	\$1,117	\$1,313	\$1,544
\$12,001 to \$15,000	\$318	\$443	\$609	\$886	\$1,042	\$1,238	\$1,469
\$15,001 to \$18,000	\$243	\$368	\$534	\$811	\$967	\$1,163	\$1,394
\$18,001 to \$21,000	\$168	\$293	\$459	\$736	\$892	\$1,088	\$1,319
\$21,001 to \$24,000	\$93	\$218	\$384	\$661	\$817	\$1,013	\$1,244
\$24,001 to \$27,000	\$18	\$143	\$309	\$586	\$742	\$938	\$1,169
\$27,001 to \$30,000	\$0	\$68	\$234	\$511	\$667	\$863	\$1,094
\$30,001 to \$33,000	\$0	\$0	\$159	\$436	\$592	\$788	\$1,019
\$33,001 to \$36,000	\$0	\$0	\$84	\$361	\$517	\$713	\$944
\$36,001 to \$39,000	\$0	\$0	\$9	\$286	\$442	\$638	\$869
\$39,001 to \$42,000	\$0	\$0	\$0	\$211	\$367	\$563	\$794
\$42,001 to \$45,000	\$0	\$0	\$0	\$136	\$292	\$488	\$719
\$45,001 to \$48,000	\$0	\$0	\$0	\$61	\$217	\$413	\$644
\$48,001 to \$51,000	\$0	\$0	\$0	\$0	\$142	\$338	\$569
\$51,001 to \$54,000	\$0	\$0	\$0	\$0	\$67	\$263	\$494
\$54,001 to \$57,000	\$0	\$0	\$0	\$0	\$0	\$188	\$419
\$57,001 to \$60,000	\$0	\$0	\$0	\$0	\$0	\$113	\$344
\$60,001 to \$63,000	\$0	\$0	\$0	\$0	\$0	\$38	\$269
\$63,001 to \$66,000	\$0	\$0	\$0	\$0	\$0	\$0	\$194
\$66,001 to \$69,000	\$0	\$0	\$0	\$0	\$0	\$0	\$119
\$69,001 to \$72,000	\$0	\$0	\$0	\$0	\$0	\$0	\$44
\$72,001 to \$75,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

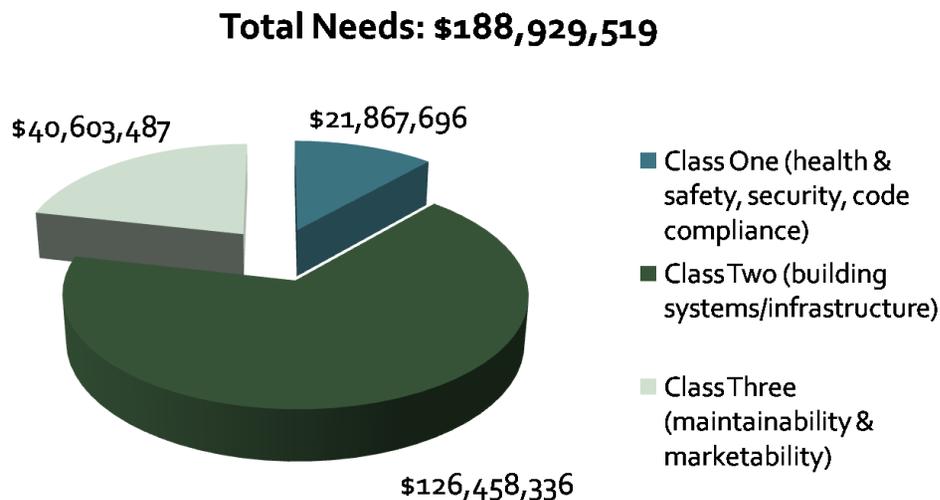
APPENDIX B: PLANNED CAPITAL EXPENDITURES

General Description of Planned Significant Capital Expenditures – FY2014

Minneapolis Public Housing Authority's (MPHA) housing stock is comprised of 42 highrise buildings, 733 scattered site homes, 184 rowhouse units, and three maintenance, administrative, and service facilities. Forty of the forty two highrise buildings in MPHA's inventory were built in the 1960's and early 1970's; the age range of MPHA's single-family homes is 2 – 100+ years old, and our single remaining rowhouse development is 60+ years old. The most recent needs analysis indicates an unmet capital need of approximately \$189 million over the next ten years for these public housing units. A comprehensive physical needs assessment is planned for 2013/14. MPHA will utilize the new HUD developed Green Physical Needs Assessment (GPNA) tool, which has new features including a green component and assesses capital needs for a 20-year period (vs. 10). As of this time MPHA has downloaded the HUD GPNA tool, began updating building plans and availability of take-off data, verifying consistency between GPNA and PIC data, obtained data on mechanical, structural and electrical needs, is in the process of obtaining additional needs data and expects to complete GPNA in 2014. To aid in capital planning, MPHA considers two factors in its needs data:

1. The classification of the needs as:
 - Class One: Life, Safety, and Code Compliance (e.g. asbestos abatement, security-related improvements, fire suppression systems)
 - Class Two: Building Systems/Infrastructure (e.g. mechanical systems, plumbing and electrical systems, roofs/façades, windows, elevators, etc.)
 - Class Three: Maintainability/Marketability (apartment kitchen and bath rehab, landscaping/site improvements, building amenities, etc.)
2. The remaining useful life of the need, which can range between 0 – 20 years.

The breakdown by classification of our 10-year \$189 million capital need is illustrated below:



As shown above, a large portion of our capital needs fall into the Class Two classification; due to their age, the infrastructure at many of our buildings has exceeded its life expectancy. Further, MPHA has deemed some of these Class Two work items as critical needs that could become Class One/life safety needs if left unaddressed. Additionally, as building codes have evolved, we need to address increased fire protection requirements such as retrofitting our highrise buildings with sprinkler systems, which comprises approximately \$11 million of the \$21.8 million identified in Class One. Also, recent budget cuts have resulted in decreased security guard coverage at our buildings, so an additional \$5 million in security [Class One] needs have been identified; measures that are needed to enhance resident safety in our highrises. MPHA has made these items a priority and will target these types of improvements over the next ten years.

Another way MPHA assesses the condition and tracks the performance of our properties is by utilizing an industry-accepted tool known as the Facility Condition Index (FCI). The FCI is a measurement that takes into account the “growing” capital renewal needs year over year and measures it against the replacement value of an asset ($FCI = \text{Need}/\text{Asset Value}$). The building FCI is calculated as a percentage and will fall within one of the following four ranges:

Good: 0% - 5%

Resident complaints are low and manageable; facility benefits from scheduled preventive maintenance, planned capital improvements, an increased level of amenities, and a higher level of customer service.

Fair: 6% - 10%

Manageable equipment or component failure may occur; resident complaints will be higher but still manageable; facility's staff time may, from time to time, be diverted from regular scheduled maintenance. The level of planned capital improvements, as well as customer satisfaction, decreases moderately from the "Good" range.

Poor: 11% - 30%

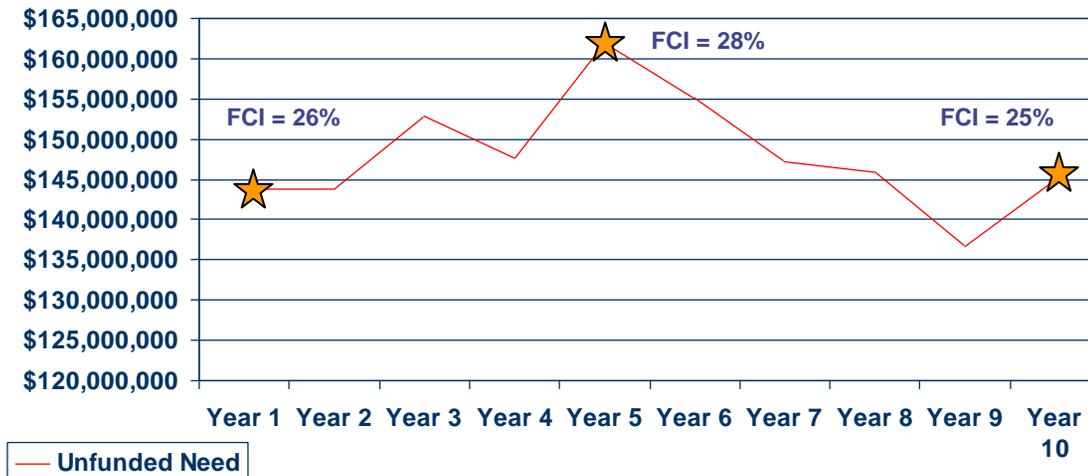
Moderately frequent equipment and infrastructure failures occur, accompanied by possible building system shut downs; resident complaints will be high with increased level of frequency leading to a lower level of customer satisfaction; facility's staff time will likely be diverted from regular scheduled maintenance and forced into "reactive mode". Capital improvements planning and implementation will also be reactive and will change frequently as more funds are used to mitigate building systems breakdowns.

Critical: Over 30%

Frequent component, equipment, and infrastructure failures will occur accompanied by likely building system shut downs – management risk is high; resident complaints will be very high with an unmanageable level of frequency; staff will not be able to provide regular scheduled maintenance due to high level of "reactive" calls. Capital fund planning is almost 100% reactive with higher level of needs leading to consideration of disposition of assets.

MPHA uses this information to understand the current state of each property, as well as to forecast the building's future performance based on various funding levels. A comprehensive needs analysis conducted in 2006 indicated a ten-year capital need of \$260 million. Based on historic Capital Fund Program (CFP) funding levels, MPHA projected what the FCI trend for its entire portfolio would look like over a ten year period as illustrated below:

FCI Projection as of 2006



Under historically insufficient capital funding, MPHA projected its facilities would continue to languish in the “Poor” (11% and higher) rating of FCI. Faced with continued declines in CFP appropriations and escalating needs as our properties age, MPHA has the ongoing and increasingly difficult challenge to preserve its assets and provide dignified housing to the residents we serve. In an effort to significantly reduce the \$260 million unmet capital needs, MPHA devised and implemented several asset investment strategies over the past several years, including the implementation of a \$33.4 million Energy Performance Contract (EPC) and securing approximately \$50 million in ARRA stimulus grants to implement capital improvements and energy upgrades at all of our properties, as well as develop a new 48-unit seniors memory care facility and seniors center with a variety of services for elderly residents in the Heritage Park neighborhood. While these measures positively impacted our housing portfolio and reduced the backlog of capital need, MPHA must continue to devise strategies that will ensure the long-term viability of its assets:

ASSET MANAGEMENT STRATEGIES

1. EPC

MPHA procured in early 2007 and entered into a \$33.4 million Energy Performance Contracting (EPC) agreement with Honeywell International, Inc. for the implementation of the Energy Conservation Measures (ECM) such as lighting and water upgrades, highrise boiler and water heater replacement, and building envelope repairs. The EPC has been fully implemented and the first year of a 20-year guaranteed savings period from Honeywell began in 2010.

HUD approved the refinancing amendment to the EPC on July 31, 2013. The EPC will yield additional scope and services **Development**

MPHA continues to search for development opportunities including the possibility of replacing high needs scattered site units in concentrated areas of Minneapolis with small clusters of new town home developments in non-concentrated areas of Minneapolis. MPHA is exploring the possibility of redeveloping the 14.5 acre Glendale site into a higher density, mixed income type of development that may include RAD conversion of the 184 public housing units there. MPHA is also interested in creating mixed income senior housing communities as well as special needs housing and working with the City and County to pursue these options. MPHA is also looking into neighborhood stabilization opportunities such as converting or redeveloping large foreclosed or abandoned houses or duplexes and tax forfeited or other abandoned properties to provide housing for large underserved families. These new and refurbished developments will include a high level of energy efficiency and when possible integrate state of the art durable materials.

2. Other Grants

a. G.O. Bond/Publicly Owned Housing Program (POHP) Grant

MPHA responded to and was awarded \$600,000 to support infrastructure improvements at 600 18th Avenue North.

b. Emergency and Security Funding

MPHA has submitted an application to HUD for funding under a special safety and security grant available to housing authorities. The application for \$203,196. MPHA did not receive this funding, but will pursue similar funding in 2014 should HUD offer additional grants.

c. Memory Care at Signe Burkhardt Manor

MPHA applied for but did not receive a Bush Price for Community Innovation grant application for the maximum allowed amount of \$500,000. These funds would have supplemented the Capital Fund Program dollars currently planned for upgrades at Signe Burkhardt Manor located at 2533 1st Avenue South. In addition to other major capital improvements currently planned at this building, these upgrades would reconfigure two floors with a total of 14 units for memory care services similar to the services currently available at Thomas T. Feeney Manor. All the units to be reconfigured are low-income public housing units, thirteen one-bedroom and one studio.

d. Development Grants

MPHA will aggressively pursue grant opportunities that become available for redevelopment activities that further the implementation of MPHA's Strategic Plan initiatives.

Capital Projects and Estimated Costs to Reduce MPHA's FCI

MPHA's five-year strategy for addressing capital needs covers FY 14 through FY 18. Approximately \$47 million in capital work will be implemented over this five-year period; the plan addresses many of the building systems (Class Two), as well as other high priority items such as security and fire suppression systems, all of which are critical to the operation of our facilities.

FY14 Significant Capital Expenditures by Development

The Minneapolis Public Housing Authority (MPHA) is applying for a \$8.48 million CFP allocation for 2014. Further, projects that were initiated under previous funding cycles, but not fully completed in prior years, will carry over and experience expenditures in 2014. Additionally, a portion of the projects slated for 2014's \$8.48 million budget will not be fully expended in 2014 and will carry into 2015. This expenditure schedule is based on the assumption of receiving the Capital Fund grant at the end of July 2014 (it should be noted that MPHA has not yet received the 2013 Capital Fund grant at the time of this publication). MPHA has estimated approximately \$13.2 million in capital expenditures for FY 14 (see attached charts) targeted at specific projects in all of its seven Asset Management Projects (AMPs). Details for projects included in the FY2014 plan follow. In performing its capital work, MPHA adheres to Federal, State and Local codes and regulatory processes.

AMP 2 (Scattered Sites): \$200,000

Due to the severe shortage of funding, any capital improvements in scattered sites will be limited to roofs and other critical infrastructure upgrades. MPHA is allocating \$200,000 for these types of improvements in FY2014.

AMP 3 (North): \$400,000

MPHA will initiate major plumbing replacement, roof replacement, and apartment improvements required as part of the plumbing work at 3116 Oliver Avenue. This project will be funded over two years, FY2014 and 2015.

AMP 4 (Northeast): \$1,180,000

Elevator modernization and façade restoration will be completed at 1717 Washington Street NE. This work is being partially funded and initiated in 2013. Major plumbing replacement, roof replacement, façade restoration, sprinkler system installation, and apartment upgrades will be initiated at 311 University Avenue NE. This project is also funded over two years, 2014/15.

AMP 5 (Hiawatha): \$1,620,000

Shelf angle repairs and general façade restoration will be initiated at 2533 1st Avenue South and Hiawatha Towers. Elevator modernization will start at 1920 4th Avenue South.

AMP 6 (Cedars): \$2,175,000

Extensive plumbing replacement at the three Cedars low-rise buildings – a multi-million dollar project funded over the next four years – will begin in 2014. The highrise building on this same campus – 630 Cedar Avenue South – will undergo façade restoration. Elevator modernization will begin at the Elliot Twins.

AMP 7 (Horn): \$1,300,000 Major plumbing replacement and apartment upgrades – another multi-year funded project – was initiated at 1415 East 22nd Street in 2013 and will continue in FY2014. **Area-Wide Common Area Improvements: \$530,000**

During FY2014, the Facilities and Development Department will implement a variety of general common area improvements at AMPs where other major projects are planned. The specific improvements are being defined and will be included in the scope of the major project at each site. Area-wide common area improvements will be implemented at AMPS 3,4,5,6, and 7.

CAPITAL PROJECTS – FY 2014

AMP	PROJ	ADDRESS	WORK ITEMS	PROJECT COST	2014 EXPENDITURES
N/A	N/A	N/A	Administration	\$1,065,000	\$1,065,000
N/A	N/A	N/A	Audit fee	\$10,000	\$10,000
2	Varies	Scattered Sites	Roof replacement, infrastructure	\$200,000	\$200,000
3	20.5	3116 Oliver Ave N	Piping, roof replacement, apartment mod (phase I)	\$400,000	\$100,000
4	10	311 University Ave NE	Piping, roof replacement, façade restoration, apartment upgrades, sprinklers (phase I)	\$880,000	\$100,000

AMP	PROJ	ADDRESS	WORK ITEMS	PROJECT COST	2014 EXPENDITURES
4	32	1717 Washington St NE	Elevator modernization, façade restoration (phase II)	\$300,000	\$300,000
5	9	Hiawatha Towers	Façade restoration	\$550,000	\$50,000
5	18.5	2533 1 st Ave S	Façade restoration	\$450,000	\$450,000
5	19	1920 4 th Ave S	Elevator modernization	\$620,000	\$20,000
6	6	Cedars Lowrises	Piping replacement (phase I)	\$700,000	\$50,000
6	8	Elliot Twins	Elevator modernization	\$1,240,000	\$40,000
6	30	630 Cedar Ave S	Façade restoration	\$235,000	\$35,000
7	14	1415 E 22 nd St	Piping replacement (phase II)	\$1,300,000	\$1,000,000
N/A	N/A	Area-Wide	Common area improvements	\$530,000	\$230,000
TOTAL – 2014 CAPTIAL BUDGET*				\$8,480,000	

CARRYOVER CAPITAL PROJECTS (These are projects from a previously approved MTW annual and five year CFP plan that will incur expenditures during FY 2014)

AMP	PROJ	ADDRESS	WORK ITEMS	PROJECT COST	2014 EXPENDITURES
3	3	800 5 th Ave N	Elevator modernization	\$620,000	\$600,000
3	23	315 Lowry Ave N	Elevator modernization	\$620,000	\$600,000
3	25	600 18 th Ave N	Piping replacement	\$2,550,000	\$1,700,000
4	32	1717 Washington St NE	Elevator modernization, façade restoration (phase I)	\$620,000	\$600,000
5	9	Hiawatha Towers	Piping replacement (phase III)	\$2,050,000	\$1,400,000
5	18.5	2533 1 st Ave S	Commons, windows, apartment upgrades, piping, sprinkler system	\$3,100,000	\$2,100,000
6	16	1515 Park Ave S	Façade restoration	\$750,000	\$700,000
7	14	1415 E 22 nd St	Piping replacement (phase I)	\$1,200,000	\$1,000,000
6	30	630 Cedar Ave S	Elevator modernization	\$650,000	\$50,000
1 – 7	Varies	Area-Wide	Security upgrades	\$900,000	\$800,000
TOTAL – 2014 PLANNED EXPENDITURES*					\$13,200,000

**The level and timing of these expenditures will vary depending on the final formula amount and the grant release date. The actual project allocations may also change as new GPNA data becomes available, other grants are secured, and a final formula amount is established.*

**Minneapolis Public Housing Authority
2014 Capital Fund Five-Year Action Plan
Schedule of Planned Expenditures**

	FY14	FY15	FY16	FY17	FY18
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Budgets 13,200,000 8,815,000 6,930,000 9,310,000 8,590,000

AMP 1 - Rowhouses

AMP	Project	Address	Bldgs	Units					
1	1	Glendale	28	184	0	0	0	0	0
Total AMP 1			28	184	0	0	0	0	0

AMP 2 - Scattered Site/Single Family

AMP	Project	Address	Bldgs	Units					
2	Varies	Various	733	733	200,000	200,000	200,000	200,000	200,000
Total AMP 2			733	733	200,000	200,000	200,000	200,000	200,000

AMP 3 - North

AMP	Project	Address	Bldgs	Units					
3	3	800 North Fifth Avenue	1	66	600,000	0	0	0	0
3	20.4	2415 North Third Street	1	62	0	0	0	0	0
3	20.5	3116 North Oliver Avenue	1	31	100,000	900,000	0	0	0
3	23	315 North Lowry Avenue	1	193	600,000	0	0	0	0
3	25	600 North 18th Avenue	1	239	1,700,000	0	0	0	0
3	26	1710 North Plymouth Avenue	1	84	0	0	20,000	1,500,000	300,000
3	28	1015 North Fourth Avenue	1	48	0	0	0	0	0
3	37	1314 North 44th Avenue	1	220	0	0	0	0	20,000
3	42	314 Hennepin Avenue	1	299	0	0	0	0	0
3	50	350 Van White Memorial Boulevard	1	102	0	0	0	0	0
Total AMP 3			10	1,344	3,000,000	900,000	20,000	1,500,000	320,000

AMP 4 - Northeast

AMP	Project	Address	Bldgs	Units					
4	10	311 NE University Avenue	1	49	100,000	1,780,000	0	0	0
4	15.4	710 NE Second Street	1	35	0	0	0	0	0
4	15.5	616 NE Washington Avenue	1	35	0	0	0	0	0
4	21.4	1206 NE Second Street	1	57	0	0	50,000	1,150,000	0
4	21.5	1900 NE Third Street	1	32	0	0	0	0	50,000
4	21.6	809 NE Spring Street	1	32	0	0	0	0	50,000
4	32	1717 NE Washington Street	1	182	900,000	100,000	0	0	0
4	33	828 NE Spring Street	1	189	0	0	0	0	20,000
4	35	1815 NE Central Avenue	1	333	0	0	0	0	25,000
Total AMP 4			9	944	1,000,000	1,880,000	50,000	1,150,000	145,000

Minneapolis Public Housing Authority
2014 Capital Fund Five-Year Action Plan
Schedule of Planned Expenditures

FY14	FY15	FY16	FY17	FY18
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AMP 5 - Hiawatha

AMP	Project	Address	Bldgs	Units	FY14	FY15	FY16	FY17	FY18
5	9	Hiawatha Towers	3	281	1,450,000	500,000	40,000	1,200,000	620,000
5	18.5	2533 South First Avenue	1	42	2,550,000	0	0	0	0
5	19	1920 South Fourth Avenue	1	110	20,000	600,000	0	0	0
5	24	1707 South Third Street	1	199	0	0	0	0	0
5	34	2419/33 South Fifth Avenue	2	254	0	40,000	1,200,000	0	50,000
Total AMP 5			8	886	4,020,000	1,140,000	1,240,000	1,200,000	670,000

AMP 6 - Cedars

AMP	Project	Address	Bldgs	Units	FY14	FY15	FY16	FY17	FY18
6	6/30	Cedars Community	4	539	135,000	1,250,000	1,400,000	1,440,000	2,260,000
6	8	Elliot Twins	2	174	40,000	1,200,000	50,000	450,000	0
6	16	1515 South Park Avenue	1	182	700,000	0	0	0	0
Total AMP 6			7	895	875,000	2,450,000	1,450,000	1,890,000	2,260,000

AMP 7 - Horn

AMP	Project	Address	Bldgs	Units	FY14	FY15	FY16	FY17	FY18
7	14	1415 East 22nd Street	1	129	2,000,000	320,000	600,000	0	0
7	17	2728 East Franklin Avenue	1	151	0	0	0	50,000	1,950,000
7	18.4	3755 South Snelling Avenue	1	28	0	0	0	0	50,000
7	22	3205 East 37th Street	1	28	0	0	0	0	25,000
7	31	Horn Towers	3	491	0	250,000	1,750,000	1,750,000	1,500,000
7	36	2121 South Minnehaha Avenue	1	110	0	0	0	0	0
Total AMP 7			8	937	2,000,000	570,000	2,350,000	1,800,000	3,525,000

Management, Maintenance, and Special Facilities

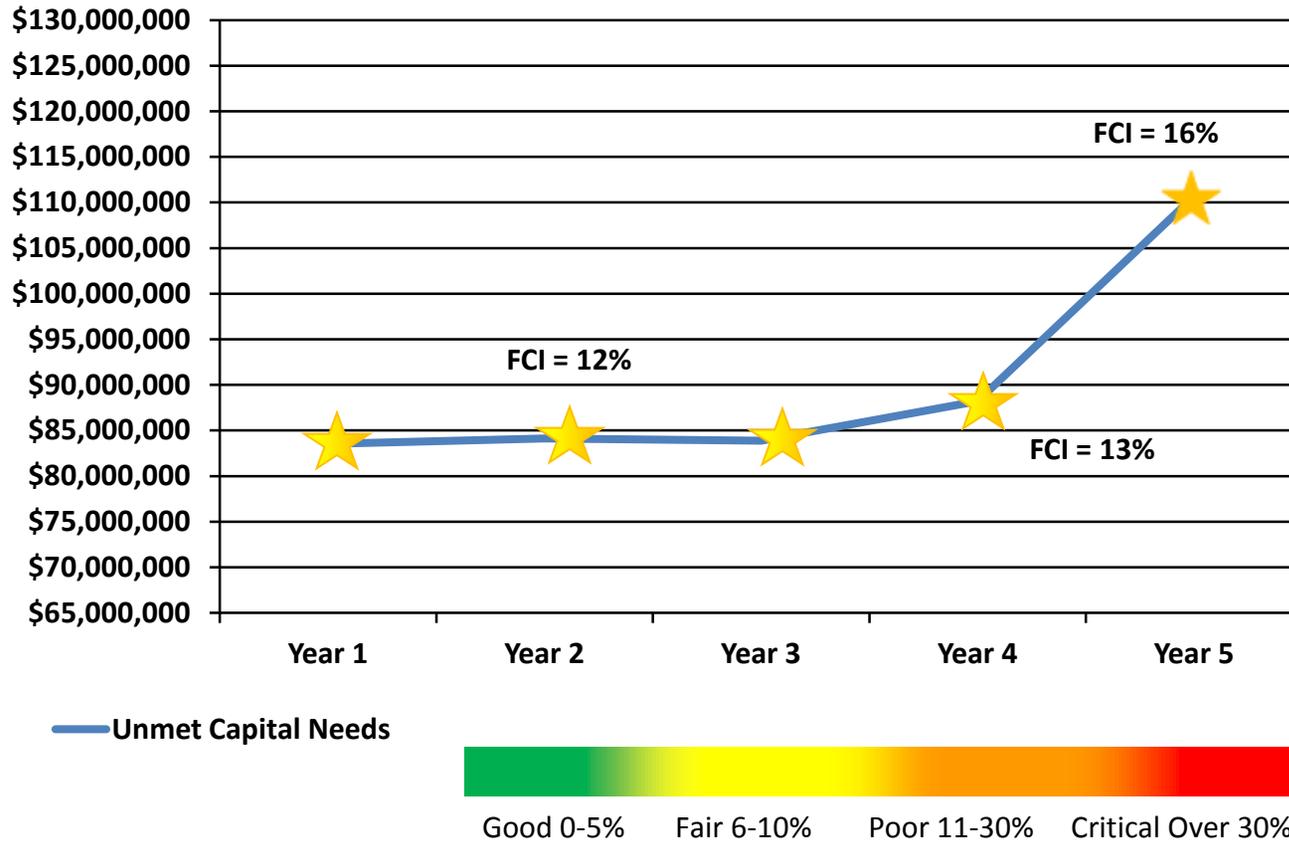
Project	Location	Bldgs	Units	FY14	FY15	FY16	FY17	FY18
29	901 North Fourth Avenue HPSCC	1		0	0	0	0	0
93	1301 Bryant Maintenance Office	1		0	0	0	0	0
96	1001 Washington Main Office	1		0	0	0	0	0
Total MM & S		3		0	0	0	0	0

Area-Wide

1410	Administration			1,075,000	1,075,000	1,075,000	1,075,000	1,075,000
	Security Improvements			800,000	0	0	0	0
1460	Common area improvements			230,000	600,000	545,000	495,000	395,000
				2,105,000	1,675,000	1,620,000	1,570,000	1,470,000

GRAND TOTAL			803	5,923	13,200,000	8,815,000	6,930,000	9,310,000	8,590,000
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Five Year FCI Projection



A 12-16% FCI, which is at the low end of the “Poor Range”, indicates that MPHA must continue to leverage additional funding sources beyond the Capital Fund baseline grant to ensure the long-term viability of its assets.

Since adopting and implementing various asset management strategies, MPHA's current estimated capital need is \$189 million. However, as our properties continue to age and capital funding experiences greater cuts, MPHA must aggressively pursue grant

opportunities that improve MPHA's asset condition through initiatives that include development and capital investment in existing assets.

MPHA considers the outcome of the aforementioned investment strategies consistent with the MTW statutory objectives of:

- (a) Reducing costs and achieving greater cost effectiveness in Federal expenditures.
- (b) Providing incentives to families with children whose heads of household are working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.
- (c) Increasing housing choices for low-income families.

APPENDIX C: Comments and Responses

MPHA FY2014 Moving To Work Plan
& Supporting Documents

Comments & Responses

FY2014 MTW Plan Comments

Activity 1 - Rent Reform

1. How many participants does this affect?

MPHA Response: All HCV families will be going under rent reform, except those participating in the following programs: Family Unification, Veterans Supportive Housing, Preservation sites, and some project-based communities.

2. Participant wonders if he/she will still be allowed to move within Minneapolis.

MPHA Response: Yes, participants will be allowed to move within the City of Minneapolis

Participant wonders if he/she would be able to move to a different state. What are the restrictions now?

MPHA Response: Currently there are no restrictions on portability. Effective January 1, 2014 anyone wishing to take their voucher outside of the Minneapolis Public Housing Authority's jurisdiction will need to provide documentation that they are relocating because of education, work, safety, disability/health, or housing affordability reasons in order for their port out request to be approved.

When will the rent reform go into effect? In 2008 participant lost job, just graduated from school and wants to use portability to go to Arizona – sounds like participant won't be able to port.

MPHA Response: Participants can port out prior to the implementation of rent reform (any leases effective prior to January 1) or they could be approved to port to Arizona for reasons of employment or another portability criteria.

3. If participant makes less than \$1,000 per month will rent still go up?

MPHA Response: It depends on the contract rent of the unit and the level of subsidy (voucher size). There is not enough information provided to give a more definitive answer.

4. Will participants be paying more than 30% of their income for rent?

MPHA Response: Individual rent portions will depend on the difference between the contract rent of the unit and the flat subsidy amount. Some families will pay more than 30% of their income in rent and some will pay less.

5. After participants receive their rent increase, will MPHA increase the rent every year?

MPHA Response: MPHA may determine new subsidy amounts after reviewing the HUD Fair Market Rents. Also,

Landlords may choose to increase the contract rent which may increase the participant's portion of rent.

6. Will MPHA continue the Rent Reform for 10 years?

MPHA Response: If approved, Rent reform is here to stay, but that is not to say it is stagnant. Like the current HCV program, we anticipate that our Rent Reform Initiative will be ever changing in response to HUD regulations, statutory requirements, the economy, the level of funding, and the needs of our participant families.

7. Who has to approve the Rent Reform initiative?

MPHA Response: MPHA's Board of Commissioners and HUD.

8. With 9,000 people on the wait list, I assume you will not be opening it in 2014.

MPHA Response: The MPHA HCV Waiting List will not be open for new applicants until we can provide assistance to those currently on the list.

9. How does the Rent Reform initiative affect senior site based housing?

MPHA Response: Currently MPHA has one Project Based Community (Catholic Eldercare) that is targeted towards seniors. This project is included in the Rent Reform and participants may experience an increase in their rent portion responsibilities.

10. Tell me more about the allowances for elderly and disabled in the new rent reform.

MPHA Response: The out of pocket medical expenses deduction is eliminated; however, we have increased the annual elderly/disabled deduction from \$400 to \$750. The annual deduction increase has a positive impact on 87% of the elderly/disabled population.

11. Would a senior citizen, now a Section 8 participant, be allowed to go back to public housing?

MPHA Response: MPHA's public housing waiting list is open for Seniors. Section 8 participants who are seniors are eligible to apply for public housing. Seniors 62 and over have a priority for public housing. Section 8 participants who are approved for a transfer from Section 8 to Public Housing will need to meet all the requirements for admission to Public Housing and will be placed on the PH transfer waiting list.

12. Is there any way MPHA can stop the landlords from raising the rent?

MPHA Response: MPHA is not a party to a lease and thus has no authority to stop a property owner from increasing the rent. The participant and property owner may negotiate any provision of the lease, including the contract rent amount. Participant families always have the option of not renewing the lease with a higher rent and locating a unit that they feel is more affordable for them.

13. Please send out any resources to participants, especially medical.

MPHA Response: We will make these resources available at our rent reform orientations and on our website.

14. Are all the HRA's in Minnesota doing this (rent reform) too?

MPHA Response: MPHA is the only MTW agency in Minnesota and as such we are the only Housing Authority with the ability to engage in a comprehensive rent reform.

15. What if participant is renting an apartment now that may be too expensive after the rent reform?

MPHA Response: MPHA will accept mutual agreements for early lease termination, including during the initial lease term. This will allow the participant to locate a more affordable unit.

16. If participant receives \$100 or less in subsidy, will that go away with rent reform?

MPHA Response: it depends on the contract rent of the unit and the level of subsidy (voucher size). There is not enough information provided to give a more definitive answer.

17. The presentation talked about a family with no income, but still had to pay \$75 minimum rent. How do they come up with the money ... What happens?

MPHA Response: While a person may have little or no income, in the HCV program HUD considers “non-monetary” income as well. For example, if a participant has a family member or friend who on a regular basis is paying their electric bill or their cell phone bill, or purchasing clothing or toiletries for them, we would count those regular contributions as income. In the event that the family truly cannot afford minimum rent, they may apply for a hardship waiver.

18. A rent increase of \$55 per month is a lot of money with foods stamps and other supports being cut. If you cut people from the program, will you help them find shelters?

MPHA Response: If rent reform is implemented as planned, there will be no need to cut anyone from the program. MPHA will provide all families with information regarding additional resources for utility assistance, budgeting, financial counseling, employment, and education.

19. If someone is below FMR, is this the time to increase to FMR? \$55 is an average increase; could it be lower or higher?

MPHA Response: HUD determines FMR. Rent portion increases under rent reform can range from \$25 to \$250 per month. However, increases will be capped at \$150 for the first nine months of rent reform.

20. Payment standards for each apartment go down and you also lowered payment for utilities and now participant has to pay \$55 more a month. This causes a real hardship for persons on a set income. A person cannot get ahead.

MPHA Response: We agree there is an impact on participants, however, on average participants will retain 90% of their current subsidy amount.

21. Participant thanked MPHA for the presentation, made it less scary.

MPHA Response: MPHA appreciates your comment.

22. Thank you, MPHA, for trying to keep the rent reform fair for everyone.

MPHA Response: MPHA appreciates your comment.

23. What will the future of MPHA be if the money is cut every year?

MPHA Response: MPHA will remain committed to our mission of providing quality housing to the community we serve within the budget provided by Congress.

24. Can we request to be changed to this system as soon as it's approved? I would save a great deal of money.

MPHA Response: Everyone will be changed to rent reform effective January 1, 2014.

25. Can you explain the budget cuts?

MPHA Response: The sequester is a set of across the board budget cuts to defense and domestic programs. The sequestration cuts were designed to be so bad that both political parties would want to avoid them and thus Congress would come to an agreement on reducing the deficit and pass a budget. But Congress was not able to reach a compromise so the sequester took effect March 1, 2013, reducing MPHA's 2013 funding by \$3.9 million. This is on top of \$6 million in cuts that MPHA experienced in 2012. Additionally, sequestration will continue to cut our funding every year for the next 10 years unless Congress acts to reverse it.

26. Are we going to have rent reform again?

MPHA Response: We do not plan to do another major rent reform initiative in the Section 8 HCV program at this time. However, it is possible that we will make adjustments to the flat subsidy tables to account for changes in Fair Market Rents and funding levels. Those changes could affect families' subsidy amounts.

Rent Reform Meeting for Owners

July 10, 2013

1. If the subsidy will be at 90% of current subsidy levels, does that mean contract rents will have to decrease?

MPHA Response: No, it means participants will have to pay more, unless the owner chooses to decrease their rent. Also the 90% is an average.

2. The fact that the 40% affordability cap is gone is a benefit.

MPHA Response: Thank you for your comment.

3. How will MPHA determine if the rent is reasonable / affordable for the family?

MPHA Response: Rent reasonableness will be the same as it is now, three comparable unassisted units. MPHA will not approve a Request For Tenancy Approval (RFTA) if a participant's rent portion exceeds 50% of their monthly adjusted income, without Supervisory review and approval. MPHA retains the right to approve or deny any Request For Tenancy Approval (RFTA).

4. Owners will bear the brunt of this, because the participants are in need so if they can't pay the increased rent there will be a significant negative impact on the homeowner.

MPHA Response: Owners are not required to reduce their contract rent, it will be your choice how to handle it if your participant truly cannot pay their portion. You could do a mutual agreement for early lease termination, and then re-rent the unit to a family who can afford the rent.

5. How does the program deal with defaults? When tenants don't pay their rent?

MPHA Response: You should notify us and you have to enforce your lease, the same way you would with an unassisted tenant.

6. What is the process to follow when a participant is not paying their rent portion? If their portion is small it is not worth the time and expense to file an eviction.

MPHA Response: You should notify the technician, we can bring the family in for a non-disclosure, and we can require them to pay the back rent that they owe before we issue them a new voucher. However, although it is an expense, it is still important that you adhere to the HAP Contract and enforce the lease agreement, no matter what the tenant rent portion.

If you send the family notice of the past due rent, or if you file an Unlawful Detainer (UD), please send MPHA a copy so we are aware of the situation.

7. What if the tenant portion is \$0 and the HAP decreases 10%?

MPHA Response: Then the tenant portion would increase. Contract rents will not change under rent reform (unless you choose to change them)

8. How can a participant with \$0 income pay rent?

MPHA Response: While a person may have little or no income, in the HCV Program HUD considers “non-monetary” income as well...for example, if a participant has a family member or friend, who on a regular basis is paying their electric bill, or their cell phone bill, or purchasing clothing or toiletries for them, we would count those regular contributions as income.

Please understand that a zero tenant rent portion does not always equal zero income, there are participants who have income, but due to the inclusion of the utility allowance, have a rent portion of zero.

9. What if a landlord seeks an Unlawful Detainer for other lease violations (other than non-payment of rent)?

MPHA Response: The property owner should provide a copy of the UD to the MPHA and a copy of the Housing Court Decision. If there is criminal or drug activity involved, we will forward to our Program Integrity Coordinator to investigate.

10. Do you certify participants before you issue a voucher to them?

MPHA Response: Participants must meet income guidelines when they are admitted to the program

We confirm citizenship/immigration status and conduct criminal background checks. The MPHA HCV Program began conducting background checks in 2006, so there are some participants were “grandfathered in “ and may not have had a criminal background check performed. However, all adults do sign a release for the background check at each annual recertification, so if there is “cause” we can perform the background check.

11. What if the family says they have 3 kids and they want a 3 bedroom unit but then they only have 2 kids?

MPHA Response: We require all household members, including children to be listed on the lease

We are enforcing our occupancy standards and a family of 3 does meet the occupancy standards for a 3 bedroom. If the 3 person household consists of the parent and the 2 kids are one boy and one girl, both over the age of 6, the family is eligible for a 3 bedroom voucher.

12. What happens if someone's kid is camping out in the basement?

MPHA Response: We require all household members to be listed on the lease and approved by the MPHA as a member of the household – the kid “camping out” is an unauthorized person, and this is a violation of family obligations. Sometimes the HQS Inspectors discover things like this and we then meet with the family at a nondisclosure appointment to discuss the violation of program rules.

13. A guy's wife passed away so he is no longer eligible for a 2 bedroom, how does an inspector find out what the family is eligible for?

MPHA Response: The inspectors know what our occupancy standards are and who we have listed as the household members

14. It is very easy for participants to rent out an extra bedroom. I've had 15-20 participants and only 1-2 of them have been 'bad ones', but those 'bad ones' wasted so much time, energy, and money. One participant got an eviction overturned because she came up with the money, but she should not have the luxury of having a voucher, she is out searching for a new unit now and I am warning other landlords against her.

MPHA Response: Thank you for your comment

15. I think you're doing a good thing here because you're giving families more of an incentive to work.

MPHA Response: Thank you for your comment

16. To whom is this rent reform proposed and when would it take effect?

MPHA Response: It is being proposed to the MPHA Board of Commissioners, who will vote on it, and then HUD will have to approve it also. It will go into effect January 1, 2014

17. So will it be implemented as participants come up for their annual recertification?

MPHA Response: No, it will be implemented January 1, 2014 for everyone.

18. You mentioned that increases in earned income will not affect rent until the annual, what if the family loses income?

MPHA Response: Families will be allowed one interim rent adjustment for decreased income between annual recertifications. The \$3000 income bands may mean that rent portions stay the same even if the household income changes – the income level may remain within the same income band.

19. It's spelled out for everyone in black and white in the table – they can see if they will move within income bands or not

MPHA Response: One of the goals of Rent Reform is to make the program be more understandable. Thank you for your comment.

20. What if a person gets \$200 a month more, what happens to rent?

MPHA Response: That depends on where their income level was in the income band, it could move them to the next band or it might not

21. Technician response issue – one time the rent burden worksheet was wrong, 60 days later the Tech finally called back and adjusted it – the participant was a port-in

MPHA Response: When a family is moving from one Housing Authority's jurisdiction to another, the family rent portion is calculated based on the income determined by the Initial Housing Authority – the family is placed under lease based on this rent calculation. If there is a change in household income, the Receiving Housing Authority will process an interim rent adjustment on a go-forward basis

22. Should we sign the lease and let them move in before we get the HAP contract?

MPHA Response: Yes, after the unit passes the HQS inspection you may sign the lease with the participant and allow the participant to move in. Please know that the family is responsible for all rent until the start date of our assistance – which is always the 1st or 15th of the month. The Lease Agreement, needed to create the Housing Assistance Payment Contract, must have effective dates that are consistent with the effective dates of the HAP Contract (the start date of the rental subsidy). When we complete the processing of the lease up, MPHA and the Owner will execute the HAP Contract. The date of the contract will be the start date of the rental subsidy (the 1st or the 15th).

Note, however, for participants porting into Minneapolis, they must first pass an eligibility screening which could prevent lease up. We will send owner and participant written notice if we are unable to proceed with lease up.

23 But the tenant has no place to live for those 60 days?

MPHA Response: The family is “unassisted” until placed under lease, not necessarily “homeless”, and most families prepare for the move, some stay in shelters, some with family or friends and many, if not most, in their current unit until the new unit is ready for lease up. HUD requires that the HAP Contract be executed within 60 days of the effective date of the lease. The 60 day time frame is not connected to the family search time, it is connected to the PHA’s authority to release Housing Assistance Payments to the property owner. Technicians provide families with estimated rent portions and advise them to pay the estimated rent until the rent calculations are finalized.

24. I heard something about biennial inspections, are you going to do that?

MPHA Response: Yes, we are doing Self-Certified Inspections for units that meet the criteria.

25. Does MPHA have a rent-to-own program?

MPHA Response: Public Housing has a limited rent-to-own program at Heritage Park.

26. Most people do not realize the expenses involved in owning a home.

MPHA Response: Thank you for your comment.

27. If someone is not on the lease but is a family member and has a warrant from the police what should we do?

MPHA Response: Inform the MPHA and we will forward to the Program Integrity Coordinator to investigate.

28. Is MPHA getting any closer to having direct deposit for HAP checks? All the other housing authorities have this.

MPHA Response: MPHA is evaluating this system.

Rent Reform Meeting for Owners

July 18, 2013

1. Will there still be a published utility chart?

MPHA Response: Yes, MPHA will continue to publish on the MPHA website, the Utility Allowance Chart. There are several voucher programs, including but not limited to, Family Unification, Veterans Supportive Housing, Preservation sites and several Project Based communities, that are exempt from rent reform, and that will remain under the current rent calculation process which includes the use of the Utility Allowance Chart and non-MTW payment standards.

2. What is the effective date of rent reform and are you pretty sure this will be approved?

MPHA Response: The effective date is January 1, 2014 and yes, we have had initial discussions with the Board and with HUD that lead us to believe it will be approved.

3. Assuming that the rent changes in January, lease ends in summer, and the participant can't pay the increase but stays in the unit anyway, how does the triangle of relationships work in this situation?

MPHA Response: Property Owner and Participant may mutually agree to terminate the existing lease and then either enter into a new lease agreement with a more affordable rent and continue with the current participant, or enter into a mutual agreement for lease termination and allow the participant to search for more affordable unit.

4. How do the transition waivers work and at what point can someone be evicted?

MPHA Response: Participants, whose rent portion increases by \$100 or more under Rent Reform, can apply for the Transition Waiver, which will delay the rent increase for 90 days. However, as of April 1, 2014 the Rent Reform rent portion will go into effect. Rent Reform participant rent portion increases will be capped at \$150. The transition waiver for these participants will be extended for an additional six months or until July 1, 2014 when the Rent Reform rent portions for all families will become effective.

5. When will my 3 person household be told they have to move out of the 3 bedroom unit?
MPHA Response: We started enforcing our occupancy standards in 2012 so most families should have been notified by now if they need to move because they are over-housed. However, a 3 person household qualifies for a 3 bedroom unit under our occupancy standards. For example, if it is a mom and two daughters with a 2 bedroom voucher they could still choose to live in a 3 bedroom unit (if it meets affordability for them) but we would only pay HAP based on the 2 bedroom voucher.
6. Can owners still pay for utilities?
MPHA Response: Yes, but it must be a term of the lease agreement.
7. Is there an electric allowance?
MPHA Response: Only the highest cost utility of heat is factored into the Flat Subsidy Tables.
8. Is there a difference between elderly and disabled or is that one classification?
MPHA Response: That is one classification and it is based on the household head and/or spouse, either or both of which, must meet the definition of elderly or disabled for that classification to be given to the household.
9. My tenant has lived in my 3 bedroom for 7 years and now the daughter has grown up and moved out, can she stay in the unit?
MPHA Response: No, a single person household does not qualify for a 3 bedroom unit.
10. In properties where there is a project-based contract will the rent have to be adjusted?
MPHA Response: No, it is not required that the contract rent be adjusted. However, if the rents become unaffordable for the participants, you may choose to lower the contract rent.
11. How is it going to work for project-based communities to house people off the HCV waitlist?
MPHA Response: We are still developing that process, but basically if you have an applicant that is on our waitlist we will ask you to put them at the top of your waitlist. We will let you know more as the process is developed.

12. If you have two children, a boy and a girl, do you qualify for a 3 bedroom?

MPHA Response: Only if one of the children has reached school age, which we define as the age of 6.

13. What if you have two children under the age of 6?

MPHA Response: Under the age of 6 children are assigned two to a bedroom for purposes of the voucher size. For purposes of occupancy standards a parent with two children under the age of 6 could choose to reside in a 3 bedroom unit with their 2 bedroom voucher.

Section 8/Housing Choice Voucher Program

1. Participant has two autistic children. There is bad stuff in the area where she lives. How can she move into a better area for her children? The landlord won't agree.

MPHA Response: There may be a number of options available to the participant. Participant should contact her Eligibility Technician and discuss this matter.

2. Why is there a disparity in elderly/disabled deductions in the Section 8 HCV Program and the Public Housing Program?

MPHA Response: The Section 8 HCV Program and the Public Housing Programs are distinct programs having different criteria for determining rent. For example, under Rent Reform, which only impacts Section 8 HCV participants, the HCV Program increased their annual elderly disabled deduction from \$400 to \$750; however, we eliminated out-of-pocket medical expense deductions which are still available to public housing residents.

3. How long will the freeze regarding vouchers last?

If I applied for a voucher in 2008, how long will I have to wait for a voucher?

MPHA Response: This depends on a number of variables including funding from Congress, turnover of existing vouchers and the Moving To Work baseline for MPHA. We anticipate it could be quite a while before MPHA issues new vouchers.

4. MPHA does a pretty good job of maintaining housing quality. What is MPHA doing in Section 8 inspections to maintain quality for participants?

MPHA Response: MPHA's Section 8 program has a comprehensive inspections program governed by HUD's Housing Quality Standards (HQS). Most units are inspected annually and can be inspected at other times if MPHA deems a need to do so.

FY2014 Public Housing Low Rent Statement of Policies (ACOP)

1. With the minimum rent increase to \$100, do you realize what you are doing to residents on General Assistance?

Resident lost her job a year and ½ ago and ended up on General Assistance. Since on General Assistance, she has paid a minimum rent of \$75 per month. When she was employed, she paid 30% of her income for rent. On General Assistance at \$75 minimum rent she has paid 37% of her income for rent. If minimum rent is increase to \$100, she will pay 50% of her income for rent.

VOA staff expressed concern about the increase in minimum rent to \$100 for residents receiving General Assistance. This increase leaves them with only \$103 for the month. Indicated that General Assistance is generally available to people 55+ with no job and not able to work and people under age 55 who are disabled and may be waiting to receive Social Security or SSI. This process can take 2 -5 years.

Please leave the minimum rent at \$75.

MPHA Response: Based upon the comments received and an analysis of the overall impact of this recommendation, MPHA has decided to withdraw its recommendation to increase minimum rent from \$75.00 to \$100.00

2. Public housing resident spoke at the public hearing regarding the Section 8 Rent Reform. This resident is the Chair of the Resident Advisory Board. He stated that the Rent Reform is better than taking 500 families off the program. He also stated that minimum rent should remain at \$75 for residents on General Assistance.

MPHA Response: MPHA appreciates your understanding of the need for our Rent Reform initiative. As noted, MPHA has decided to withdraw its recommendation to increase minimum rent from \$75.00 to \$100.00

3. Will the minimum rent increase to \$100 in public housing go to Section 8 participants too?
MPHA Response: MPHA has decided to withdraw its recommendation to increase minimum rent from \$75.00 to \$100.00. The Section 8 program retains its \$75.00 minimum rent.
4. Resident lives at Hamilton Manor and supplements income with recycling of cans. Why can't all residents do that?
MPHA Response: Thank you for the comment.
5. Resident has lived in public housing for twenty-one years and likes the three-year certification initiative. Hopes it will continue.
MPHA Response: Thank you. The three year certification initiative will continue.
6. Resident is glad that a number of people showed up for the Advance meeting. Does the Flat Rent increase apply to every public housing resident?
MPHA Response: The Flat Rent increase only applies to those whose calculated rent at 30% of adjusted gross income is higher than the current Flat Rent.
7. MPHA should provide sheltered heated areas for smokers outside of the buildings.
There are a number of elderly that use walkers or wheel chairs and still go outside to smoke. If it is bad weather or snowing they may go out and fall down and they may not be found for hours. When someone is old, sometimes smoking is all they have. MPHA should provide a shelter outside.
MPHA Response: With all the other capital needs MPHA cannot justify spending money for shelters that a minority of residents would use. MPHA will strive to make sure that the path to the smoking area is cleared after all other main, secondary and city sidewalks are clear.
8. Make an exception for incense in the Smoke Free Initiative. Incense is used culturally and in various religions.

Resident stated that they use incense, both culturally and for religious purposes. The use the incense limitedly to respect others. Females in their culture use it to make their residence more pleasing to their husbands. Residents

will make sure that it is used properly and not used to hide other odors. Resident respectfully asks the Board and the Executive Director to give permission to use this incense.

Why doesn't MPHA allow electric cigarettes? Everything I have read and seen says that they are not harmful.

Resident spoke against MPHA's Smoke Free policy at the public hearing. It is my right to smoke. We are against it. Presented petitions signed by 171 residents stating that due to the fact that there is a large majority of residents that currently smoke and live within housing, they would like to offer two proposals: 1) grandfather those residents that have been in housing a minimum of two years or, 2) divide the building, so bottom floors are non-smoking, upper floors for residents who smoke.

Some people recovering with mental illness or chemical dependency have a need to smoke or could have a breakdown or engage in behaviors that are dangerous to other residents. Can MPHA make some kind of accommodation for them?

MPHA Response: MPHA has considered resident comments regarding incense and e-cigarettes, both of these products are unregulated and can be harmful to those who inhale the vapor or smoke.

Incense smoke would have a similar the effect to cigarettes on our building interiors and the additional cost incurred to clean up and paint the unit would be the same from incense as tobacco. Residuals from smoke also affect our building heating system because of the finned tube radiation units in all our buildings is prone to getting gummed up with combustion byproducts and is very difficult (and costly) to clean.

Smoke is smoke and both tobacco and incense come from plant materials. The level of damage to the unit interior depends on the amount of smoke emitted. In a unit occupied by those who burn incense regularly, the effect is the same as having a chain smoker in the unit.

Through its Strategic Plan process, MPHA documented and addressed the risks and significant health impact of secondhand smoke on residents. In response to the overwhelming evidence of the dangers of secondhand smoke, the MPHA Board adopted a smoke free policy for all of its developments. MPHA recommends that the Smoke Free policy remain in place.

9. Resident lives at the Cedars and it is a burden to pay rent when away from the apartment. Immigrant's families live in different countries. MPHA's 90-day absence policy is oppressive.

Resident represented all Cedars residents at the public hearing asking MPHA and the Board of Commissioners to rescind the 90- day absence policy. It is a burden to return and owe money for rent. We have no income while we are gone.

MPHA Response: This issue was previously decided by the Board of Commissioners and MPHA will not recommend a change.

10. The "photos anytime without notice" policy is wrong. People with disabilities can't keep an apartment 'neat as a pin" or are going through things to keep or throw. Just like the Homeland Security. It's not right. It's sneaky. A few days notice would be appreciated. If somebody comes in when resident is not home, it's like being raped. This policy seems like the NSA, not public housing.

Taking pictures or videos of a resident's apartment violates their privacy rights under the constitution. The policy MPHA is proposing is way too broad to protect the basic rights of residents.

Definitions – 56. Inspections – The new policy that MPHA may photograph or video tape the Premises for any reason arising out of the Lease and SOP is a violation of our 4th Amendment rights under the Constitution and Bill of Rights. This gives MPHA the authority to commit an illegal search and seizure whenever they choose.

MPHA Response: MPHA's lease identifies specific instances where management "shall have the right to enter Tenant's unit..." MPHA will limit its Inspections definition to clarify that MPHA may take pictures "during any permitted entry, as authorized in the lease, to show damage to MPHA property, unsafe conditions, housekeeping issues or lease violations."

11. Regarding the transfer policy requiring 90 days with no bed bugs. What if the family transfers into a place with bed bugs? Resident has a 24 year old with autism and is worried.

Resident believes that the 90 day bed bug transfer policy to too short – it should be more than 90 days because there is not enough staff to be able to check these units and not enough money for equipment to treat the units.

MPHA Response: MPHA will withdraw its proposed Transfer Policy related to bed bug infestation and instead address this matter through a procedure that relies upon effective preventive measures designed to limit the spread of bed bug infestation.

12. Resident believes the Grievance Procedure is unfair. He would like to see residents have a larger role in choosing who is on the grievance panels and MHRC should have a role in ensuring resident are included. Concerned that MPHA utilized the same people over and over again and should be using more residents on the panels.

MPHA Response: MPHA will include a reference to the federal regulations regarding consultation with resident organizations on the appointment of hearing officers or panel members and will work with MHRC to form an ad hoc committee to review this issue.

13. Page 1 Introduction, item #1. PURPOSE references the MPHA's 'SOP'. Although Statement of Policies is spelled out in the header, there is otherwise no definition of this acronym in the document.

MPHA Response: Thank you for the Comment, MPHA has made this change.

14. Page 17. Under Definitions, please add Metropolitan Housing Opportunities Program (MHOP) and definition; e.g., MPHA partnership with privately owned developments financed through the Metropolitan Housing Opportunity Program.

MPHA Response: Thank you for the Comment, MPHA has added this definition.

15. Page 18. Under Definitions, please add Moving To Work (MTW) and the definition.

MPHA Response: Thank you for the Comment, MPHA has added this definition.

16. Page 30, PART III, Item 9 refers to verifying all changes reported in income . . . as provided in 3,4,5,6, & 7 above. Item 3 is not subject to verification, rather refers in signing appropriate documents.

MPHA Response: Thank you for the Comment, MPHA has deleted this reference.

Capital Fund

1. At 1515 Park there is a long standing fence problem and the bathroom shower floors are in bad condition.
MPHA Response: Fence upgrades are planned and funded in the 2013 CFP plan. These will be implemented along with façade upgrades in 2014. The shower floors will be inspected and assessed for need and urgency as part of MPHA's upcoming physical needs assessment.
2. Can MPHA dispose of some properties or units and sell for profit to increase funds to future budgets?
MPHA Response: There are no plans to sell properties or units for profit at this time.
3. Would water softeners help the number of plumbing problems in buildings?
MPHA Response: No. Minneapolis water doesn't require water softeners.
4. Resident lives at 314 Hennepin and appreciates the new piping and improved elevator service the last six months.
MPHA Response: Thank you!

Other Comments

1. If MPHA partners with corporations would that affect HUD funding?
MPHA Response: It depends on the type of partnership. MPHA will only engage in partnerships that contribute to the Agency's mission and improve the Agency's circumstance.
2. How long will these cuts to housing continue?
How did sequestration affect cuts to the housing authority?

If things with Congress continue the way they are, what do you see happening in the future with the Minneapolis Public Housing Authority and the Program?

If Congress passes a budget, would MPHA change its plans? Will MPHA assume there will be no change going forward?

MPHA Response: MPHA is unsure how far into the future funding shortfalls will occur. Congress appropriates funding for both the Public Housing and Section 8 programs. The Sequestration Legislation will remain in effect until 2021 unless Congress takes specific action to avoid Sequestration or change the law. MPHA will work with residents, the City and its partners to minimize the impact of cuts and to preserve its housing programs.

3. It is the 50th Anniversary of Martin Luther King’s speech about “I have a dream”. Resident looked over toward 800 – 5th and then over to the pond from Heritage Park Senior Services Center and wondered why there is all the empty land. At the last Board meeting MPHA staff told the Board that development would take place in seven years. My dream is to see that land developed – it proves that dreams do come true.

MPHA Response: Thank you for your comment.

4. Resident requested that MPHA provide demographic data of the Heritage Park community and residents who utilized the services at the center. She would like to help build up the community.

MPHA Response: Thank you for your comment. MPHA has this demographic data on public housing residents and Section 8 participants who live in Heritage Park. MPHA has limited demographics on those who utilize the services of the Heritage Park Senior Services Center.

MHRC COMMENTS

August 28, 2013

Regarding proposed MTW activities:

1. Highrise residents are not directly affected by the proposed Section 8 Rent Reform initiative but many of us have family members who will be and some of us could participate in the Section 8 program in the future. We appreciate the difficult financial decisions MPHA has had to make with a major loss of federal funds. While we are pleased that MPHA is not proposing to withdraw vouchers from current Section 8 participants we are, of course, concerned that many low-income families will have to pay significantly higher rent and could have a difficult time making ends meet. We encourage MPHA

to monitor closely the rate of lease terminations for non-payment of rent by Section 8 participants in the coming year as one way of assessing the impact of this initiative.

MPHA Response: Thank you for the Comment.

2. Regarding the proposed Investment Initiative, residents support an investment policy that will enable MPHA to achieve a more diverse investment portfolio intended to result in increased investment income.

MPHA Response: Thank you for the Comment.

Regarding proposed changes to the Public Housing Statement of Policies:

3. Residents strongly oppose raising the minimum rent from \$75 to \$100 for residents whose only source of income is General Assistance. The General Assistance Program serves as Minnesota's primary safety net for single adults who are unable to work. A GA recipient receives only \$203 per month. This rent increase would mean that they would have to spend 50% of their income on rent. Some residents who receive General Assistance would be limited in their ability to request a hardship waiver. We concur with the position of the MPHA's Resident Advisory Board and urge the MPHA to maintain the minimum rent at \$75 for residents who receive General Assistance.

MPHA Response: Thank you for the Comment. MPHA has decided to withdraw its recommendation to increase minimum rent from \$75.00 to \$100.00.

4. Residents request that MPHA rescind the previously adopted "Absence From Unit Initiative" which disallows rent adjustment during extended absences even when income is lost during this period. The MHRC continues to believe that this policy does not in any measurable way improve MPHA's financial situation but causes undue financial hardship for public housing residents.

MPHA Response: This issue was previously decided by the Board of Commissioners and MPHA will not recommend a change.

5. While residents support the MPHA increasing efforts to combat bedbugs, we believe the proposal to delay a transfer for up to a 90-day period of non-infestation is excessive and unfair to the resident who may genuinely need to transfer sooner. We again concur with the Resident Advisory Board and propose a compromise wait period of 30 days and urge the MPHA to complete thorough inspections and treatment, if necessary, prior to the transfer and within 30 days after

the transfer. On a related note, several residents requested that MPHA be more diligent about looking for signs of bed bug infestation during annual housekeeping inspections.

MPHA Response: MPHA will withdraw its proposed Transfer Policy related to bed bug infestation and instead address this matter through a procedure that relies upon effective preventive measures designed to limit the spread of bed bug infestation.

6. Regarding MPHA's smoke-free buildings initiative, residents have strongly expressed that incense should not be included in the ban. Many have testified that incense plays an important role in their religious and cultural traditions and that they wish to be able to continue its use for these purposes. This position is supported by the MHRC Board and the MPHA's Resident Advisory Board. Some residents have also said that they feel offended by what they see as a generalization – that residents use incense to cover up marijuana smells. (The Resident Advisory Board also voted to exclude electronic-cigarettes from the smoking ban; the MHRC board has not taken a position on this).

MPHA Response: MPHA has considered resident comments regarding incense and e-cigarettes, both of these products are unregulated and can be harmful to those who inhale the vapor or smoke and also cause damage to MPHA property. Incense smoke would have a similar effect as cigarettes have on our building interiors and the additional cost incurred to clean up and paint the unit would be the same from incense as tobacco. Residuals from smoke also affect our building heating system because of the finned tube radiation units in all our buildings is prone to getting gummed up with combustion byproducts and is very difficult (and costly) to clean.

Smoke is smoke and both tobacco and incense come from plant materials. The level of damage to the unit interior depends on the amount of smoke emitted. In a unit occupied by those who burn incense regularly, the effect is the same as having a chain smoker in the unit.

Through its Strategic Plan process, MPHA documented and addressed the risks and significant health impact of secondhand smoke on residents. In response to the overwhelming evidence of the dangers of secondhand smoke, the MPHA Board adopted a smoke free policy for all of its developments. MPHA staff recommends that the Smoke Free policy remain in place.

7. Residents appreciate MPHA's commitment to promptly clear paths and designate smoking areas in buildings that have become smoke-free. It is also important to residents that these areas are safe and well-lit.

MPHA Response: Thank you for this comment.

8. Residents are concerned about the new definition of “Inspection” which specifies that MPHA may “photograph or video tape the premises for any reason arising out of the Lease and SOP.” Residents are concerned about potential over-reach with this policy and feel generally, that this kind of documentation should be related to the original stated purpose of staff being in a unit and not be incidental to the original stated purpose.

MPHA Response: MPHA’s lease identifies specific instances where management “shall have the right to enter Tenant’s unit...” MPHA will limit its Inspections definition to clarify that MPHA may take pictures “during any permitted entry, as authorized in the lease, to show damage to MPHA property, unsafe conditions, housekeeping issues or lease violations.”

9. Regarding Tenant Grievance Procedures and the selection of hearing panel members, residents believe there is a need for a more balanced and cooperative approach to this important function. Section 966.56 of the Code of Federal Regulations states that a method for appointing a hearing officer or panel could be subject to a vote by residents and that the “PHA shall consult the resident organizations before PHA appointment of each hearing officer or panel member.” This has actually not been happening. We suggest that MPHA staff, resident leaders and MHRC staff form an ad hoc committee to work on improving this process to everyone’s satisfaction.

MPHA Response: MPHA will include a reference to the federal regulations regarding consultation with resident organizations on the appointment of hearing officers or panel members and will work with MHRC to form an ad hoc committee to review this issue.

Regarding Planned Physical Improvements in the Capital Fund Program

10. Residents recognize that the vast majority of limited capital improvement dollars must go toward maintaining and repairing critical building systems. We appreciate the professionalism of Facilities and Development staff working at the various sites and urge staff to work closely with resident councils as this work progresses in the coming year and as staff completes the next assessment of capital needs.

MPHA Response: Thank you for your comment.

Resident Advisory Board Priorities for MPHA

11. Residents are in strong agreement with the Resident Advisory Board that security continues to be the number one priority for highrise residents, including improving relationships with the MPD, pursuing improvements in security technology and funding for Project Lookout. As you may know, Project Lookout volunteers have helped to stave off

crime and other security problems since the major guard cuts two years ago. They now contribute over 60,000 hours of volunteer security service in 29 highrises a year. It is critical that we support this essential program.

MPHA Response: MPHA shares MHRC's concerns about the importance of security for residents. We have taken numerous actions that are consistent with improving security at the highrises. We have met with the new Chief of Police and solicited her assistance in developing improved relationships with the MPD. We have contracted through Securitas to hire a security manager to assist MPHA with identifying and making the most efficient use of our resources, established an internal security planning team, enhanced security monitoring at highrises through installing monitoring equipments at resident council offices and in smaller highrise created capacity of resident in their units to monitor cameras in their buildings. We have approved a new Energy Performance Contract that enables MPHA to enhance lighting and other security measure at the highrises and has specifically set aside funding for Project Lookout to enable it to continue and increase its security oriented activities.

LEGAL AID COMMENTS

September 3, 2013

DRAFT FY 2014 MOVING TO WORK (MTW) PLAN

1. The MPHA states that it intends to dispose of a number of single family units in its AMP2. The MPHA Executive Director reported in July 2013 that AMP2 had an occupancy level of 99%. Therefore, none of these needed units should be disposed of **until after** replacement units are available for occupancy by the families that will be displaced by the disposition of any of these units. We also note that in the same July 2013 report the MPHA Executive Director reported an average 140 days to re-rent these scattered site units. The housing needs of families in our community makes this average re-rent time totally unacceptable. (Page 11)

MPHA Response: Thank you for the comment. Please see the note on the Executive Directors report that indicates that one "rent to own" unit accounted for 715 days to re-rent, without that unit re-rent time for the month of June was 40 days from vacate to re-rent for scattered site.

2. The MPHA states that it is considering the use of HUD's RAD conversion program for its 184 units in Glendale. The use of RAD poses significant risks and important issues for the residents of Glendale and the rest of our community. We strongly urge the MPHA to involve a wide range of public housing residents, applicants, and community organizations, including Legal Aid, as early as possible in the redevelopment discussions for Glendale so any result is the best planning possible. (Page 12)

MPHA Response: MPHA has been working with the University of Minnesota, Prospect Park Neighborhood, Glendale Resident Council CPED, and others in the early exploration of Glendale Redevelopment. RAD is one component of the many redevelopment options being considered. Prior to any final decisions, there will be a public process that will allow for ample feedback by interested parties.

3. The MPHA states that it will reconfigure two floors of Signe Burkhardt Manor into 14 memory care services units. Does this reconfiguration reflect a one-to-one unit result or does it reflect a net loss of public housing units? If it reflects a net loss of public housing units, how and where will the MPHA replace those units so there is no loss in total public housing resources? (Page 16)

MPHA Response: There will be no loss of units due to this project.

4. The MPHA reports that 80 MTW public housing units will be held off line each month of 2014 due to substantial rehab. Will the rehab activities return 80 units per month? Will the rehab activities result in the same number of public housing units, with the same occupancy capacity by the end of 2014? While the rehab is needed, we do not want to end 2014 with fewer units available or fewer units available to house fewer people because unit sizes have changed. The chart provided on Page 26 gives planned numbers for the end of 2014 but no numbers for the present to enable comparison and review. (Page 25-26)

MPHA Response: There will be no loss of units due to this project.

5. What are the boundaries of the Northside Achievement Zone (NAZ) to which the MPHA plans to allow families to move into public housing even though the waiting list is closed? (Page 27)

MPHA Response: The NAZ boundaries are 35th Ave north on the north, 3rd Ave N on the east, Broadway on the south, Penn Ave on the west.

6. How many family public housing units are located in the NAZ? How many of those family public housing units are currently vacant? How many of the occupied family units in the NAZ are occupied by families participating in the NAZ programs already?

MPHA Response: There are 59 Public Housing units in the NAZ zone, currently there are no vacant units in the zone. MPHA has housed 12 NAZ participants since this change to our policy in 2012.

7. The Plan refers to MPHA's problems renting studio and efficiency units throughout Minneapolis. These are not the family units referred to by the MPHA in regard to the NAZ partnership earlier in this Paragraph of the Plan, are they? This narrative is unclear.

MPHA Response: Correct.

8. Despite the Draft MTW Plan report of problems renting studios and efficiency units throughout Minneapolis, in July 2013 the Executive Director report showed occupancy levels of 100%, 99%, 100%, 99%, and 100% for AMPs 3 through 7 respectively. The reported days to re-rent are 10, 19, 20, 16, and 12 for those same AMPs, well below the re-rent averages of Glendale and Scattered Sites which are 35 days and 140 days respectively. Since reported occupancy levels and reported average days to re-rent do not appear to be the problems, what problems does the MPHA seek to address with the strategies described here? (Page 27)

MPHA Response: While occupancy is high and average turntime is relatively low, the unit turnover time for efficiency units is much higher than one bedroom units. For example during June, the month in the information cited above, unit turntime for one bedroom units averaged 16 days, while unit turntime for efficiency units averaged 40 days.

Please see the note on the Executive Directors report regarding scattered site units that indicates that one "rent to own" unit accounted for 715 days to re-rent, without that unit re-rent time for the month of June was 40 days from vacate to re-rent for scattered site. MPHA strives to reduce overall unit turnover time which includes the strategy for reducing turntime for hard to rent units.

9. The Draft Plan notes a location in which MPHA charges residents of studio units only 20% of adjusted gross income for rent. What location is this?

MPHA Response: 1710 Plymouth Ave N

10. The MPHA's Housing Choice Voucher Rent Reform Initiative on Pages 29 through 35 of the Draft Plan is described as something that began as a MTW idea, presumably responding to one or more of the specific statutory goals of Pub. L. No. 104-134, Title II, 204, 110 Stat. 1321, 1321-281 (1996), and then became an agency response to Congressional sequestration impinging on the MPHA budget. While it might clearly reduce MPHA spending on subsidy assistance to participating families, how will any of the Rent Reform Initiative proposals achieve the other statutory goals to: (1) give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; or, (2) increase housing choices for low-income families? (Page 29-35)

MPHA Response: The MTW Program has three statutory objectives and MTW Agencies are required to pursue all three of them through a variety of initiatives; one initiative must meet at least one statutory objective. Our Rent Reform Initiative attempts to meet two: 1. Greater efficiencies and cost effective, which you've noted appears clear; and 2. Incentives to families with children to help families become self-sufficient. We developed the Working Family Incentive (WFI) and incorporated it into the Rent Reform Initiative. The relationship of the WFI to this statutory objective is the increased income provided by the deduction which enables the family to use as needed for transportation, clothing, or other work related items.

We have not commented specifically on most of the proposed changes in the MPHA Draft Administration Plan (Admin Plan) FY 2014 section *infra* that appear to be drafted to accomplish the MTW Plan's proposed Housing Choice Voucher Rent Reform Initiative, particularly in Chapter 6 of the Admin Plan. The comments here on the Draft MTW Plan apply to those sections in the Draft Admin Plan FY 2014 *infra*, as well.

11. The entire proposed Rent Reform Initiative must be examined for its non-discrimination and equal opportunity implications and compliance with the MPHA's fair housing obligations. In PIH Notice 2011-31 HUD reminded MTW agencies of their obligations to comply with non-discrimination and equal opportunity laws which are not waivable by Pub. L. No. 104-134, Title II, 204, 110 Stat. 1321, 1321-281 (1996), and requires specific certification of compliance in the Moving to Work Agreement between the MPHA and HUD and Attachment C of that Agreement. The data provided in Appendix A, Pages 75-85, show a greater rent burden impact and greater rent increases from the proposed Rent Reform Initiative on non-white families, disabled families, and families with children. Additional fair

housing concerns are raised by the proposed limits on porting, proposed limit on reasonable accommodation rent increases, and proposed pro-rated rent limits. This indicates the proposal needs revision to avoid discrimination and fair housing violations that will put MPHA resources at risk to defend legal challenges.

MPHA Response: MPHA’s policy is to not discriminate against any protected class. MPHA believes that the Rent Reform initiative does not violate any applicable law.

12. The proposal has created two types of rent calculations, one which applies to tenancies in which heat is included in the market rent and one in which the heat is not included. This is apparently the MPHA’s basis for concluding that the elimination of utility allowances will have a negligible effect on Section 8 households. This assumption ignores the significant expenses of utilities other than heat. Water is often a large line item in a Section 8 renter’s budget when it is not paid by the owner. The proposed flat subsidy model does not adequately take this into account and Section 8 participants will end up paying well over the projected rents that the MPHA includes in the averages in the Appendix, Pages 75 – 85. (Page 29)

MPHA Response: Resources exist to help low-income families pay their utilities and we will direct families to these resources. Our analysis shows that 14% of households qualified for Rent Reform pay for water.

13. The Draft Plan proposes elimination of application of the 40% affordability cap of 24 C.F.R. § 982.508 (2011). The assumption that the participant family has the range of choices that will permit them to avoid rent levels that burden the household well beyond the 40% that HUD has determined should be the limit for a low- or very-low income family does not recognize the housing market reality for MPHA families. The Draft Plan’s promise that the MPHA will “monitor and provide guidance to families to avoid excessive rent burdens” is too vague to be meaningful. (Page 30)

MPHA Response: We will revise to read “We will not approve a Request for Tenancy Approval (RFTA) if a participant’s rent portion exceeds 50% of their monthly adjusted income” without supervisory review and approval.

14. The Draft Plan proposal to limit interim income re-examinations for non-elderly and non-disabled families does not recognize the reality of seasonal, or temporary or part-time employment of low- and very-low income workers trying to maintain employment. Smoothing this over with the idea that income increases will not “penalize” a household is no response to the household with more than one income decrease in a 12-month period that will result in significant rent burdens if there is no interim re-examination possible. Why just one interim per year rather than 2 or

3? Picking a number without linking the choice to the experiences of the families harmed by the ultimate choice appears arbitrary. (Page 30)

MPHA Response: Seasonal, temporary and/or part time employment income is annualized and rent calculations are then based on the annualized income. Such income will continue to be annualized under Rent Reform. Further, our analysis showed that of the 1,065 participating households who requested a decrease interim in 2012, only 177 requested more than one decrease interim. This means that less than 5 % of the HCV population is likely to be affected by this policy. 28 households requested more than two decrease interims. This analysis helped influence our interim policy. Families requiring more than one interim per year will be enabled to request another through the Hardship policy.

15. The Hardship Review process for additional interim re-examinations is too time consuming and cumbersome to efficiently respond to a family's need. Other problems with the interim re-examinations as Hardships are noted *infra* in regard to Page 34.

MPHA Response: Thank you for your comments.

16. The Draft Plan allows those with the most stable and unchanging income, disabled or elderly households, access to unlimited interim re-examinations of income. The choice to exempt those whose income is least likely to decrease seems counterintuitive and does not meet the MTW goals most closely linked to positive outcomes for participants.

MPHA Response: We will remove the exemption.

17. The elimination of childcare and dependent deductions will have significant negative effects on large families. The data in Appendix A of the Draft Plan shows this. See *supra* regarding discrimination and fair housing concerns raised by the proposed changes. (Page 30)

MPHA Response: MPHA's policy is to not discriminate against any protected class. MPHA believes that the Rent Reform Initiative does not violate any applicable law.

18. The Draft Plan proposal to standardize the MPHA's response to reasonable accommodation requests related to rent levels ignores the very nature of the reasonable accommodation process in its disregard for the individualized need of the disabled participant and its misplaced assumption that a flat 10% response is reasonable or legally sufficient. See *supra* regarding discrimination and fair housing concerns raised by these proposed changes. (Page 31)

MPHA Response: The 10% is the amount MPHA may approve without HUD approval.

19. The Draft Plan proposal to allow a Section 8 household to port out of Minneapolis for only the specified reasons undermines one of the major purposes of the Voucher Program, giving the participating family the ability to operate in the marketplace like an unsubsidized family as much as possible. The porting limitation fails to include a move for fair housing purposes among its exceptions. See *supra* regarding discrimination and fair housing concerns presented by the proposed Rent Reform Initiative. (Page 31)

MPHA Response: MPHA believes that the rent reform port out policy is permissible.

20. The Draft Plan also fails to recognize that porting under the terms of VAWA 2013 must be permitted.

MPHA Response: MPHA's VAWA policy permits the port out.

21. The Draft Plan proposal to prorate rent for households with mixed immigration status with a flat 10% reduction waives 24 C.F.R. § 5.520(c)(2) (2011). The Draft Plan does not list this regulation among the authorizations on page 29. Waiver of 24 C.F.R. § 5.520 (2011) is not listed as a granted waiver in Attachment C of the MTW Agreement with HUD. The negative effect implicates the MPHA compliance with its duties not to discriminate based on national origin. See *supra* regarding discrimination and fair housing concerns raised by these proposed changes. (Page 31)

MPHA Response: Attachment C specifically permits MPHA to “adopt and implement any reasonable policies to calculate the tenant portion of the rent that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations.” Attachment C is not an exclusive listing of all the regulations permitted to be waived under MTW. MPHA will add this citation to its list of regulations being waived.

22. The MPHA states that the Rent Reform Initiative will give its staff time to monitor zero-income households, time to ensure program compliance by participants and owners and time to focus on tenant education. The only data provided in the Draft Plan regarding the number of minimum rent households in the MPHA Section 8 Voucher Program is in Appendix A, page 79, which states there are 95 zero income households. There are no details about what exactly the MPHA staff will do with the time saved that will constitute “monitoring” of so few households. Similarly there is nothing in the Draft Plan about what the MPHA staff intends to do with its increased time to ensure program compliance. Without any idea about what tasks are not currently done, one cannot determine whether the disadvantages of the Rent Reform Initiative are justified in order to accomplish these compliance tasks. And finally,

the Draft Plan is silent on exactly what “tenant education” will be carried out by the MPHA Section 8 staff with its new-found time resources and to what ends. Again there is no way to evaluate if the ends justify the means, a particularly important consideration when the means have such critical financial effects on participants. (Page 31)

MPHA Response: Monitoring “zero income families” means recertifying their status every 90 days, and providing participants with resource referrals to help move them toward self sufficiency. Further, we concisely identified tenant education activities as “assisting families in understanding their lease agreements, expanding housing search to wider parts of the City, connecting families to community resources, and exploring education opportunities”; all worthwhile activities that will help lead toward self sufficiency. At present, we don’t have the staff resources to provide substantial self sufficiency activities. Rent Reform provides a means to simplify administrative activity, including rent calculations and enable staff to focus on program integrity and compliance, and family self sufficiency activities.

23. The Draft Plan proposes the creation of a Hardship Review Committee, comprised of MPHA Section 8 staff, to review hardship requests. Since denial of hardship requests will result in adverse actions by the MPHA toward participant families, the process must include the right to use of the informal hearing (grievance) process in Chapter 16 of the Admin Plan. The Draft Admin Plan must be revised to include this as an issue subject to the informal hearing process. (Page 34)

MPHA Response: MPHA will make the suggested revision.

24. The Hardship Review Committee would benefit from membership of at least one Section 8 participant. The participant view cannot be adequately presented by Section 8 staff. The MPHA is accustomed to use of residents on its Public Housing Grievance panels so this would not be a new experience for the MPHA.

MPHA Response: Thank you for your comment.

25. The Transition Waiver proposal states that mutual agreements for lease terminations from those families whose rent will increase \$100 or more as a result of the Rent Reform Initiative will be accepted for 90 days after implementation. Requiring a mutual termination is unreasonable. Owners should not be expected to agree to the ending of leases mid-term, and under the implementation timeline MPHA has proposed, in mid-winter. A participant family whose rent burden has increased as a result of MPHA unilateral action in adopting its new policy should not also have to depend on the largesse of its landlord to end its now unaffordable lease. This waiver must be revised to permit the

family placed in financial crisis by the MPHA's unilateral actions to end its lease with written notice to the owner and the MPHA. The MPHA must then terminate the HAP Contract effective the vacate date in the participant's notice. The MPHA is creating this hardship, so the MPHA should be obligated to take affirmative steps to help these families locate less expensive housing in which they can use their now devalued Section 8 Vouchers. (Page 34)

MPHA Response: We are not requiring mutual agreements to terminate lease. For the initial Rent Reform implementation period, and as an option for families and owners, we are changing our policy to accept mutual agreement during the initial term of the lease.

26. The Draft Plan imposes a 15-day period after the rent change notice within which the family must act to request the Transition Waiver. This timeline is too short to allow the family to examine its resources and any financial options it might have as well as discuss the need to move with its landlord. Additionally, the family will have to look at the rental market to see if a move is feasible, especially a move that must fit the new requirements of the MPHA in terms of location, will require an application fee, will require a first month rent and security deposit payment, and find a unit to pass inspection within the MPHA's restrictive HQS inspection timelines. The 15-day period should be replaced with a 60-day period to accomplish these tasks which would pose a significant barrier to a renter with many more resources than the typical Section 8 household. During that 60-day period the Admin Plan must also provide that the family seeking the Hardship will not be assessed the increased rent that the MPHA is creating. The MPHA is creating this hardship, so the MPHA also should be obligated to take affirmative steps to help these families locate less expensive housing in which they can use their now devalued Section 8 Vouchers.

MPHA Response: We believe this was misinterpreted. The 15 day period is simply the timeframe for the family to formally request the waiver which will hold their rent at its current level. The waiver then provides the family with 90 days to "examine its resources and any financial options it might have to the discuss the need to move with its landlord" as well as determining the feasibility of the move and all that is required within MPHA's move policies. During that 90 period the family will continue to pay its rent share at its "pre Rent Reform" amount.

27. The Rent Reform Initiative described in the Draft MTW Plan will result in some families being facing eviction for nonpayment of rent that they now cannot afford as a result of the Initiative. The MPHA must revise its policies to state that any eviction complaint for nonpayment as a result of the Rent Reform Initiative will not constitute a basis for termination of the family's Voucher.

MPHA Response: We will revise our policy to state that: “Any eviction that is the result of the participant’s inability to pay the increased rent portion based solely on the Rent Reform Initiative will not result in termination of housing assistance voucher”.

28. The Draft Plan proposes a 6-month cap on rent increases of \$150 or more. According to the MPHA data in Appendix A, this level of rent increase falls primarily on families. Section 8 families will have the fewest options to locate alternative and cheaper housing willing to participate in the Section 8 Program. The proposed cap should be extended to 9 months. The MPHA is creating this hardship so the MPHA also should be obligated to take affirmative steps to help these families locate less expensive housing in which they can use their now devalued Section 8 Vouchers. (Page 34)

MPHA Response: We will extend the cap to 9 months.

29. The Mutual Agreements to Terminate criterion should not be listed as a Hardship Review Committee issue. If there are no conditions upon it, and as written there are not, then the Draft Admin Plan should simply be revised to permit a mutual termination agreement with the notice period specified in the lease at any time. (Page 34)

MPHA Response: We will remove the Mutual Agreement as a criterion and retain in the Admin Plan.

30. The possibility for additional interim re-examinations should be included in the Draft Plan at Page 30 as well. It is not clear how the MPHA will determine compliance with criterion 4. d. iv. Examples, even if not an exhaustive list, of the factors that will be considered to determine this criterion must be stated or the MPHA’s decisions in such instances will appear arbitrary or *ad hoc*. The proposed language must be revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 34)

MPHA Response: We will remove criterion 4.d.iv.

31. It is not clear how the MPHA will determine compliance with criterion 4. e. iv. for minimum rent hardships. Examples, even if not an exhaustive list, of the factors that will be considered to determine this criterion must be stated or the MPHA’s decisions in such instances will appear arbitrary or *ad hoc*. The proposed language must be revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 35)

MPHA Response: We will remove criterion 4.e.viii.

32. The Draft Plan states that the MPHA will continue to develop specific policies and procedures for hardship requests prior to implementation if the Rent Reform Initiative is approved. Any additional policies and procedures must be provided to participants and the community with adequate time for review and comment. (Page 35)

MPHA Response: We agree that any substantial changes to our policies must be open for public review and comment as well as approved by MPHA Board.

33. The Draft Plan states that prior to implementation the MPHA will develop forms and letters. If the Rent Reform Initiative is approved, any additional policies and procedures must be provided to participants and the community with adequate time for review and comment. (Page 35)

MPHA Response: Thank you for the comment. We agree that any substantial changes to our policies must be open for public review and comment as well as approved by MPHA Board.

34. The proposal to increase the minimum rent of public housing rent to \$100 would increase rent for those whose income is so low that income based rent of 30% of adjusted gross income equals less than \$100. Households currently receiving MN General Assistance, receive \$203 a month, and will pay 49% of their income for the proposed minimum rent. A household with \$333 or less monthly income will pay \$100. The Draft Plan states that the MPHA is choosing this action under the MTW statute to “reduce cost and achieve greater cost effectiveness in Federal expenditures”. Pub. L. No. 104-134, Title II, 204(a), 110 Stat. 1321, 1321-281 (1996). There is no data provided regarding how many households are now paying minimum rent, those with less than \$250 monthly income, and will now pay the MPHA \$25 more per month. So it is not possible to assess whether the MPHA will really see significant cash flow to reduce its costs. At some point the cost benefit analysis must recognize that the increased revenue to the MPHA is not justified in comparison to the pain to the residents affected by this choice. The Draft Plan states that the MPHA recognizes that increases in the minimum rent since 2010 have not increased self-sufficiency of the residents. Rather than use that fact to maintain the present minimum rent or rollback the minimum rent to the prior \$50 level, the MPHA instead has chosen to balance its costs on the backs of its poorest residents. (Page 52)

MPHA Response: MPHA will retract this proposal.

35. The Draft Plan reports that the use of every 3 years rather than annual recertification of elderly and disabled public housing residents has reduced the number of annual recertifications permitting “followup on long-term minimum rents and MPHA’s high number of interim recertification requests” so it will continue to this action. There is no data about the hours spent on a recertification, the number of long-term minimum renters, or the number of interim requests to support these statements so there is no way to assess whether this action meets any of the MTW statutory goals. (Page 60)

MPHA Response: These alternative uses of staff time made possible by the reduction of the number of annual reexaminations do not need to meet any MTW goals, the activity itself does and the annual report includes that documentation.

36. The Draft Plan states that the proposed Transitional Housing Demonstration with Hennepin County providing public housing units for 4 months or less per tenancy will produce higher than average rent to the MPHA for the 8 units in the demonstration. What rents will be charged? Are these rents based on the resident’s income or some other funding source or formula? (Page 65)

MPHA Response: Hennepin County will pay \$535 for a one bedroom unit. The program participant will have to be low income, but rent will not be based on their income.

37. The Draft Plan refers to the economy and higher rent issues that lead it to close its Mobility Voucher Program. These same economy and high rent issues must be taken into account when determining timelines and hardships that will be encountered by the Section 8 families that the MPHA will be pushing into the rental market because they cannot afford their new rent in their present locations if the Rent Reform Initiative is approved. See comments on proposals on Draft Plan pages 34 – 35 *supra*. (Page 69)

MPHA Response: Thank you for your comment. The Mobility Program limited where families could search for housing to non-concentrated areas. Rent Reform does not limit a family’s search area. MPHA has considered these and other factors when developing its Rent Reform Initiative.

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38. The definition of live-in aide does not conform to the law, *see* 24 C.F.R. § 5.403 (2011), nor does it follow HUD instructions, *see* HUD PIH 2009-22 (HA) (July 21, 2009). The requirement that the aide “. . . prove they have the skills . . .” must be deleted. The language requiring the reason for the aide, the hours of care needed and the duration of the need provided by a health care provider must be deleted. Third-party verification that the aide is essential for the household member is sufficient. The request for information from a health care provider regarding “the reason for the need, hours care is needed and duration of the need” constitutes inquiries by the MPHA regarding the disabled person’s disability violating federal statute and regulation, *see* 24 C.F.R. § 100.202 (2011). The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 16)\

MPHA Response: MPHA disagrees and states that as a qualifying reasonable accommodation MPHA must approve a qualified live-in aide. Federal regulation permits MPHA to determine whether the live-in aide is essential to the care and well-being of the tenant. As such, the live-in aide must have the necessary skills to care for the tenant and a health provider must verify the need for a live-in aide. Legal Aid’s threat of litigation is not helpful. If Legal Aid has additional support for its opinion, please provide it.

39. The definition of Lease compliant states as one criterion “. . . no valid eviction actions . . .” One might guess the MPHA intends a criterion of no eviction action which resulted in judgment for the MPHA because an eviction in which the MPHA does not prevail could not be used to penalize a resident. But that is merely a guess, so this needs to be clarified. Without a definition of “valid eviction action” the criterion as drafted is meaningless. (Page 17)

MPHA Response: MPHA declines to make this change.

40. The proposed definition of “Notice” restricts a resident’s rights to use the grievance procedure when the MPHA proposes lease termination based on an unpaid charge, penalty or assessment if the resident did not initiate the grievance process within 10 days of receipt of the charge, penalty or assessment pursuant to Paragraph 4. D. of the Lease. The grievance process is available to a resident in any instance in which the MPHA acts or fails to act in a manner that adversely affects the resident’s rights, duties, welfare or status. 24 C.F.R. § 966.53(a) (2011). So the waiver of grievance rights attempted through this definition and Paragraph 4. D. of the Lease is prohibited by law. This definition must be withdrawn or revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 18)

MPHA Response: MPHA declines to make this change.

41. The proposed revision to the definition of “Retroactive Rent” is an attempt to shift the responsibility for MPHA error in the rent calculation process to the tenant. While a tenant who has knowingly misrepresented or failed to report income upon which his rent is based so he underpays rent should be charged retroactive rent, there is no legal obligation for the tenant to pay for the MPHA’s error or misfeasance. Under HUD’s guidance for income verification and rent calculation, retroactive rent payment is limited to instances in which the tenant has underreported or failed to report income. HUD’s guidance does not instruct the PHA to recover losses due to its own errors from the tenant via retroactive rent or any other means. PIH 2010-19 (May 17, 2010), page 14, extended by PIH 2013-13 (June 1, 2013). In fact HUD’s Guidance warns that PHAs, not tenants, “may be subject to sanctions and/or the assessment of disallowed costs associated with any resulting incorrect subsidy or tenant rent calculation or both.” Compensating the MPHA for its own errors is not listed among tenant obligations in the law. 24 C.F.R. § 966.4 (2011). This definition must be withdrawn or revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 19)

MPHA Response: MPHA believes its Retroactive Rent policies do not violate any applicable law or regulation.

42. The regulation cited in the definition of “Total Tenant Payment” appears misplaced since it discusses public housing authority cooperation with welfare agencies. (Page 21)

MPHA Response: Thank you for the comment. MPHA will change the citation to 24 C.F.R. § 5.628.

43. The definition of the “Violence Against Women Act (VAWA)” must be revised. The VAWA Reauthorization Act of 2013, enacted March 7, 2013, extends VAWA protections to survivors of sexual assault which must be added here. We note other changes necessary to the MPHA VAWA Policy in Part XXII of the SOP *infra*. (Page 22)

MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.

44. The Tenant Selection Criteria section must be revised to state the MPHA’s obligation to provide a copy of the Applicant Screening Guidelines, Appendix H at page 130, to the applicant. The MPHA agreed to do this on December

3, 2010 by stipulation in partial settlement of *Stoick v. MPHA*, 10-CV-1030. The MPHA's failure to make this revision and comply with the Stipulation and Order risks use of MPHA resources to defend legal challenges to it. (Page 23)

MPHA Response: MPHA did not agree to put this language in its SOP. MPHA treats this matter as a procedure and not a policy.

45. The second paragraph of 5.C. misstates the law. An applicant who does not make a timely request for an admission denial hearing does not waive the right to judicial review. The MPHA's choice to adopt this policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 27)

MPHA Response: The SOP states the Tenant "may" waive the right to judicial review. MPHA believes that a failure to exhaust administrative remedies may bar a tenant from seeking appellate review of the denial decision. As such, a Tenant should be informed of this possible outcome. If Legal Aid has any legal authority for its position, please provide it. A threat of litigation is not helpful.

46. 5.D. must be revised to state the MPHA's obligation to provide a copy of the Admission Appeal Hearing Rules, Appendix I at page 135, to the applicant at the time notice is given of the date and time of the Hearing. The MPHA agreed to do this on December 3, 2010 by stipulation in partial settlement of *Stoick v. MPHA*, 10-CV- 1030. The MPHA's failure to make this revision and comply with the Stipulation and Order risks use of MPHA resources to defend legal challenges to it. (Page 27)

MPHA Response: MPHA did not agree to put this language in its SOP. If Legal Aid has information to the contrary, please provide it. MPHA treats this matter as a procedure and not a policy.

47. Paragraph D. 6) refers to notice to the applicant of the date of the Board of Commissioners review. Is the applicant required to do anything to notify the Board of her intention to appear at the Board meeting to respond to the MPHA's appeal of the hearing panel decision? (Page 28)

MPHA Response: No.

48. Paragraph D. 6) refers to the review of a hearing panel decision by the Board of Commissioners. However Paragraph D. 7) refers to a decision by the hearing panel or the Executive Director. There is no prior explanation of what process would result in an Executive Director decision so subparagraph 7) must be corrected. Federal regulation refers only to Board review. 24 C.F.R. § 966.57 (2012). (Page 28)

MPHA Response: MPHA will change the language to read “If the applicant does not like the hearing panel or Board of Commissioners’ decision, applicant may ask for judicial review as the law provides.

49. Paragraph 2 must be revised. The MPHA has exceeded its legal authority regarding verifications and has no legal basis for demanding release of federal tax forms. See 24 C.F.R. § 5.230(c)(3) (2011) which requires the applicant or tenant to sign releases authorizing release of income return information from the IRS for HUD only. PHAs are not authorized to request release of this information from applicants or tenants. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 29)

MPHA Response: The cited regulation refers to “minimum” requirements. The mere fact that HUD is able to obtain the forms does not infer that a PHA may not. If Legal Aid has any legal authority for its position, please provide it. A threat of litigation is not helpful.

50. Local preferences are part of the MPHA’s tenant selection criteria and thus not severable from the MPHA’s hearing process for applicants. This section must be revised to inform applicants of their right to use the applicant hearing process to dispute the MPHA’s denial of preference points for which the applicant believes she is qualified. The MPHA’s choice not to include this applicant hearing right in its preference policy risks use of MPHA resources to defend legal challenge to it. (Page 31-32)

MPHA Response: MPHA declines to make this change.

51. Paragraph 7 proposes that the mere fact that the MPHA “filed” an eviction complaint “for any reason” is sufficient basis to deny an applicant the local preferences in Paragraph 4. A., page 31. The MPHA is not always the prevailing party in one of its eviction complaints. If the MPHA is going to propose penalizing someone for being the defendant in a past MPHA eviction action, at the very least the MPHA should limit its penalty to those actions that resulted in a Judgment for the MPHA. (Page 32)

MPHA Response: MPHA declines to make this change.

52. The paragraphs have been reformatted but Paragraph D is missing. (Page 33)

MPHA Response: Thank you for the comment.

53. The proposed revision to section D. 3. is an attempt to shift the responsibility for MPHA error in the rent calculation process to the tenant. While a tenant who has knowingly misrepresented or failed to report income upon which his rent is based so he underpays rent should be charged retroactive rent, there is no legal obligation for the tenant to pay for the MPHA's error or misfeasance. Under HUD's guidance for income verification and rent calculation, retroactive rent payment is limited to instances in which the tenant has underreported or failed to report income. HUD's guidance does not instruct the PHA to recover losses due to its own errors from the tenant via retroactive rent or any other means. PIH 2010-19 (May 17, 2010), page 14, extended by PIH 2013-13 (June 1, 2013). In fact HUD's Guidance warns that PHAs, not tenants, "may be subject to sanctions and/or the assessment of disallowed costs associated with any resulting incorrect subsidy or tenant rent calculation or both." Compensating the MPHA for its own errors is not listed among tenant obligations in the law. 24 C.F.R. § 966.4 (2011). This definition must be withdrawn or revised. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 36)

MPHA Response: MPHA believes its Retroactive Rent policies do not violate any applicable law or regulation.

54. Paragraph E. prevents a person joining a household for 3 years after leaving a MPHA household without any rationale. There are many benign reasons why a person might leave a household, i.e., education outside the area or caring for a family member outside the area, and later return to her MPHA household. Reasons for absence like this do not categorically disqualify a person for MPHA housing. If the MPHA has specific situations it seeks to prevent, then this provision needs to be redrafted with precision to address those situations rather than proposing an overly broad disqualifying category. (Page 37)

MPHA Response: Thank you for the comment. MPHA's rationale includes that tenants may ask to be removed from a lease to travel outside of MPHA's 90-day absence policy and to avoid paying rent on their income. Also, it is an administrative burden to add and remove household members or to turn over a unit. MPHA has a public interest in renting units to long-term tenants and to avoid constant turnover.

55. Minimum rent amount stated in B.5) conflicts with amount stated elsewhere in draft documents. (Page 41)

MPHA Response: Thank you for the comment.

56. The parenthetical in Paragraph C.5) appears to be an internal communication by MPHA drafters. (Page 42)

MPHA Response: Thank you for the comment.

57. Subsection C. 7) must be revised. The MPHA has exceeded its legal authority regarding verifications and has no legal basis for demanding release of federal tax forms. See 24 C.F.R. § 5.230(c)(3) (2011) which requires the applicant or tenant to sign releases authorizing release of income return information from the IRS for HUD only. PHAs are not authorized to request release of this information from applicants or tenants. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 42)

MPHA Response: The cited regulation refers to "minimum" requirements. The mere fact that HUD is able to obtain the forms does not infer that a PHA may not. If Legal Aid has any legal authority for its position, please provide it. A threat of litigation is not helpful.

58. Section D. states terms for the "MTW Hardship Exemption" but the Draft SOP already restates terms of Minimum Rent Hardship Exemption on Page 41, Section C. To what MPHA Public Housing "MTW Rent Initiative" does Section D. apply? (Page 43)

MPHA Response: MTW initiative 2011 #3

59. If Section D. remains in the SOP with clarification of what MPHA Public Housing "MTW Rent Initiative" it applies, subsection 6 must be revised. The MPHA has exceeded its legal authority regarding verifications and has no legal basis for demanding release of federal tax forms. See 24 C.F.R. § 5.230(c)(3) (2011) which requires the applicant or tenant to sign releases authorizing release of income return information from the IRS for HUD only. PHAs are not authorized to request release of this information from applicants or tenants. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 44)

MPHA Response: The cited regulation refers to "minimum" requirements. The mere fact that HUD is able to obtain the forms does not infer that a PHA may not. If Legal Aid has any legal authority for its position, please provide it. A threat of litigation is not helpful.

60. The Transfer section, Part VIII, requires that a tenant be "Lease Compliant" to request a Reasonable Accommodation Transfer. However, a tenant may request a transfer precisely for an accommodation in order to be lease compliant. The proposed language must be deleted or revised so it does not exclude reasonable accommodation transfers to effectuate lease compliance. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 46)

MPHA Response: Part VIII requires that residents requesting a “convenience, management, elderly designated or occupancy transfer” be lease compliant for one year, it does not include a request for a Reasonable Accommodation Transfer.

61. The Draft, in Part VIII, Paragraph 1, proposes that lease compliance include “no evidence of bed bugs 90 days prior” to transfer. It is not clear how the MPHA will determine compliance with this criterion. Examples, even if not an exhaustive list, of the factors that will be considered to determine this criterion must be stated or the MPHA’s decisions in such instances will appear arbitrary or *ad hoc*. The proposed language must be deleted or revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 46)

MPHA Response: MPHA will retract this proposal.

62. The Draft, in Part VIII, Paragraph 1, proposes 3 years as a non-smoker as a precondition for transfer to a smoke-free property without stating how the MPHA plans to determine or verify this criterion. Examples, even if not an exhaustive list, of the factors that will be considered to determine this criterion must be stated or the MPHA’s decisions in such instances will appear arbitrary or *ad hoc*. The proposed language must be deleted or revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 46)

MPHA Response: MPHA will rely on self certification and previous responses to the question.

63. The Draft proposes only one offered unit for many types of transfers but provides for two offers for “Modernization/Demolition” transfers and two offers to a resident who must move from a unit with accessibility or adaptive features the resident does not need so it can be occupied by someone who does need those features. If it is possible to make two offers for these two types of moves, then it is also possible to make two offers for all the other types of transfers. The Draft should be revised to provide two offers to all transfer categories. (Page 48-49)

MPHA Response: Thank you for the comment MPHA will not change the number units offered.

64. The exception to the grievance procedures in Paragraph C. 4) must be deleted. It is not listed in 24 C.F.R. § 966.51 (2012) as a permitted exception. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 57)

MPHA Response: The grievance procedure is not a forum for negotiating policy changes. Occupancy standards and management of transfers are policy. A hearing panel does not have jurisdiction to resolve these matters. If Legal Aid has any legal authority to the contrary, please provide it. A threat of litigation is not helpful.

65. The exception to the grievance procedure in Paragraph C. 5) for persons who have had an informal hearing and then requested a reasonable accommodation or VAWA protection must be deleted. It is not listed as an allowed exception in 24 C.F.R. § 966.51 (2012). The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 57)

MPHA Response: MPHA declines to make this change. If Legal Aid has any legal authority to support its position, please provide it. A threat of litigation is not helpful.

66. The exception to the grievance procedure in Paragraph C. 6) must be deleted. It is not listed in 24 C.F.R. § 966.51 (2012). It also is not an exception to the grievance procedure in the Violence Against Women Act 2005 or Violence Against Women Reauthorization Act of 2013. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 57)

MPHA Response: Thank you for your comment. MPHA declines to make this change.

67. The proposed changes to Paragraph E. 2) must be revised or withdrawn. The grievance process is available to a resident in any instance in which the MPHA acts or fails to act in a manner that adversely affects the resident's rights, duties, welfare or status so the waiver of grievance rights attempted through this definition and Paragraph 4. D. of the Lease is prohibited by law. 24 C.F.R. § 966.53 (2012). The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 59)

MPHA Response: Thank you for the comment. MPHA declines to make this change.

68. Section F. 3) should be revised to state that the MPHA will provide a copy of the Tenant Hearing Rules, see Appendix J at page 137, to the tenant at the time notice is given of the date and time of the Hearing. The MPHA agreed to do this for applicants on December 3, 2010 by stipulation in partial settlement of *Stoick v. MPHA*, 10-CV-1030. The MPHA has an equal interest in providing the Hearing Rules to a resident. The MPHA's failure to do so risks use of MPHA resources to defend legal challenges to it. (Page 61)

MPHA Response: MPHA did not agree to put this language in its SOP. If Legal Aid has information to the contrary, please provide it. MPHA treats this matter as a procedure and not a policy.

69. Paragraph F. 7) should be revised to include the resident's right to free interpreter services for the hearing and refer to resident to the part of the SOP that states how one requests those free interpreter services. The MPHA's failure to do so risks use of MPHA resources to defend legal challenges to it. (Page 62)

MPHA Response: MPHA declines to make this change.

70. Paragraph F. 8) refers to notice to the applicant of the date of the Board of Commissioners review. Is the applicant required to do anything further to notify the Board of her intention to appear at the Board meeting to respond to the MPHA's appeal of the hearing panel decision? (Page 63)

MPHA Response: No.

71. Paragraph I. 6) misstates the law in regard to the permissible timing of a reasonable accommodation request. Federal case law interpreting the Fair Housing Act has found that the law requires reasonable accommodation any time before a judgment of possession has been entered. *See, Radecki v. Joura*, 114 F.3d 115, 116 (8th Cir. 1997). This must be revised. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 64)

MPHA Response: MPHA does not agree with Legal Aid's interpretation of the cited case. However, MPHA believes that its policies regarding reasonable accommodations comply with applicable law.

72. The MPHA is required by law to give written notice of lease termination of 14 days for nonpayment of rent. 24 C.F.R. § 966.4(l)(3) (2011). Is this what MPHA means by "about the middle of the month"? Paragraph 1. C. must be revised to correctly state the law. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 81)

MPHA Response: MPHA's Rent Collection practices and its Notice of Lease Termination for Non-payment of Rent comply with the law and give tenants a 14-day notice.

73. Paragraph 2. C. defines noncompliance with the lease as a written warning of lease violation within the past 180 days or an unresolved lease termination notice. In neither of these situations has the resident been found to be in

violation of the lease, there has only been an allegation made. The MPHA's choice to impose the penalty of ineligibility for a settlement repayment agreement in an eviction action based on unproven allegations of lease violation risks spending MPHA resources to defend legal challenges to the policy as proposed. (Page 81)

MPHA Response: MPHA declines to make a change.

74. Paragraph E states termination will result from the filing of 2 nonpayment eviction complaints within 4 months or 3 nonpayment eviction complaints within 12 months. As drafted these conditions presuppose that any nonpayment eviction complaint filed by the MPHA will result in judgment for the MPHA, which is certainly not true. This section must be revised so if penalty is to be imposed it is only on those MPHA residents for whom prior nonpayment eviction complaints resolved in the MPHA's favor. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 81)

MPHA Response: MPHA will change the language to read "two valid Eviction Actions for non-payment of Rent within four consecutive months or three valid Eviction Actions for non-payment of Rent in 12 consecutive months."

75. Paragraph 3. C. 4) states the MPHA ". . . should offer a Retro Rent repayment agreement . . ." This should be revised to state the MPHA will offer the agreement in the circumstances outlined in this subsection to avoid the appearance of uncertainty. (Page 82)

MPHA Response: MPHA will make the recommended revision.

76. Paragraph 3. C., particularly subsection 5) f), must be revised to state the monthly payment amount limits imposed by PIH 2010-19 (May 17, 2010), page 14, extended by PIH 2013-13 (June 1, 2013): "The monthly retroactive rent payment plus the amount of rent the tenant pays at the time the repayment agreement is executed should be affordable and not exceed 40 percent of the family's monthly adjusted income." (Emphasis added). The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 82-83)

MPHA Response: Thank you for the comment. MPHA declines to make a revision.

77. Paragraph 4. B. b. states the MPHA ". . . may obtain the last known address from the Commissioner and resend the notice." As drafted, it sounds as if the MPHA duty to resend the notice is optional. However, Minn. Stat. § 270A.08 (2012) states that "If the notice is returned to the claimant agency [MPHA] as undeliverable, or the claimant agency [MPHA] has reason to believe the debtor did not receive the notice, the claimant

agency [MPHA] shall obtain the last known address of the debtor from the commissioner and resend the corrected notice.” (Emphasis added). This must be revised to clearly state the MPHA’s legal obligation. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 83)

MPHA Response: Thank you for the comment. MPHA will clarify its policy.

78. Part XIX must be revised to comply with Minn. Stat. § 504B.271 (2011) which establishes how the MPHA must handle the tenant’s property, even if the tenant is deceased. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 86)

MPHA Response: MPHA declines to make this change.

79. The defects pointed out in the MPHA’s LEP Plan, Part XX, in our September 3, 2010, letter commenting on the Draft SOP FY 2011 continued and were again pointed out in our September 6, 2011, letter regarding the SOP 2011-12. Many of the defects continue in this Draft SOP FY 2013-14. (Page 86-92)

MPHA Response: Thank you for the comment. Please see MPHA’s responses to Legal Aid’s comments in 2010.

80. At the MPHA’s August 18, 2011 meeting with community stakeholders the MPHA staff pointed out the 2011-12 revision to the MPHA lease in which any conflict between an MPHA document and MPHA document translated is resolved with the English document controlling. At that time MPHA staff was asked if the MPHA had a list of all documents the MPHA uses that are translated into some language other than English. The MPHA staff said that such a list would be provided to us and has never been received. We renew our request for this list.

MPHA Response: MPHA does not have a comprehensive list of all documents that have been translated, there are staff with language skill who may translate notices and flyers. MPHA does adhere to the LEP plan and translates all documents that are included in the rent statements, along with the lease and documents of vital importance.

81. Our efforts to improve the MPHA’s LEP Plan have garnered very few revisions, with the MPHA declining nearly all changes. We renew our comments, concerns and suggestions although there appears to be a strong likelihood that the MPHA will again choose not to improve its LEP Plan and instead wait for litigation to force compliance with the law and better service to our community. The MPHA’s choice to adopt this policy and this position risks use of MPHA resources to defend legal challenges to it despite more efficient alternatives.

MPHA Response: Thank you for the comment.

82. The MPHA should obtain and use the translated documents that HUD has translated available at: <http://www.hud.gov/offices/fheo/promotingfh/lep.cfm>. We have requested this in the past and MPHA's response was to thank us for the suggestion but our clients have yet to see any of these documents in use. These documents are free so we cannot imagine any acceptable reason for the MPHA's refusal to make use of these free resources.

MPHA Response: Thank you for the comment. While these documents may be free, they do not represent the English documents that MPHA uses. MPHA also notes that HUD does not provide any documents in Somali.

83. MPHA should pursue collaboration with the other members of the Fair Housing Implementation Council (FHIC) who are working on LEP issues and working together on efforts to translate vital documents for use with their LEP constituents. We have made this suggestion in the past and the MPHA's response was to thank us but our clients have not seen any of the documents developed by the other housing providers in the FHIC in use by the MPHA. Again, we cannot imagine any acceptable reasons why the MPHA refuses to make use of these free resources that we see in use by other housing providers.

MPHA Response: Thank you for the comment. MPHA is involved in responding to HUD's Proposed Affirmatively Furthering Fair Housing rule. MPHA anticipates that it will collaborate with the City of Minneapolis or another local government in fulfilling the requirement of that rule.

84. The final sentence of Paragraph B. 5. must be deleted. The definition of a LEP person in sentence 1 of this Paragraph correctly paraphrases the HUD Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (hereafter HUD Guidance) issued January 22, 2007. 72 Fed. Reg. 2732, 2740 col. 1. The definition in HUD Guidance and sentence 1 of this Paragraph would include as a LEP person someone who does not speak English as her primary language and speaks English proficiently but has a limited ability to read or limited ability to write English. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 87)

MPHA Response: Thank you for the comment. The sentence says "may" and it is discretionary.

85. The MPHA must revise the second sentence of Paragraph C. by deleting: “. . . and MPHA determines that the client is LEP” The determination of who is LEP is not the MPHA’s decision. The HUD Guidance specifically answers the question of who is LEP at 72 Fed. Reg. 2732, 2737 col. 2: “HUD and its recipients do not determine who is LEP. The beneficiaries of the services and activities identify themselves as LEP.” The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 88)

MPHA Response: Thank you for the comment. MPHA declines to make this revision.

86. The final sentence of Paragraph C., “If reasonably possible . . . preferred language.” must be deleted. The MPHA must provide free language assistance to a LEP person in the LEP person’s self-identified primary language to fulfill its legal obligations. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 88)

MPHA Response: Thank you for the comment. MPHA declines to make this revision.

87. Paragraph D. 2. a. for translation of vital documents must be changed. The group measured in the proposed Paragraph, the “MPHA’s public housing tenants and Section 8 recipients”, is the incorrect population group to survey. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 88)

MPHA Response: Thank you for the comment. MPHA declines to make this revision.

88. This Paragraph should also state the MPHA’s obligations for those language groups who are too few in number to make written translation of vital documents a necessity, yet to whom the MPHA still has legal obligations to provide free language assistance. For those groups the HUD Guidance allows the MPHA to provide written notice in the primary language of the LEP group of the right to receive free competent oral interpretation of the written vital documents. 72 Fed. Reg. 2732, 2745 and 2753. This right should be clearly stated in this Paragraph so LEP persons in those smaller language groups know that the MPHA is legally obligated to provide them with free meaningful access to MPHA services, programs, benefits and encounters as well. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: The Policy already provides for free interpretation. It is not necessary to insert this language in this paragraph.

89. Paragraph D. 2. b. refers to “Paragraph B. 6. Meaningful Access” as part of the MPHA’s criteria to determine which documents are vital and thus must be translated. The HUD Guidance states that the determination of what documents should be translated also requires consideration of: “Lack of awareness that a particular program, right or service exists, may effectively deny LEP persons meaningful access.” 72 Fed. Reg. 2732, 2744 col. 1 and 2. This factor from the HUD Guidance should be included in this Paragraph or should be added to Paragraph B. 6. as well. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 88)

MPHA Response: The purpose of LEP is to provide meaningful access to our programs. MPHA provides meaningful access to its programs as evidenced by its diverse clientele.

90. The consideration of the lifespan of a document in a decision whether or not to translate a document is included in the HUD Guidance. 72 Fed. Reg. 2732, 2744 col. 3. However Paragraph D. 2. c. goes beyond inclusion of the document’s lifespan as a factor in the decision to conclude that the listed 5 documents are not vital and will not be translated on the basis of the singular factor of cost effectiveness. The 5 documents listed in this Paragraph should be translated according to the HUD Guidance because of the document’s importance and the consequence each document presents to the LEP person receiving it. Many of the 5 documents listed in this Paragraph are on the list of vital documents listed in the HUD Guidance discussion of what written materials could be considered vital. 72 Fed. Reg. 2732, 2744 col. 1. (Page 88)

MPHA Response: Thank you for the comment. MPHA declines to make the change.

91. If the MPHA is going to categorically exclude the 5 documents listed in this Paragraph from the documents the MPHA will translate, then this Paragraph should state that the MPHA will provide LEP persons with free competent oral interpretation of these written documents. In addition, each document listed should provide the information in the LEP person’s primary language regarding how the LEP person receiving it may obtain the free competent oral interpretation from the MPHA. 72 Fed. Reg. 2732, 2744 col. 2.

MPHA Response: Thank you for the comment. The Policy already indicates that free interpretation is available.

92. The MPHA’s previous response to these issues that “most documents contain a language block” is inadequate. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for the comment.

93. The instances when the MPHA must provide free interpreters listed in Paragraph D. 3. b. should also include: points where the MPHA provides security information; points where the MPHA provides emergency plan information; applicant interviews; lease signing and orientation; and income recertification meetings. These additional occasions, like the four listed in this Paragraph, are instances in which “health, safety, or access to important housing benefits and services are at stake” and “credibility and accuracy are important to protect an individual’s rights and access to important services.” 72 Fed. Reg. 2732, 2743 col. 3. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 89)

MPHA Response: Thank you for the comment. MPHA provides free language assistance.

94. Any waiver of free interpretive services by the formal interpreter provided by the MPHA to fulfill its legal obligation to provide free language assistance to the LEP person described in this Paragraph D. 4. b. must include a certification signed by the interpreter stating that the form has been interpreted for the LEP person in her primary language. The consent to waive such a fundamental right must be informed consent. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 89)

MPHA Response: Thank you for the comment. MPHA will revise the form to add certification that the interpreter has interpreted the form to the client in the client’s requested language.

95. The waiver consent form itself should be included in the LEP Plan so that it is available for public comment. The MPHA’s response that forms or procedures change and thus are not subject to public notice and comment does not explain why the waiver consent form is not included in the LEP Policy. Even if the form does change later, including the version currently in use is possible and serves the community.

MPHA Response: Thank you for the comment. MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.

96. The documentation referred to in Paragraph D. 7. should be done in every instance an interpreter is used. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 89)

MPHA Response: Thank you for the comment. MPHA declines to make the change.

97. Paragraph D. 7. should require that the documentation include the interpreter's name, address, phone number, language used, and employer if the interpreter is a formal interpreter. If an informal interpreter is used the documentation should include the informal interpreter's relationship to the LEP person. This documentation will not be any more onerous to MPHA staff than making file notes when the agency interacts with the LEP person. The information will allow the MPHA to use the same interpreter again with a LEP person, a practice that often helps speed interpretation and adds comfort for all the parties in the interaction. It will also give the MPHA useful information for the LEP Manager monitoring referred to in Paragraph J., Page 91.

MPHA Response: Thank you for the comment. MPHA has this information regarding a formal interpreter and the waiver form contains this information for an informal interpreter.

98. HUD's Guidance defines a vital document as "any document that is critical for insuring meaningful access to the recipient's [MPHA's] major activities and programs by beneficiaries generally and LEP persons specifically. Whether a document (or the information it solicits) is "vital" may depend upon the importance of the program, information, encounter, or service involved, and the consequences to the LEP person if the information in question is not provided accurately or in a timely manner." 72 Fed Reg. 2732, 2752 col. 1. This HUD Guidance definition should be incorporated into Paragraph D. 8. (Page 89)

MPHA Response: Thank you for the comment. MPHA's language complies with federal regulation. Please see the definition of Meaningful Access at 6. a – d on pp. 87-88.

99. The instances listed in Section F. in which the MPHA will provide notice of free language assistance begin with the application form. The MPHA's obligations to LEP persons are broader than those written in this Section and require that the MPHA meet the language needs of eligible LEP persons in the geographic area served by the MPHA, particularly those least likely to apply for the MPHA programs without outreach activities. 72 Fed. Reg. 2732, 2748 col. 2. This Section must include how the MPHA will provide notice of free language assistance to LEP persons in the area in which the MPHA operates which includes the larger community, not just applicants and participants in MPHA's programs. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page 90)

MPHA Response: Thank you for the comment. Your requested language is included in F.5.

100. MPHA’s public communications, marketing, outreach activities, and offices accessible to the public must inform the public that the MPHA will provide free language assistance to LEP persons. Signs and resources to provide the public and LEP persons in those situations have been developed and used by the Social Security Administration and are listed in the HUD Guidance. 72 Fed. Reg. 2732, 2737 col. 3, 2752 col. 2 and 2746 col. 2.

MPHA Response: Thank you for the comment. MPHA will post signs.

101. The MPHA’s response to this point in the past was a statement that it would follow up on this. To date, it does not appear that this has been done. A recent visit to the MPHA main office found no signage about access to free language assistance or any way a non-English speaker from the community entering the building could indicate the language needed or the purpose of the visit. If there has been any follow up, there has been no publicly visible implementation of change.

MPHA Response: Thank you for the comment. MPHA will post signs.

102. In regard to Paragraph F. 1., the application for public housing questions regarding need for language assistance is currently in English. Until the MPHA has translated these vital documents a more effective way to identify language needs would be the use of “I speak” cards available at no cost to the MPHA on the Department of Justice website. 72 Fed. Reg. 2732, 2737 col. 3, 2746 col. 1 and 2752 col. 2. The MPHA’s response in the past was to state that it had the “I speak” card referred to above. However, many LEP clients and community members report that they have never seen these cards used by MPHA staff in the staff’s interaction with them. If the MPHA has the cards, it now must train its staff to effectively use them. (Page 90)

MPHA Response: Thank you for the comment. The “I speak” cards are available to MPHA staff and are most likely not used if staff knows the language of the client or is able to verbally confirm the language with the client. MPHA will remind staff of the availability of the “I speak” cards.

103. The questions on the application must not just ask for a LEP person’s primary language and whether the person needs language assistance. The question must also include the statement that the MPHA will provide free language assistance. Failure to state that the assistance is free has a chilling effect on the self-identification by many LEP persons who are seeking services from the MPHA and do not want to appear to be a burden or to ask for anything that might be inappropriate for fear they will be judged negatively.

MPHA Response: Thank you for the comment. The application asks if the client wants free interpreter services.

104. The MPHA's previous response that many documents contain the language block is inadequate. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for the comment. MPHA provides free language assistance.

105. The Data Privacy Statement referred to in Paragraph G. 2. is not attached so it is not possible to comment on it. We request that the document be provided to the public. (Page 91)

MPHA Response: The Data Privacy Statement is a form and is available to the public under the MN Data Practices Act.

106. The form that is developed must include a certification signed by the interpreter stating that the form has been interpreted for the LEP person in her primary language. The consent must be informed consent.

MPHA Response: Vendors sign the statement at the time the contract is entered into and prior to providing any language assistance. As such, MPHA declines to make the requested change.

107. The MPHA's previous response that forms are not provided for public notice and comment is puzzling at best. There is no reason provided for keeping this or other forms from public view.

MPHA Response: MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is Impractical and not required.

108. If there is anything in the "Waiver" form about treatment of private and confidential data then we need to see the form in order to adequately comment on it. We request that the document be provided to the public with a 30-day notice and comment period before it is adopted for use. (Page 91)

The MPHA's previous response that forms are not provided for public notice and comment is puzzling at best. There is no reason provided for keeping this or other forms from public view.

MPHA Response: MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required. The form does state that private information may be disclosed. Confidential data is not even available to the client under the Data Practices Act.

109. Application forms seek language information in English so it is quite unlikely that this is the most accurate way to identify LEP persons and their primary languages. Revising this Paragraph to also require the use of “I speak” cards at applicant interviews, lease signing, and Section 8 briefings and requiring the documentation of the self-identification of LEP persons and their primary languages would improve the MPHA’s collection of accurate information about language needs in our community. ((Page 91)

MPHA Response: Thank you for the comment and see prior responses regarding the “I speak” cards.

110. The MPHA has previously stated it has given staff the “I speak” cards but clients who would benefit from their use report never seeing one in their interactions with the MPHA. Failure to document language needs in our community undermines the effectiveness of the MPHA LEP activities and compliance with its LEP obligations.

MPHA Response: Thank you for the comment. The “I speak” cards are available to MPHA staff and are most likely not used if staff knows the language of the client or is able to verbally confirm the language with the client. MPHA will remind staff of the availability of the “I speak” cards.

111. If the MPHA takes this opportunity to make the revisions to its LEP Policy to bring it into compliance with the law then new training pursuant to Paragraph I. 3. on the corrected Policy would be in order. (Page 91)

MPHA Response: Thank you for the comment.

112. The MPHA has stated previously that its training is done by its Legal Department staff. There are many community resources that serve LEP persons and that provide language services from which the MPHA should request input and assistance with training its staff.

MPHA Response: Thank you for the comment. MPHA legal staff will again provide LEP training for staff.

113. The MPHA has previously stated that it would consider LEP training along with its other training. Has the MPHA taken advantage of community resources to provide LEP training for its staff?

MPHA Response: Yes, thank you for the comment.

114. Paragraph I. 4. should be revised to add: “f. How to work with an interpreter.” The information in the MPHA’s LEP Plan at Paragraph E contains important but basic information. The training of staff should augment the

information in Paragraph E, preferably with the input of one or more professional interpreters from the community providing the information to the MPHA staff and answering questions at the training. (Page 91)

MPHA Response: The LEP plan has guidelines for using an interpreter and the training indicates that it will include the substance of the LEP plan.

115. We have suggested this addition and use of community resources in the past and the MPHA stated it declined. This response does little to build coalitions with community interests or make use of resources that the MPHA does not have. The MPHA has stated that its LEP training was provided by professional interpreters. We have no reason to doubt this and this is not the point we are raising in our suggestion. We are suggesting that the training provided to the staff be more than the barebones essential listed in this section to provide better service to our community and to make the MPHA's staff more effective.

MPHA Response: Training provided to staff is more than "bare bones" and complies with applicable law and regulation.

116. Section I. 5. states that the MPHA will make language identification flashcards available to staff. Perhaps this refers to the "I speak" card from the Department of Justice website as noted in the HUD Guidance. 72 Fed. Reg. 2732, 2737, 2746 and 2752. We have asked many LEP persons who would benefit from such a tool about this and they all report never having seen one in use by the MPHA staff person with whom they interacted. (Page 91)

MPHA Response: Thank you for the comment. The "I speak" cards are available to MPHA staff and are most likely not used if staff knows the language of the client or is able to verbally confirm the language with the client. MPHA will remind staff of the availability of the "I speak" cards.

117. A review of MPHA policy documents and the MPHA website does not reveal the name of the MPHA LEP Manager. Please provide his or her name. (Page 91-92)

MPHA Response: Mary Boler.

118. Paragraph J should include as 4 "Soliciting feedback from members of the community the Plan serves." HUD Guidance suggests this as a good factor for evaluation and encourages community input throughout the evaluation process. 72 Fed. Reg. 2732, 2746. Despite the numerous refusals to make changes we remain hopeful that the MPHA or its Board will direct the MPHA staff to take advantage of resources and make changes that will bring the LEP

Policy into compliance with the law in order and to better serve the LEP communities the MPHA Plan should serve. (Page 92)

MPHA Response: Thank you for the comment. MPHA receives feedback on its SOP through its public comment period and from its Resident Advisory Board and Tenant Advisory Committee.

119. Paragraph K should include as 4 “Provided within three (3) business days in response to a request for a copy of the LEP Plan received at the MPHA’s office at 1001 Washington Avenue N., Minneapolis, MN.” Not everyone affected by the MPHA’s LEP Plan is an applicant, resident or participant for whom options 1 and 2 of this Paragraph would provide access. Not everyone affected by the MPHA’s LEP Plan has Internet access for which option 3 of this Paragraph would provide access. The MPHA’s prior response to this request that the Plan is a public document and will be disclosed subject to the Minnesota Government Data Practices Act (MN GDPA) is unresponsive to community members who may not know how to use the MN GDPA. Continuing to take this position continues to maintain a LEP Plan that is less rather than more accessible without reason. (Page 92)

MPHA Response: Thank you for the comment. Like every public document, MPHA will provide the plan upon request.

120. The final sentence of Paragraph L. stating that this Policy is a standard to which the MPHA “aspires” continues to create the impression with the LEP communities in our area that the MPHA’s LEP Policy is viewed by the MPHA as less than its legal obligations. The MPHA’s LEP obligations are legal requirements not hortatory or aspirational goals to shoot for and for which there are no legal consequences if the goal is not attained. (Page 92)

MPHA Response: Thank you for the comment.

121. Section 11.1 of Part XXI should be revised to clarify the interactive nature of reasonable accommodations and recognize that more than one offer might be appropriate in an individual situation in order to find the unit that will accomplish the accommodation that is necessary and reasonable. (Page 97)

MPHA Response: The use of the term “suitable” implies that more than one offer might be appropriate in some cases.

122. Part XXII must be revised throughout to incorporate the changes in the law since the March 7, 2013 enactment of the Violence Against Women Reauthorization Act of 2013, Pub. L. No. 113-4, Title VI, 127 Stat. 54 (March 7, 2013) (VAWA 2013). We have noted some particular points below, but the entire Part must be revised to comply with the law. The MPHA's failure to make these changes to this Part risks use of MPHA resources to defend legal challenges to it. (Page 99-104)

MPHA Response: Thank you for the comment. Pursuant to the Policy, applicable law, regulation or ordinance will control over the policy.

123. Since the list of translated documents requested at the August 18, 2011 meeting with MPHA staff and community stakeholders has never yet been received it is impossible to fully assess MPHA's compliance with its LEP obligations in its work with victims of domestic violence. At the very least, the MPHA should do the following:

- MPHA must review its VAWA Policy to see where LEP issues will play a role in full implementation of the requirement of VAWA. HUD has translated the VAWA Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-50066 into 11 languages. See, <http://www.hud.gov/offices/adm/hudclips/forms/files/5006-langs.pdf>.
- MPHA must make certain these translations are available to its LEP applicants and participants. MPHA should make every effort possible, perhaps in collaboration with other housing provider members of the Fair Housing Implementation Council (FHIC), to translate the Certification form into other languages particular to the MPHA's service area and identified by implementation of the HUD LEP Guidance, 72. F.R. 2732 (Jan. 22, 2007).

MPHA Response: Free language assistance is available to Victims under the VAWA policy. MPHA is aware of the website and the translated forms.

124. Our prior request that the MPHA use the translated VAWA Certifications available free from the HUD website resulted in a thank you from the MPHA but we have not seen the use of the translated documents in the MPHA's work with LEP applicants or residents. The MPHA's failure to do so risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Free language assistance is available to Victims under the VAWA policy. Unfortunately, most of the languages provided by HUD represent few, if any, of MPHA's clients. Our greatest need for languages from East Africa are not available from HUD.

125. VAWA now protects victims of sexual assault as well so the categories of covered persons listed in Paragraph 1.0 must be revised accordingly. (Page 99)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
126. Paragraph 2.0 must be revised to incorporate the VAWA 2013 citation. (Page 99)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
127. A definition of “Affiliated Individual” from VAWA 2013 must be added to this Part. (Page 99)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
128. A definition of “Sexual Assault” from VAWA 2013 must be added to this Part and the term sexual assault added throughout. (Page 100)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
129. Paragraph 6.0 imposes obligations on the people protected by the VAWA provisions that exceed the MPHA’s authority under the law. VAWA does not require that the victim take any action against her abuser including obtaining court orders. The MPHA leases describe a tenant’s obligations. The second and third sentences of this Paragraph propose additional tenant obligations for victims of domestic violence, only because they are victims of abuse, which are more demanding standards than those applied to other tenants who are victims of crimes. This Paragraph seeks to impose unnecessary and punitive burdens upon victims unless the second and third sentences are deleted. This paragraph must be revised by: Delete the second and third sentences in this Paragraph from “The victim shall . . .” through “. . . reasonable measures.” (Page 103)

MPHA Response: A Victim has an obligation to act in a manner which will not disturb the peaceful enjoyment of the Premises. A Victim may not be held to a more demanding standard than another Tenant. In order to comply with the Lease, a Victim **may** have to take the actions requested.

130. When the illegality of this provision was pointed to the MPHA in the past the MPHA declined to make any changes. The MPHA's choice to persist with this policy risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for your comment.

131. Paragraph 10 states the MPHA's obligations under the law to include in its 5-year Plan the "goals,, objectives, policies or programs that will serve the needs of victims" and a description of the activities, services or programs offered by the MPHA alone or in partnership with other service providers to victims. The MPHA 2012-2017 Strategic Plan contains none of this information and must be amended to comply with the law. (Page 104)

MPHA Response: MPHA is a MTW Agency. MTW Agencies are required to develop Annual MTW Plans and are not required to develop Annual Agency Plans that have as a requirement to include a 5 Year Plan. MPHA incorporated its Strategic Plan into the Long Term Goal statement of its MTW Plan. The Strategic Plan has is a product of a MPHA Board directive, not the HUD 5 Year Plan that is a required component of a traditional public housing Agency Plan.

132. The MPHA is required to use tenant selection criteria that is related to individual attributes and behavior, not those imputed to a group or category of persons to which the applicant may belong. 24 C.F.R. § 960.203(a) (2011). When the MPHA receives negative information about an applicant, the MPHA is required to consider the time, nature and extent of the conduct, including the seriousness of the offense. 24 C.F.R. § 960.203(d) (2011). The MPHA's use of the Applicant Screening Guidelines "grid" in Appendix H does not meet these legal requirements. In many cases, reliance upon the Applicant Screening Guidelines as the end of the applicant eligibility review directly violates the MPHA's legal obligations. (Page 130-134)

MPHA Response: MPHA will clarify its Applicant Screening Guidelines to be clear that MPHA is giving consideration with each applicant.

133. The MPHA refers to the language of 24 C.F.R. § 960.203(d) (2011), using an incorrect citation, in the introduction of the Screening Guidelines "grid" asserting that it has given consideration to the factors in the law. However, the consideration required by the law must be made in each individual applicant's case, so the MPHA could

not have fulfilled its legal obligations to the individual applicant by simply creating the Screening Guidelines “grid” in advance. The MPHA cannot waive its obligation to exercise its judgment about each applicant’s individual attributes and behavior by creation of the Screening Guidelines “grid.” The individual review required by 24 C.F.R. § 966.203(d) (2011) is outlined in Part II, page 26, and the Screening Guidelines must be revised and applied in keeping with the law.

MPHA Response: MPHA will correct the citation. MPHA will clarify its Applicant Screening Guidelines to be clear that MPHA is giving consideration with each applicant. MPHA also notes that these are “guidelines” and are applied on a case-by-case basis.

134. If the MPHA intends to use the Screening Guidelines “grid” as its listing of what it deems to be reasonable “look-back” periods when reviewing criminal histories, as it indicates in the second paragraph of Appendix H, page 130, the Screening Guidelines must be revised to include the full range of criminal dispositions that occur in the criminal justice system. Disposition is not simply sentencing to jail or a correctional facility followed by probation or parole at the court’s disposal. The court may use a De Novo Program or a Stay of Imposition and other Conditions, just to name two. If the MPHA intends to make the evaluation of criminal history a process of fitting a criminal record into a “grid” of possible crimes and outcomes for the purpose of determining which events will be considered and which will be disregarded, the “grid” must recognize all the possible outcomes and account for those, too.

MPHA Response: The guidelines do not use the term disposition. The guidelines use the term sentence and conviction as defined by the policy which may include a De Novo Program, for example. Also, MPHA cannot list “all possible outcomes” in all jurisdictions and declines to make this change.

135. The MPHA’s stated intention in Paragraph 3, page 130, is to make *ad hoc* decisions when a crime does not occur on its Screening Guidelines list. MPHA decisions in these circumstances will appear arbitrary and expose the MPHA to use of its resources to defend legal challenges to its *ad hoc* determinations.

MPHA Response: MPHA, as a public entity, is permitted to exercise discretion. In this case, MPHA will consider a similar crime, the offending conduct, and the length of the sentence.

136. The Guidelines should also be revised to redefine the meaning the MPHA gives to “sentence” in Paragraph 4, page 130. By including probation and parole in sentence on years of ineligibility after probation or parole ends, the MPHA is imposing additional collateral consequences to criminal sentencing that are not penalties the criminal justice system has created or sanctioned.

MPHA Response: Thank you for the comment. MPHA declines to make a change.

137. Paragraph 17 in Appendix “I” refers to review of a hearing decision by the Executive Director to overturn a hearing decision with which the MPHA does not agree. The Rules must be revised to comport with the revisions needed in Part II, page 28, noted *supra*. (Page 135)

MPHA Response: MPHA will change the language to read “If MPHA does not agree with the officers’ decision, it may ask the MPHA Board of Commissioners to review and overturn the decision.”

138. The attempt to restrict the applicant’s opportunity to present her rebuttal to the MPHA’s denial of eligibility through Appendix “I”, Paragraph 18, violates the applicant’s rights under 42 U.S.C. § 1437d (c) (4) (2011) and line of due process cases based upon the fundamentals of *Goldberg v Kelly*, 397 U.S. 271, 90 S. Ct. 1011 (1970). The MPHA’s choice to persist with this policy risks use of MPHA resources to defend legal challenges to it. (Page 135)

MPHA Response: This comment is unclear. Paragraph 18 provides guidelines for the submission of a legal memorandum prior to the hearing. It is not an attempt to restrict the applicant’s opportunity to present a rebuttal at the hearing.

139. The attempt to restrict the resident’s opportunity to present her rebuttal to the MPHA’s proposed adverse action through Appendix J, Paragraph 17, violates the applicant’s rights under 42 U.S.C. § 1437d (c) (4) (2011) and line of due process cases based upon the fundamentals of *Goldberg v Kelly*, 397 U.S. 271, 90 S. Ct. 1011 (1970). The MPHA’s choice to persist with this policy risks use of MPHA resources to defend legal challenges to it. (Page 137)

MPHA Response: This comment is unclear. Paragraph 17 provides guidelines for the submission of a legal memorandum prior to the hearing. It is not an attempt to restrict the applicant’s opportunity to present a rebuttal at the hearing.

140. Revenue Recapture Hearings must be conducted pursuant to the contested case procedures of the Minnesota Administrative Procedures Act, Minn Stat. Chapter 14. *See*, 270A.09 (2012). There is nothing in the Revenue Recapture Act or the Administrative Procedures Act that permits the application of Appendix K, Paragraph 9. This entire Appendix must be revised so it complies with the Revenue Recapture law. The MPHA's choice to persist with this policy risks use of MPHA resources to defend legal challenges to it. (Page 138)

MPHA Response: Thank you for the comment. Nothing in the Revenue Recapture Act or the Administrative Procedures Act prohibits the application of Appendix K, Paragraph 9.

DRAFT SECTION 8 ADMINISTRATIVE PLAN (ADMIN PLAN) FY 2014

In our comments on the Draft Admin Plan, we have not commented specifically on most of the proposed changes drafted to accomplish the MTW Plan proposed Housing Choice Voucher Rent Reform Initiative, particularly in Chapter 6 of the Admin Plan. See also the comments *supra* regarding the MPHA's FY 2014 MTW Plan proposed revisions to the Admin Plan implementation of the proposed Rent Reform Initiative.

141. The proposed revision regarding the return of permanently absent family members discussing the status of what the MPHA has termed "a household add-on" seems to make any person added to a Voucher household less than a household member in perpetuity. The person joining the household under the proposed language never counts as a household member to determine Voucher size and never is a household member with the rights of a remaining household member. The MPHA provides no rationale for this policy choice and provides no basis in law to support its policy. A choice to persist with this policy puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 3-7--3-8)

MPHA Response: This is a clarification of our existing policy. 982.315(b)(1) provides the PHA with discretion to consider factors regarding the assistance that remain with members residing in the original assisted household.

142. Section 3-II.D. should be revised to name the agency the MPHA uses and to identify what criteria are provided to that agency for its screening of MPHA applicants. The MPHA's choice to keep this information from the public and from applicants puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 3-14)

MPHA Response: Applicants denied admission are given the name and contact information of the Agency used to screen their background for criminal activity. Further, the screening criteria used can be found in Appendix E.

143. The revision of ineligibility for “any other criminal activity” for 5 years misstates the criterion permitted under law. The MPHA may deny assistance when there is criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or person residing in the immediate vicinity. See 24 C.F.R. § 982.553(2)(ii) (2012). A choice not to revise this section puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 3-21)

MPHA Response: MPHA declines to make the revision. MPHA declines to revise its definition. 24CFR982.552(c)(2)(i) permits the Agency to “In determining whether to deny or terminate assistance... consider all relevant circumstances ...” 24CFR982.552 (e) states “The PHA may at any time deny program assistance for an applicant in accordance with the PHA Policy as stated in the PHA administrative plan on screening of applications for family behavior or suitability for tenancy.”

144. Criminal activity is defined to include arrests within the past 5 years. Courts have ruled that arrests without convictions do not constitute a history of criminal activity. If the MPHA persists in using this policy it is at risk of using its resources to defend legal challenges, including those grounded in the constitution and fair housing laws, that such a policy presents. (Page 3-21)

MPHA Response: MPHA declines to make a change. MPHA declines to revise its definition. 24CFR982.552(c)(2)(i) permits the Agency to “In determining whether to deny or terminate assistance... consider all relevant circumstances ...” 24CFR982.552 (e) states “The PHA may at any time deny program assistance for an applicant in accordance with the PHA Policy as stated in the PHA administrative plan on screening of applications for family behavior or suitability for tenancy.”

145. The reviews of the individual’s eligibility that is described here conflicts with the lack of individualized review provided in application of the Applicant Screening Guidelines “grid” of Appendix E. See comments *infra* regarding Appendix E. (Page 3-21)

MPHA Response: MPHA will correct the citation. MPHA will clarify its Applicant Screening Guidelines to be clear that MPHA is giving consideration with each applicant. MPHA also notes that these are “guidelines” and are applied on a case-by-case basis.

146. The MPHA’s policy of disclosing current and prior addresses of a participant family to prospective owners must have an exception added to prevent the disclosure of the data for those participants covered by the VAWA. The reference to the VAWA Policy, Appendix D, is insufficient since there is nothing in the VAWA Policy that speaks to this point. This section needs further revision or the VAWA Policy needs revision to address this specific point. A choice not to revise either place this section or Appendix D puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 3-24)

MPHA Response: MPHA will add the statement “exclusive of VAWA” to address this concern

147. The revision to the consideration of circumstances section must be revised. The statement that the MPHA will consider “other” factors is insufficient. Examples, even if not an exhaustive list, of the factors that will be considered to determine this criterion must be stated or the MPHA’s decisions in such instances will appear arbitrary or *ad hoc*. The proposed language must be deleted or revised. The MPHA’s choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 3-24)

MPHA Response: MPHA will revert back to our former language and list of examples.

148. The section about removal of a family member from an application must be revised to allow for the situation in which the current address of the culpable family member is not known by the applicant family. As written, this section imposes a requirement that some families will not be able to meet because the MPHA is requiring them to do the impossible and penalizing them when they fail. (Page 3-25)

MPHA Response: MPHA will add the comment: “if known”.

149. The Draft removes the section about accessibility to the application process for people with disabilities and LEP applicants. The MPHA’s legal obligations to those populations have not been removed. The MPHA’s choice to proceed in this manner risks use of MPHA resources to defend legal challenges to it. (Page 4-2)

MPHA Response: MPHA will add the comment: “Refer to LEP Appendix B for MPHA’s plan to provide meaningful access to all of its programs and activities.”

150. The Briefing Packet described in this section of the Draft Administrative Plan must provide for compliance with the MPHA's LEP obligations, including stating the MPHA's obligation to provide free interpreter services at the Briefing. (Page 5-3—5-4)

MPHA Response: We will add the following: "At the request of LEP Applicants/Participants, MPHA will provide free interpreter services.

151. HUD has translated a number of Section 8 Voucher Program documents into 10 languages. These are available at <http://www.hud.gov/offices/fheo/promotingfh/lep.cfm>. In addition to making certain these translations are available the MPHA, perhaps in collaboration with other members of the Fair Housing Implementation Council (FHIC), should translate these and other vital documents into other languages identified as needed in this area by using the HUD LEP Guidance, 72 F.R. 2732 (Jan. 22, 2007) analysis.

MPHA Response: Thank you.

152. The documents the MPHA should provide in translation should include: the Section 8 Application, the Application for Continued Occupancy, the Section 8 Lease Addendum, the Statement of Responsibilities, the Section 214 Declaration, HUD 9886 form, and notices of proposed termination of assistance. The forms need to be in a LEP person's primary language because the forms are vital documents as defined by HUD's LEP Guidance, 72 F.R. 2732 (Jan. 22, 2007).

MPHA Response: Thank you for the comment.

153. When considering the translation of documents the MPHA, perhaps in collaboration with its fellow members of the Fair Housing Implementation Council (FHIC), should also consider that oral (taped) translations may be more effective than written translations for LEP populations with low literacy in their first languages, as well as less expensive for the MPHA.

MPHA Response: Thank you for the comment.

154. The VAWA Notice that the MPHA will use should be attached as an Exhibit to this Chapter or to the VAWA Policy in Appendix D to the Draft Administrative Plan so the community may review and comment on it. The participants would also be well-served if the Briefing Packet included the toll free telephone number for the Domestic Violence Hotline and the Sexual Assault Hotline.

MPHA Response: MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required. MPHA will add these telephone numbers to our briefing packet and to our resource listings.

155. The point about rent calculation methods and information must be revised if the MPHA's Rent Reform Initiative proposal is approved so it accurately reflects the MPHA's policies.

MPHA Response: Thank you

156. The Briefing Packet must include not only the information concerning filing a fair housing complaint, but also information for the participant about her rights to reasonable accommodation so she may enjoy equal access to the MPHA's Section 8 Program. Also, any form that the MPHA will provide for requesting a reasonable accommodation must be included in the Draft Administrative Plan for community review and comment. The MPHA's response in the past that forms are not subject to review by the public creates an artificial barrier to the community input process that is the purpose of the Annual Plan process and the notice-and-comment process. There is no rationale for withholding this information from the community.

MPHA Response: MPHA will add language to the Briefing Packet regarding a request for a reasonable accommodation. MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.

157. The Draft inserts the word "Notorized (sic)" in parenthetical (5). This revision must be deleted. The policy should read, "the PHA will approve the addition of a child to the household upon receipt of (1) a birth certificate; (2) legal proof of adoption; (3) a court order; (4) a delegation of powers of a parent under Minn. Stat. § 524.5.211 (2009); (5) written permission of the parent of other person having custody of the child; or (6) if none of the above documents are available, reliable, accurate and objective third-party verification of custody." This language is what was agreed upon for the MPHA's Public Housing Statement of Policies pursuant to the settlement of *Xiong v. Minneapolis Public Housing Authority*, Case No. 09-cv-01167 so, there should be no problem incorporating the same

language in the Section 8 Administrative Plan in this section. The agreed upon language quoted above from the settlement agreement does **not** require that the statement in (5) be notarized. A choice not to make this change puts the MPHA at risk of using its resources to defend legal challenges to it. (page 5-9)

MPHA Response: Section 8 is not governed by the cited case and MPHA declines to make this change.

158. The reasons listed in this section of the Draft Administrative Plan for extension of the Voucher term should include extension for those families covered by the VAWA. The family dealing with domestic or sexual violence may not be able to place its Voucher within the usual time due to circumstances resulting from the domestic or sexual violence situation. The Draft merely states that the MPHA will comply with its VAWA Policy in Appendix D which is insufficient because there is nothing in the VAWA Policy that speaks to this point. This section needs further revision or the VAWA Policy needs revision to include this issue. A choice to not revise either this section or the VAWA Policy in Appendix D puts the MPHA at risk of using its resources to defend legal challenges. (Page 5-13)

MPHA Response: VAWA protection is listed as a potential reason to extend the Voucher term and extension of the Voucher term is subject to compliance with the VAWA policy.

159. The proposal not to suspend the Voucher term when the Request for Tenancy Approval is being reviewed by the MPHA places the participant families at risk of losing their assistance through no fault of their own. The processing of the RTA may drag out for reasons related to action and inaction by the Owner and/or the MPHA staff that is completely outside the participant's control. The delay that is not due to her actions uses up her search time. The MPHA has provided no rationale for this significant penalty and potential risk for participant families. (Page 5-13)

MPHA Response: Search time and placement of the voucher is 120 days. Our policy change is based upon actions and inactions of owners and participants which created significant delays in lease ups.

160. The MPHA 90-day limitation on the absence of adult household members is not required by the law which permits a family to be absent for up to 180 consecutive calendar days. 24 C.F.R. § 982.312 (2012). There is no rationale provided for the MPHA's choice to impose a shorter time period so it appears to be an arbitrary decision. (Page 7-11)

MPHA Response: The 90 day limitation is part of the Agency's Absence from Unit Initiative approved by HUD as an Amendment to MPHA's 2011 MTW Plan.

161. The MPHA exceeds its legal authority regarding verifications and has no legal basis for requiring release of federal tax forms. See 24 C.F.R. § 5.230(c)(3) (2011) which requires the applicant or tenant to sign releases authorizing release of income return information from the IRS for HUD only. PHAs are not authorized to request release of this information from applicants or participants. The MPHA's choice to adopt this policy risks use of MPHA resources to defend legal challenges to it. (Page 7-19)

MPHA Response: MPHA declines to make this change. The regulation cited lists the minimum consent forms permitted, not the only consent forms permitted.

162. The section regarding intervention where there are children with elevated blood lead levels should be revised so that the Risk Assessment provided to the owner is also provided to the head of household in the participant family. (Page 8-8)

MPHA Response: In the instance where a child with EBL is identified MPHA terminates the HAP contract, allowing the family to relocate to a safe unit.

163. This section addressing the abatement of HAP payments when an owner fails to correct HQS violations asserts that the participant family remains responsible for the tenant's portion of the rent. This is not always the case when conditions of rental property do not comply with HQS and/or applicable City Codes. The participant has legal recourse to get repairs made that may include reduction or abatement of rent through Emergency Tenant's Remedies Action or Rent Escrow actions in district court. The MPHA should consider enhancing HQS compliance enforcement by joining with participant families who may use the MN District Court Emergency Tenants' Remedies Action or Rent Escrow Action procedures to obtain court orders to affect repairs to their rental premises. The MPHA should open discussion with tenant advocates at Legal Services, the Volunteer Lawyers Network and other tenant advocacy organization to find ways we all might work together to improve the condition of the affordable housing stock available to Section 8 participant families. (Page 8-15)

The MPHA could use those discussions to also consider how those parties might more effectively work together to effectively ensure that the legal protections available for tenants in foreclosed property are implemented so the needs of the MPHA's Section 8 participant families after foreclosure are fully met.

MPHA Response: MPHA will continue to adhere to HQS enforcement regarding abatements and will refer any families adversely affected by an abatement to Legal Aid for assistance.

164. The section on HAP Execution should be revised to also require the MPHA to check the foreclosure status of the premises prior to executing the HAP contract to make sure that the sheriff sale has not occurred. This will protect tenants and prevent administrative work when households must move after their protections under foreclosure laws have run out. (Page 9-10)

MPHA Response: MPHA refers to the City of Minneapolis website for information regarding foreclosure of units and MPHA's policy is to not contract for units that are under foreclosure. This information is provided to owners on the request for tenancy approval and the owner lease-up packet.

165. In the Changes In Lease section, the Draft proposes elimination of a new signed HAP contract with the owner when the rent changes after the initial lease period. This is only appropriate if the MPHA executes some other document continuing the terms of the initial HAP Contract. The policy should be clarified. (Page 9-11)

MPHA Response: Thank you for the comment. MPHA declines to make a change

166. The MTW Port Out policy section is the subject of comments *supra* regarding the FY 2014 MTW Plan. It also must be revised to specifically state that any move to exercise a participant's VAWA rights is exempt from any of the MPHA MTW limitations. A clear statement of exception is required; a mere reference to Appendix D, the VAWA Policy, is insufficient to inform a reader of her VAWA rights to port.

MPHA Response: MPHA will specify VAWA as an exemption to portability restrictions.

167. Similarly there must be a clear statement of exemption for moves that are required as a reasonable accommodation. If the MPHA's FY 2014 MTW Plan proposals are approved there still can be no waiver of the MPHA's statutory obligation to reasonably accommodate participants with disabilities. A clear statement of exception is required; a mere reference to the Reasonable Accommodation Policy, Appendix C, is insufficient because there is nothing in the Reasonable Accommodation Policy that speaks to this point. This section needs further revision or the Reasonable Accommodation Policy in Appendix C needs revision. A choice not to revise either policy puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 10-5)

MPHA Response: Thank you for the comment.

168. The section on initial billing must be revised. The references to the VAWA Policy in Appendix D and the Reasonable Accommodation Policy, Appendix C, are insufficient. There is nothing in the VAWA Policy or the Reasonable Accommodation Policy that speaks to this policy point. This section needs further revision or the

Appendices for the VAWA and Reasonable Accommodation Policies need revision. A choice not to make these revisions puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 10-10)

MPHA Response: Thank you for the comment. MPHA declines to make this change.

169. The section on subsequent family moves must be revised further in regard to exceptions for the family covered by the VAWA or requesting Reasonable Accommodation. There is nothing in the VAWA Policy, Appendix C, or the Reasonable Accommodation Policy, Appendix D, that speaks to this policy point. This section needs further revision or the Appendices on VAWA and the Reasonable Accommodation Policies need revisions. A choice not to make these revisions puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 10-10)

MPHA Response: Thank you for the comment. MPHA declines to make this change.

170. The section on voucher extensions must be revised further in regard to exceptions for the family covered by the VAWA or requesting Reasonable Accommodation. There is nothing in the VAWA Policy, Appendix D, or the Reasonable Accommodation Policy, Appendix C, that speaks to this policy point. This section needs further revision or the Appendices on VAWA and the Reasonable Accommodation Policies need revision. A choice not to make these revisions puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 10-13)

MPHA Response: Thank you for the comment. MPHA declines to make this change.

171. This section regarding notice of annual re-examination needs to be revised. Simply stating here that the MPHA will comply with its LEP Policy in Appendix B is insufficient. The right to have free interpreter services in the application process at MPHA expense must be clearly stated here. A choice not to make this revision puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 11-3)

MPHA Response: Thank you for the comment. MPHA declines to make this change.

172. The annual re-examination section includes a requirement of a Criminal History Background Release that the family must sign. That form is not attached to the Draft Plan as an Exhibit or Appendix so it is not possible for the community to review it or comment upon it. When we have asked for this form in the past we have been told that “issues of procedure” are not subject to public comment. This is nonresponsive, fails to explain why the MPHA would want to keep the form secret, and does not provide the legal basis the MPHA relies on for its refusal to make public a

form it intends to ask every participant family to sign at annual re-examination. Public input on the Administrative Plan is mandated by law and the MPHA should address concerns like this one directly. (Page 11-3)

MPHA Response: Thank you for the comment. MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.

173. The Draft Admin Plan proposes that a participant be offered a repayment agreement when an overpayment of the HAP is the result of a delay in the re-examination processing by the MPHA. While it is clear that delays that are caused by the participant should result in repayment by the participant it is not possible to imagine why a participant should be held responsible for the MPHA misfeasance. Part 14-II. D., page 14-8, of the Admin Plan correctly states the family is not responsible to repay an underpayment when the error or omission is the fault of the PHA, citing HUD Guidebook 7420.10G, page 22-12. A choice not to retain this proposal puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 11-5)

MPHA Response: Thank you for the comment.

174. The statement that all rent adjustments will provide for a 30-day notice of change to the participant is contradicted by the proposal in 11-I.E., page 11-5, that provides for notice to be postmarked by the 5th of the month. The proposal in 11-I.E., page 11-5, must be changed. (Page 11-10)

MPHA Response: Thank you for the comment. MPHA will remove or revise the statement.

175. The section on Effective Dates must be revised to avoid putting a participant at risk of homelessness and to comply with federal law. If a tenant (T) loses his job on January 2 and reports the decrease in income right away, the Draft policy requires that T wait 30 days, or until March, to have his rent decreased, to accommodate what the MPHA terms “the waiting month” – allowing MPHA to gather income information and give notice to the owner and the participant of the rent change. T has decreased income so is very likely unable to pay the incorrect (higher) rent amount for February. The Owner has the right to the full rent for February. If the MPHA calculated the decreased rent in a timely manner the HAP would increase for February and the Owner would not be forced to file an eviction complaint for nonpayment that will result in eviction of T. The MPHA’s “waiting month” delays recalculation for a rent decrease putting the participant family at risk of homelessness without any justification. And, as if the loss of housing through a nonpayment eviction is not enough harm to the innocent participant, the family faces mandatory termination from the MPHA’s HCV program; see Administrative Plan Chapter 12, 12-I.D. Mandatory Termination of

Assistance, page 12-3. Not only is this policy directly harmful to the participant as outlined, but the delay by the MPHA also violates 42 U.S.C. § 1437f (o) (2) (2012). The MPHA's choice in regard to this policy puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 11-12)

MPHA Response: Family-initiated reexaminations are processed within a reasonable time as required by law. See 24 CFR 982.516(b)(2). Family income is annualized with a 30-day waiting period for both increases and decreases in income and family rent portion.

176. The change in household composition section must be revised to allow an exception for those instances in which the family does not know the address of the culpable family member. Inability to do the impossible should not penalize the family. (Page 12-8)

MPHA Response: The policy states that "the family must present evidence of the former family member's current address upon PHA request." "Evidence" may include any number of things including a statement by the participant.

177. The notice to the applicant denying assistance should also tell the applicant how to arrange to review the contents of her applicant file at the MPHA and obtain copies of the contents at her own expense prior to her informal review. (Page 16-9)

MPHA Response: Thank you for the comment. MPHA will revise the informal review request form.

178. The pre-hearing right to discovery section must be revised to make it clear that the MPHA bears its own costs to copy any of the participant family's documentation that the MPHA wants to copy. The family is not obligated to provide free copies to the MPHA. The MPHA does not provide free copies to the family. As this section is currently written it leads the family to believe it must prepare a copy of documents for the MPHA when it is sufficient to make the documents available for the MPHA to review and copy at the MPHA's own expense if it wants copies. (Page 16-13—16-14)

MPHA Response: Thank you for the comment. The policy already states this. See page 16-13

179. The pre-hearing discovery section must be revised to make it clear that the pre-hearing disclosure obligations are mutual. Like the family, the MPHA must make available the documentation upon which it will rely at the hearing or forego use of that information, make available the witness information required of the family or forego use of those witnesses and all of this must be provided to the family within the same 3 day (or whatever length) period that

the MPHA imposes upon the family in this section. A choice not to make these revisions puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 16-14)

MPHA Response: MPHA provides this information at the nondisclosure appointment which is held prior to the termination hearing.

180. The section about attendance at the hearing must be revised to clarify that the attendees may include the free interpreter that the MPHA is obligated to supply for LEP participants. It must also be revised to include the free interpreter that the MPHA must provide for participants who are deaf or have a hearing impairment. There is nothing in the LEP Policy, Appendix B, or the Reasonable Accommodation Policy, Appendix C, that speaks to this policy point. This section needs further revision or the Appendices of the LEP and Reasonable Accommodation Policies need revisions regarding attendance at the informal hearing. A choice not to make these revisions puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 16-14)

MPHA Response: Thank you for the comment. MPHA declines to make this change and complies with its LEP Policy.

181. The section regarding the hearing decision at “Summary of Evidence” must be revised concerning the inclusion of a summary of any written arguments presented by the participant family. The acceptance and consideration of any written submission is required by basic due process under *Goldberg v. Kelly*, 397 U.S. 254, 90 S. Ct. 1011 (1970). The MPHA’s choice in regard to this policy puts the MPHA at risk of using its resources to defend legal challenges to it. (Page 16-16)

MPHA Response: The hearing officer summarizes all evidence presented at the hearing.

182. The Draft Admin Plan states the FSS Program is closed as of January 1, 2014. While 24 C.F.R. § 984.102 (2012) is subject to Attachment C, Paragraph E., of the MTW Agreement with HUD, Attachment C does not include closure of the FSS Program among permitted activities listed. (Page 18-1)

MPHA Response: This is not a MTW initiative

183. Entries for LEP and VAWA should be added to the acronyms in the Glossary. (Page GL-2)

MPHA Response: MPHA will make this change.

184. The definition of “Affiliated Individual” from VAWA 2013 should be added here. (Page GL-3)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
185. The definition of “Domestic Violence” from VAWA 2013 should be added here. (Page GL-5)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
186. The definition of “Dating Violence” from VAWA 2013 should be added here. (Page GL-5)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
187. The definition of “Sexual Assault” from VAWA 2013 should be added here. (Page GL-15)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
188. The definition of “Stalking” from VAWA 2013 should be added here. (Page GL-15)
MPHA Response: MPHA will make this change.
189. The defects pointed out in the MPHA’s Admin Plan LEP Plan in our October 26, 2010, letter commenting on the Draft Administrative Plan FY 2011 continue in this Draft Administrative Plan FY 2014.
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.

190. At the MPHA's August 18, 2011, meeting with community stakeholders the MPHA staff pointed out the 2011-12 revision to the MPHA lease in which any conflict between an MPHA document and MPHA document translated is resolved with the English document controlling. At that time MPHA staff was asked if the MPHA had a list of all documents the MPHA uses that are translated into some language other than English. The MPHA staff said that such a list would be provided to us and has never been received. We renew our request for this list. (Page B-1—B-7)

MPHA Response: MPHA does not have a comprehensive list of all documents that have been translated, there are staff with language skill who may translate notices and flyers. MPHA does adhere to the LEP plan and translates all documents that are included in the rent statements, along with the lease and documents of vital importance.

191. Our efforts to improve the MPHA's LEP Plan have garnered few revisions, with the MPHA declining nearly all changes. We renew our comments, concerns and suggestions although there appears to be a strong likelihood that the MPHA will again choose not to improve its LEP Plan and instead wait for litigation to force compliance with the law and better service to our community. The MPHA's choice to adopt this policy and this position risks use of MPHA resources to defend legal challenges to it despite more efficient alternatives.

MPHA Response: Thank you for the comment

192. The MPHA should obtain and use the translated documents that HUD has translated available at: <http://www.hud.gov/offices/fheo/promotingfh/lep.cfm>. We have requested this in the past and MPHA's response was to thank us for the suggestion but our clients have yet to see any of these documents in use. These documents are free so we cannot imagine any acceptable reason for the MPHA refusal to make use of these free resources.

MPHA Response: Thank you for the comment. While these documents may be free, they do not represent the English documents that MPHA uses. MPHA also notes that HUD does not provide any documents in Somali.

193. MPHA should pursue collaboration with the other members of the Fair Housing Implementation Council (FHIC) who are working on LEP issues and working together on efforts to translate vital documents for use with their LEP constituents. We have made this suggestion in the past and the MPHA's response was to thank us but our clients have not seen any of the documents developed by the other housing providers in the FHIC in use by the MPHA.

Again, we cannot imagine any acceptable reasons why the MPHA refuses to make use of these free resources that we see in use by other housing providers in their programs.

MPHA Response: Thank you for the comment. MPHA is involved in responding to HUD’s Proposed Affirmatively Furthering Fair Housing rule. MPHA anticipates that it will collaborate with the City of Minneapolis or another local government in fulfilling the requirement of that rule.

194. The final sentence of Paragraph B. 5. must be deleted. The definition of a LEP person in sentence 1 of this Paragraph correctly paraphrases the HUD Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (hereafter HUD Guidance) issued January 22, 2007. 72 Fed. Reg. 2732, 2740 col. 1. The definition in HUD Guidance and sentence 1 of this Paragraph would include as a LEP person someone who does not speak English as her primary language and speaks English proficiently but has a limited ability to read or limited ability to write English. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-1)

MPHA Response: Thank you for the comment. The sentence says “may” and it is discretionary.

195. The MPHA must revise the second sentence of Paragraph C. by deleting: “. . . and MPHA determines that the client is LEP” The determination of who is LEP is not the MPHA’s decision. The HUD Guidance specifically answers the question of who is LEP at 72 Fed. Reg. 2732, 2737 col. 2: “HUD and its recipients do not determine who is LEP. The beneficiaries of the services and activities identify themselves as LEP.” The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-2)

MPHA Response: Thank you for the comment. MPHA declines to make this revision.

196. The final sentence of Paragraph C., “If reasonably possible . . . preferred language.” must be deleted. The MPHA must provide free language assistance to a LEP person in the LEP person’s self-identified primary language to fulfill its legal obligations. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-2)

MPHA Response: Thank you for the comment. MPHA declines to make this revision.

197. Paragraph D. 2. a. for translation of vital documents must be changed. The paragraph refers to “public housing lease and selected mass mailings,” not Section 8 Program documents. The group measured in the proposed Paragraph, the “MPHA’s public housing tenants and Section 8 recipients,” is the incorrect population group to survey. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-3)

MPHA Response: Thank you for the comment. MPHA declines to make this revision.

198. This Paragraph should also state the MPHA’s obligations for those language groups who are too few in number to make written translation of vital documents a necessity, yet to whom the MPHA still has legal obligations to provide free language assistance. For those groups the HUD Guidance allows the MPHA to provide written notice in the primary language of the LEP group of the right to receive free competent oral interpretation of the written vital documents. 72 Fed. Reg. 2732, 2745 and 2753. This right should be clearly stated in this Paragraph so LEP persons in those smaller language groups know that the MPHA is legally obligated to provide them with free meaningful access to MPHA services, programs, benefits and encounters as well. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: The Policy already provides for free interpretation. It is not necessary to insert this language in this paragraph.

199. Paragraph D. 2. b. refers to “Paragraph B. 6. Meaningful Access” as part of the MPHA’s criteria to determine which documents are vital and thus must be translated. The HUD Guidance states that the determination of what documents should be translated also requires consideration of: “Lack of awareness that a particular program, right or service exists may effectively deny LEP persons meaningful access.” 72 Fed. Reg. 2732, 2744 col. 1 and 2. This factor from the HUD Guidance should be included in this Paragraph or should be added to Paragraph B. 6. as well. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-3)

MPHA Response: The purpose of LEP is to provide meaningful access to our programs. MPHA provides meaningful access to its programs as evidenced by its diverse clientele.

200. The consideration of the lifespan of a document in a decision whether to translate a document is included in the HUD Guidance. 72 Fed. Reg. 2732, 2744 col. 3. However Paragraph D. 2. c. goes beyond inclusion of the document's lifespan as a factor in the decision to conclude that the listed 5 documents are not vital and will not be translated on the basis of the singular factor of cost effectiveness. The 5 documents listed in this Paragraph should be translated according to the HUD Guidance because of the document's importance and the consequence each document presents to the LEP person receiving it. Many of the 5 documents listed in this Paragraph are on the list of vital documents listed in the HUD Guidance discussion of what written materials could be considered vital. 72 Fed. Reg. 2732, 2744 col. 1.

MPHA Response: Thank you for the comment. MPHA declines to make the change.

If the MPHA is going to categorically exclude the 5 documents listed in this Paragraph from the documents the MPHA will translate, then this Paragraph should state that the MPHA will provide LEP persons with free competent oral interpretation of these written documents. In addition, each document listed should provide the information in the LEP person's primary language regarding how the LEP person receiving it may obtain the free competent oral interpretation from the MPHA. 72 Fed. Reg. 2732, 2744 col. 2.

MPHA Response: Thank you for the comment. The Policy already indicates that free interpretation is available.

201. The MPHA's previous response to these issues that "most documents contain a language block" is inadequate. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-3)

MPHA Response: Thank you for the comment.

202. The instances when the MPHA must provide free interpreters listed in Paragraph D. 3. b. should also include: points where the MPHA provides security information; points where the MPHA provides emergency plan information; applicant interviews; lease signing and orientation; and income recertification meetings. These additional occasions, like the four listed in this Paragraph, are instances in which "health, safety, or access to important housing benefits and services are at stake" and "credibility and accuracy are important to protect and individual's rights and access to important services". 72 Fed. Reg. 2732, 2743 col. 3. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-3)

MPHA Response: Thank you for the comment. MPHA provides free language assistance.

203. Any waiver of free interpretive services by the formal interpreter provided by the MPHA to fulfill its legal obligation to provide free language assistance to the LEP person described in this Paragraph D. 4. b. must include a certification signed by the interpreter stating that the form has been interpreted for the LEP person in her primary language. The consent to waive such a fundamental right must be informed consent. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for the comment. MPHA will revise the form to add certification that the interpreter has interpreted the form to the client in the client's requested language.

The waiver consent form itself should be included in the LEP Plan so that it is available for public comment. The MPHA's response that forms or procedures change and thus are not subject to public notice and comment does not explain why the waiver consent form is not included in the LEP Policy. Even if the form does change in the future, including the version currently in use is both possible and a service to the community. (Page B-4)

MPHA Response: Thank you for the comment. MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.

204. The documentation referred to in Paragraph D. 7. should be done in every instance an interpreter is used. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for the comment. MPHA declines to make the change.

205. Paragraph D. 7. should require that the documentation include the interpreter's name, address, phone number, language used, and employer if the interpreter is a formal interpreter. If an informal interpreter is used the documentation should include the informal interpreter's relationship to the LEP person. This documentation will not be any more onerous to MPHA staff than making file notes when the agency interacts with the LEP person. The information will allow the MPHA to use the same interpreter again with a LEP person, a practice that often helps speed interpretation and adds comfort for all the parties in the interaction. It will also give the MPHA useful information for the LEP Manager monitoring referred to in Paragraph J., Page 91. (Page B-4)

MPHA Response: Thank you for the comment. MPHA has this information regarding a formal interpreter and the waiver form contains this information for an informal interpreter

206. HUD's Guidance defines a vital document as "any document that is critical for insuring meaningful access to the recipient's [MPHA's] major activities and programs by beneficiaries generally and LEP persons specifically. Whether a document (or the information it solicits) is "vital" may depend upon the importance of the program, information, encounter, or service involved, and the consequences to the LEP person if the information in question is not provided accurately or in a timely manner." 72 Fed Reg. 2732, 2752 col. 1. This HUD Guidance definition should be incorporated into Paragraph D. 8. (Page B-4)

MPHA Response: Thank you for the comment. MPHA's language complies with federal regulation. Please see the definition of Meaningful Access in the LEP.

207. The instances listed in Section F. in which the MPHA will provide notice of free language assistance begin with the application form. The MPHA's obligations to LEP persons are broader than those written in this Section and require that the MPHA meet the language needs of eligible LEP persons in the geographic area served by the MPHA, particularly those least likely to apply for the MPHA programs without outreach activities. 72 Fed. Reg. 2732, 2748 col. 2. This Section must include how the MPHA will provide notice of free language assistance to LEP persons in the area in which the MPHA operates which includes the larger community, not just applicants and participants in MPHA's programs. The MPHA's choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page B-5)

MPHA Response: Thank you for the comment. Your requested language is included in F.5 of the LEP plan.

208. MPHA's public communications, marketing, outreach activities, and offices accessible to the public must inform the public that the MPHA will provide free language assistance to LEP persons. Signs and resources to provide the public and LEP persons in those situations have been developed and used by the Social Security Administration and are listed in the HUD Guidance. 72 Fed. Reg. 2732, 2737 col. 3, 2752 col. 2 and 2746 col. 2.

MPHA Response: Thank you for the comment. MPHA will post signs.

209. The MPHA's response to this point in the past was a statement that it would follow up on this. To date, it does not appear that this has been done. A recent visit to the MPHA main office found no signage about access to free language assistance or any way a non-English speaker from the community entering the building could indicate

the language needed or the purpose of the visit. If there has been any follow up, there has been no publicly visible implementation of change.

MPHA Response: Thank you for the comment. MPHA will post signs.

210. In regard to Paragraph F. 1., the application for public housing questions regarding need for language assistance is currently in English. Until the MPHA has translated these vital documents a more effective way to identify language needs would be the use of “I speak” cards available at no cost to the MPHA on the Department of Justice website. 72 Fed. Reg. 2732, 2737 col. 3, 2746 col. 1 and 2752 col. 2. The MPHA’s response in the past was to state that it had the “I speak” cards referred to above. However, many LEP clients and community members report that they have never seen these cards used by MPHA staff in the staff’s interaction with them. If the MPHA has the cards, it now must train its staff to effectively use them. (Page B-5)

MPHA Response: Thank you for the comment. The “I speak” cards are available to MPHA staff and are most likely not used if staff knows the language of the client or is able to verbally confirm the language with the client. MPHA will remind staff of the availability of the “I speak” cards.

211. The questions on the application must not just ask for a LEP person’s primary language and whether the person needs language assistance. The question must also include the statement that the MPHA will provide free language assistance. Failure to state that the assistance is free has a chilling effect on the self-identification by many LEP persons who are seeking services from the MPHA and do not want to appear to be a burden or to ask for anything that might be inappropriate for fear they will be judged negatively.

MPHA Response: Thank you for the comment. The application asks if the client wants free interpreter services.

212. The MPHA’s previous response that many documents contain the language block is inadequate. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for the comment. MPHA provides language assistance.

213. The Data Privacy Statement referred to in Paragraph G. 2. is not attached so it is not possible to comment on it. We request that the document be provided to the public. (Page B-6)

MPHA Response: The Data Privacy Statement is a form and is available to the public under the MN Data Practices Act.

214. The form that is developed must include a certification signed by the interpreter stating that the form has been interpreted for the LEP person in her primary language. The consent must be informed consent.
MPHA Response: Vendors sign the statement at the time the contract is entered into and prior to providing any language assistance. As such, MPHA declines to make the requested change.
215. The MPHA’s previous response that forms are not provided for public notice and comment is puzzling at best. There is no reason provided for keeping this or other forms from public view.
MPHA Response: MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.
216. If there is anything in the “Waiver” form about treatment of private and confidential data then we need to see the form in order to adequately comment on it. We request that the document be provided to the public with a 30 day notice-and-comment period before it is adopted for use. (Page B-6)
MPHA Response: The form does state that private information may be disclosed. Confidential data is not even available to the client under the Data Practices Act.
217. The MPHA’s previous response that forms are not provided for public notice and comment is puzzling at best. There is no reason provided for keeping this or other forms from public view.
MPHA Response: MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.
218. Application forms seek language information in English so it is quite unlikely that this is the most accurate way to identify LEP persons and their primary languages. Revising this Paragraph to also require the use of “I speak” cards at applicant interviews, lease signing, and Section 8 briefings and requiring the documentation of the self-identification of LEP persons and their primary languages would improve the MPHA’s collection of accurate information about language needs in our community. (Page B-6)
MPHA Response: Thank you for the comment and see prior responses regarding the “I speak” cards.

219. The MPHA has previously stated it has given staff the “I speak” cards but clients who would benefit from their use report never seeing one in their interactions with the MPHA. Failure to document language needs in our community undermines the effectiveness of the MPHA LEP activities and compliance with its LEP obligations.

MPHA Response: Thank you for the comment.

220. If the MPHA takes this opportunity to make the revisions to its LEP Policy to bring it into compliance with the law then new training pursuant to Paragraph I. 3. on the corrected Policy would be in order. (Page B-6)

MPHA Response: Thank you for the comment.

221. The MPHA has stated previously that its training is done by its Legal Department staff. There are many community resources that serve LEP persons and that provide language services from which the MPHA should request input and assistance with training its staff.

MPHA Response: Thank you for the comment. MPHA legal staff will again provide LEP training for staff.

222. The MPHA has previously stated that it would consider LEP training along with its other training. Has the MPHA taken advantage of community resources to provide LEP training for its staff?

MPHA Response: Yes, thank you for your comment.

223. Paragraph I. 4. should be revised to add: “f. How to work with an interpreter.” The information in the MPHA’s LEP Plan at Paragraph E contains important but basic information. The training of staff should augment the information in Paragraph E, preferably with the input of one or more professional interpreters from the community providing the information to the MPHA staff and answering questions at the training. (Page B-6)

MPHA Response: The LEP plan has guidelines for using an interpreter and the training indicates that it will include the substance of the LEP plan.

224. We have suggested this addition and use of community resources in the past and the MPHA stated it declined. This response does little to build coalitions with community interests or make use of resources that the MPHA does not have. The MPHA has stated that its LEP training was provided by professional interpreters. We have

no reason to doubt this and this is not the point we are raising in our suggestion. We are suggesting that the training provided to the staff be more than the barebones essentials listed in this section to provide better service to our community and to make the MPHA's staff more effective.

MPHA Response: Training provided to staff is more than "bare bones" and complies with applicable law and regulation.

225. Section I. 5. states that the MPHA will make language identification flashcards available to staff. Perhaps this refers to the "I speak" cards from the Department of Justice website as noted in the HUD Guidance. 72 Fed. Reg. 2732, 2737, 2746 and 2752. We have asked many LEP persons who would benefit from such a tool about this and they all report never having seen one in use by the MPHA staff person with whom they interacted. (Page B-6)

MPHA Response: See prior responses regarding "I speak" cards.

226. A review of MPHA policy documents and the MPHA website does not reveal the name of the MPHA LEP Manager. Please provide his or her name. (Page B-6)

MPHA Response: Terry Kiefer.

227. Paragraph J should include as 4 "Soliciting feedback from members of the community the Plan serves." HUD Guidance suggests this as a good factor for evaluation and encourages community input throughout the evaluation process. 72 Fed. Reg. 2732, 2746. Despite the numerous refusals to make changes we remain hopeful that the MPHA or its Board will direct the MPHA staff to take advantage of resources and make changes that will bring the LEP Policy into compliance with the law in order and to better serve the LEP communities the MPHA Plan should serve. (Page B-7)

MPHA Response: Thank you for the comment. MPHA receives feedback on its Admin Plan through its public comment period and from its Resident Advisory Board and Tenant Advisory Committee. Also, MPHA sent its proposed SOP and Admin Plan to over 100 different community organizations for opportunity to comment.

228. Paragraph K should include as 4 "Provided within three (3) business days in response to a request for a copy of the LEP Plan received at the MPHA's office at 1001 Washington Avenue N., Minneapolis, MN." Not everyone affected by the MPHA's LEP Plan is an applicant, resident or participant for whom options 1 and 2 of this Paragraph would provide access. Not everyone affected by the MPHA's LEP Plan has Internet access for which option 3 of this

Paragraph would provide access. The MPHA's prior response to this request that the Plan is a public document and will be disclosed subject to the Minnesota Government Data Practices Act (MN GDPA) is unresponsive to community members who may not know how to use the MN GDPA. Continuing to take this position continues to maintain a LEP Plan that is less rather than more accessible without reason. (Page B-7)

MPHA Response: Thank you for the comment. Like every public document, MPHA will provide the plan upon request.

229. The final sentence of Paragraph L. stating that this Policy is a standard to which the MPHA "aspires" continues to create the impression with the LEP communities in our area that the MPHA's LEP Policy is viewed by the MPHA as less than its legal obligations. The MPHA's LEP obligations are legal requirements not hortatory or aspirational goals to shoot for and for which there are no legal consequences if the goal is not attained. (Page B-7)

MPHA Response: Thank you for the comment.

230. Appendix D must be revised throughout to incorporate the changes in the law since the March 7, 2013 enactment of the Violence Against Women Reauthorization Act of 2013, Pub. L. No. 113-4, Title VI, 127 Stat. 54 (March 7, 2013) (VAWA 2013). We have noted some particular points below, but the entire Part must be revised to comply with the law. The MPHA's failure to make these changes to this Appendix risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Thank you for the comment. Pursuant to the Policy, applicable law, regulation or ordinance will control over the policy.

231. Since the list of translated documents requested at the August 18, 2011, meeting with MPHA staff and community stakeholders has never yet been received it is impossible to fully assess MPHA's compliance with its LEP obligations in its work with victims of domestic and sexual violence. At the very least, the MPHA should do the following:

- MPHA must review its VAWA Policy to see where LEP issues will play a role in full implementation of the requirement of VAWA. HUD has translated the VAWA Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-50066 into 11 languages. See, <http://www.hud.gov/offices/adm/hudclips/forms/files/5006-langs.pdf>.
- MPHA must make certain these translations are available to its LEP applicants and participants. MPHA should make every effort possible, perhaps in collaboration with other housing provider members of the Fair Housing

Implementation Council (FHIC), to translate the Certification form into other languages particular to the MPHA's service area and identified by implementation of the HUD LEP Guidance, 72. F.R. 2732 (Jan. 22, 2007). (Page D-1—D-6)

MPHA Response: Free language assistance is available to Victims under the VAWA policy. MPHA is aware of the website and the translated forms.

232. Our prior request that the MPHA use the translated VAWA Certifications available free from the HUD website resulted in a thank you from the MPHA but we have not seen the use of the translated documents in the MPHA's work with LEP applicants or residents. The MPHA's failure to do so risks use of MPHA resources to defend legal challenges to it.

MPHA Response: Free language assistance is available to Victims under the VAWA policy. Unfortunately, most of the languages provided by HUD represent few, if any, of MPHA's clients. Our greatest need for languages from East Africa are not available from HUD.

233. The MPHA is required by the VAWA, 42 U.S.C. § 1437f(ee)(2) (B) (2009), to provide Notice to Applicants, Participants and Owners in the Section 8 Housing Choice Voucher Program of the provisions of the VAWA. These Notices should be incorporated in the Admin Plan as an Exhibit or as part of the VAWA Policy as other Section 8 Programs have. These required Notices are not contained in the Draft Section 8 Admin Plan at any point so the public has not been able to review and comment on them. Please send us a copy of these Notices as soon as possible so we may review them and have our comments and the MPHA responses included in the MPHA's presentation to the Board of Commissioners on September 25, 2013.

MPHA Response: MPHA continuously revises many forms. MPHA declines the request to submit forms for public comment because it is impractical and not required.

234. VAWA now protects victims of sexual assault as well, so the categories of covered persons listed in Paragraph 1.0 must be revised accordingly. (Page D-1)

MPHA Response: MPHA's Violence Against Women Act (VAWA) Policy Section 11.0 states, "If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.

235. Paragraph 2.0 must be revised to incorporate the VAWA 2013 citation. (Page D-1)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
236. A definition of “Affiliated Individual” from VAWA 2013 must be added to this Appendix. (Page D-1)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
237. A definition of “Sexual Assault” from VAWA 2013 must be added to this Appendix and the term added throughout. (Page D-2)
MPHA Response: MPHA’s Violence Against Women Act (VAWA) Policy Section 11.0 states, “If this Policy conflicts with any applicable law, regulation, or ordinance, the law, regulation, or ordinance shall control. MPHA will review the 2013 VAWA Reauthorization Act and make revisions as necessary.
238. Paragraph 6.0 imposes obligations on the people protected by the VAWA provisions that exceed the MPHA’s authority under the law. VAWA does not require that the victim take any action against her abuser including obtaining court orders. The MPHA leases describe a tenant’s obligations. The second and third sentences of this Paragraph propose additional tenant obligations for victims of domestic violence, only because they are victims of abuse, which are more demanding standards than those applied to other participants who are victims of crimes. This Paragraph seeks to impose unnecessary and punitive burdens upon victims unless the second and third sentences are deleted. This paragraph must be revised by: Delete the second and third sentences in this Paragraph from “The victim shall . . . ” through “. . . reasonable measures.”
- When the illegality of this provision was pointed to the MPHA in the past the MPHA declined to make any changes. The MPHA’s choice to persist with this policy risks use of MPHA resources to defend legal challenges to it. (Page D-5)
- MPHA Response:** A Victim has an obligation to act in a manner which will not disturb the peaceful enjoyment of the Premises. A Victim may not be held to a more demanding standard than another Tenant or Participant. In order to comply with the program requirements, a Victim **may** have to take the actions requested.

239. Paragraph 10 states the MPHA’s obligations under the law to include in its 5 Year Plan the “goals,, objectives, policies or programs that will serve the needs of victims” and a description of the activities, services or programs offered by the MPHA alone or in partnership with other service providers to victims. The MPHA 2012-2017 Strategic Plan contains none of this information and must be amended to comply with the law. (Page D-6)

MPHA Response: See response to identical earlier question.

240. The Draft Admin Plan proposes a change to the definition of drug-related criminal activity. The legal term “Drug-related criminal activity” as used in 24 C.F.R. § 982.553 (2011) is defined in 24 C.F.R. § 5.100 (2011) and does not include the proposed revision shown in the Draft. The proposed language must be withdrawn. The MPHA’s choice to adopt the policy as drafted risks use of MPHA resources to defend legal challenges to it. (Page E-4)

MPHA Response: MPHA declines to revise its definition. 24CFR982.552(c)(2)(i) permits the Agency to “In determining whether to deny or terminate assistance... consider all relevant circumstances ...” 24CFR982.552 (e) states “The PHA may at any time deny program assistance for an applicant in accordance with the PHA Policy as stated in the PHA administrative plan on screening of applications for family behavior or suitability for tenancy.”

241. The Draft Admin Plan presents a list of activities included in “criminal activity” to be used for the exclusion permitted under 24 C.F.R. § 982.553 (2011). The list as drafted includes as #4 “eviction from an assisted housing within the past five years.” Eviction is a civil proceeding that may be based on a number of bases, see Minn. Stat. § 504B.281-315 (2012), most of which are not criminal in nature. Eviction from assisted housing within the past 5 years is a non-criminal, discretionary basis for denial of or termination of assistance pursuant to 24 C.F.R. § 982.552(c)(1) (ii) (2011). If the MPHA proposes to deny or terminate assistance for eviction from assisted housing within the past 5 years, this proposal belongs in some other section of the Admin Plan, not on a list of criminal activities. (Page E-5)

MPHA Response: Thank you for the comment. MPHA will revise this language to add “as the result of criminal activity...” following ‘termination of assistance for eviction from assisted housing’

242. The MPHA states at Page 12-9 of its Draft Admin Plan that it will consider the mitigating circumstances of 24 C.F.R. § 982.552(c)(2) (2011) when terminating assistance. The reiteration of mitigating circumstances in Paragraph 2, Page E-5 is incomplete and must be revised to correctly state the law. The MPHA states that the Applicant Screening Guidelines “grid” establishes the “elapsed timeframe” for consideration of the crimes listed, the MPHA’s

“reasonable time” of 24 C.F.R. § 982.553(2)(ii)(B) (2011). If the MPHA intends to use the Screening Guidelines “grid” as the determinative listing of what it deems to be “reasonable look-back” periods when reviewing criminal histories, as it indicates in the second paragraph, the Screening Guidelines must be revised to include the full range of criminal dispositions that occur in the criminal justice system. Disposition is not simply sentencing to jail or a correctional facility followed by probation or parole at the court’s disposal. The court may use a De Novo Program or a Stay of Imposition and other Conditions, just to name two. If the MPHA intends to make the evaluation of criminal history a process of fitting a criminal record into a “grid” of possible crimes and outcomes for the purpose of determining which events will be considered and which will be disregarded, the “grid” must recognize all the possible outcomes and account for those too. (Page E-5)

MPHA Response: The guidelines do not use the term disposition. The guidelines use the term sentence and conviction as defined by the policy which may include a De Novo Program, for example. Also, MPHA cannot list “all possible outcomes” in all jurisdictions and declines to make this change.

243. The MPHA’s stated intention in Paragraph 3 is to make *ad hoc* decisions when a crime does not occur on its Applicant Screening Guidelines “grid.” MPHA’s decisions in these circumstances will appear arbitrary and expose the MPHA to the risk of use of its resources to defend legal challenges to its *ad hoc* determinations. (Page E-5)

MPHA Response: MPHA, as a public entity, is permitted to exercise discretion. In this case, MPHA will consider a similar crime, the offending conduct, and the length of the sentence.

244. The Guidelines should also be revised to redefine the meaning the MPHA gives to “sentence” in Paragraph 4. By including probation and parole in sentence, the MPHA adds on years of ineligibility after probation or parole ends. The MPHA is imposing additional collateral consequences to criminal sentencing that the criminal justice system has not created or sanctioned. (Page E-5)

MPHA Response: Thank you for the comment. MPHA declines to make a change.

Resident Advisory Board

August 27, 2013 – Moving To Work Resident Advisory Board Passed the Following Motions:

1. **Motion** - All members of the Resident Advisory Board are disappointed and sad that in order to prevent MPHA from having to eliminate 500 families from Section 8 the agency had to implement a Rent Reform initiative which will increase the rent of most of the participants.

MPHA Response: Thank you for your comment. MPHA is doing all it can to meet its mission during these extraordinary times.

2. **Motion** - MPHA should change the bed bug transfer policy from 90 days prior to transfer to 30 days prior to transfer and management should check the transfer unit a week after the tenant has moved.

MPHA Response: MPHA will withdraw its proposed Transfer Policy related to bed bug infestation and instead address this matter through a procedure that relies upon effective preventive measures designed to limit the spread of bed bug infestation.

3. **Motion** - MPHA's Smoke Free Policy should exclude incense and e-cigarettes.

MPHA Response: MPHA has considered resident comments regarding incense and e-cigarettes, both of these products are unregulated and can be harmful to those who inhale the vapor or smoke and also cause damage to MPHA property.

Incense smoke would have a similar effect as cigarettes have on our building interiors and the additional cost incurred to clean up and paint the unit would be the same from incense as tobacco. Residuals from smoke also affect our building heating system because of the finned tube radiation units in all our buildings is prone to getting gummed up with combustion byproducts and is very difficult (and costly) to clean.

Smoke is smoke and both tobacco and incense come from plant materials. The level of damage to the unit interior depends on the amount of smoke emitted. In a unit occupied by those who burn incense regularly, the effect is the same as having a chain smoker in the unit.

Through its Strategic Plan process, MPHA documented and addressed the risks and significant health impact of secondhand smoke on residents. In response to the overwhelming evidence of the dangers of secondhand smoke, the MPHA Board adopted a smoke free policy for all of its developments. MPHA staff recommends that the Smoke Free policy remain in place.

September 10, 2013– Moving To Work Resident Advisory Board Passed the Following Motions:

1. **Motion** -The Resident Advisory Board endorses the comments submitted by the Minneapolis Highrise Representative Council.
MPHA Response: MPHA has responded to each matter raised by the Minneapolis Highrise Representative Council. Those responses are included on pages 21-25.

2. **Motion** -The Resident Advisory Board believes that there should be a reasonable accommodation for residents to smoke in their apartment for medical purposes or if they are unable to go outside to smoke.
MPHA Response: MPHA believes that its Smoke Free policy complies with all applicable laws and regulations.

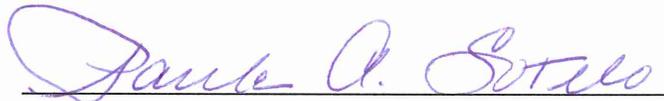
3. **Motion** -The Resident Advisory Board would like MPHA staff to better communicate more clearly to all residents regarding Reasonable Accommodation and Hardship policies.
MPHA Response: MPHA is diligent in its efforts to inform residents about its Reasonable Accommodation and Hardship Policies and is happy to work with residents on its communications regarding these policies.

CERTIFICATE

I, Paula Sotelo, Executive Administrative Assistant of the Minneapolis Public Housing Authority in and for the City of Minneapolis, do hereby certify that the attached **RESOLUTION** was duly adopted at an adjourned meeting of the Board of Commissioners of said Authority, held on October 9, 2013, and is a true and correct copy of the **RESOLUTION** adopted at said meeting and on file and of record in the official Minutes of said Authority.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Authority this 9th day of October, 2013.

I DO HEREBY CERTIFY THAT I AM DULY AUTHORIZED TO EXECUTE THIS CERTIFICATE.



(SEAL)

APPENDIX D: MPHA Board Resolution /Certification of Compliance

RESOLUTION No. 13-139

WHEREAS, the Minneapolis Public Housing Authority in and for the City of Minneapolis (MPHA) signed a Moving To Work (MTW) Agreement with the U.S. Department of Housing and Urban Development (HUD) on January 6, 2008, making MPHA a full status Moving To Work Agency; and

WHEREAS, the full status Moving To Work Agreement requires MPHA to create an annual Moving To Work Plan; and

WHEREAS, MPHA also identified and made changes to its Statement of Policies, its Section 8 Administrative Plan, and its Investment Policy; and

WHEREAS, MPHA is required to submit the Moving To Work Plan to HUD prior to October 15, 2013;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of MPHA that the 2014 Moving To Work (MTW) Plan and the changes to the Agency's Statement of Policies, its Section 8 Administrative Plan, and its Investment Policy are approved and that the Executive Director is authorized to submit them to HUD for approval as required.



October 9, 2013

Agenda Item 1

REPORT TO THE COMMISSIONERS

FROM: Cora McCorvey, Executive Director / CEO

SUBJECT: MPHA 2014 Moving To Work (MTW) Plan and Changes to the MPHA Statement of Policies, Section 8 Administrative Plan, and Investment Policy

Previous Directives: On January 6, 2008, MPHA signed an MTW Agreement with HUD making the Agency a full status MTW agency. This status requires MPHA to create an Annual MTW Plan. On July 6, 2008, the Board approved MPHA's first MTW Plan under the new agreement and has subsequently approved a new MTW Plan each year following.

Resident Notification: The MPHA Board of Commissioners appointed the MTW Resident Advisory Board (RAB) consisting of representatives from the Tenant Advisory Committee, and other members representing MPHA resident populations including Highrise, Family, Scattered Site and Section 8, for the purpose of ensuring resident involvement in the MTW Plan process.

Impact on Budget: The MTW Plan identifies how MPHA resources will be spent, but does not itself have a budgetary impact.

Procurement Review: Not applicable

RECOMENDATION: It is recommended that the Board of Commissioners adopt a resolution approving the MPHA FY2014 MTW Plan and forward it to HUD pursuant to the requirements in the MTW Agreement. It is further recommended that the Board of Commissioners approve the proposed changes to the Statement of Policies, Section 8 Administrative Plan, and Investment Policy.

The development of an MTW Plan is a requirement of the Revised Standard Moving To Work Agreement between HUD and MPHA. The 2014 MTW Plan utilizes the new Attachment B – MTW Plan and Report Format which includes an Introduction with the Agency's Short and Long Term MTW Goals and Objectives, General Housing Authority Information, information on MPHA's proposed MTW Initiatives (including the

APPENDIX D: MPHA Board Resolution /Certification of Compliance



Comprehensive Section 8 Rent Reform Initiative and the Agency Investment Initiative), updates on MPHA's on-going MTW activities, MPHA's MTW Budget and various other administrative information, including the Comments and Responses regarding the MTW Plan.

Also included for consideration as part of the MTW Plan process are proposed changes to the MPHA Statement of Policies and the Section 8 Administrative Plan.

As is its tradition, MPHA used extraordinary efforts to solicit input in the development of its MTW Plan and changes to its administrative policies. Following the appointment of the MTW RAB by the MPHA Board of Commissioners, the MTW RAB met on a regular basis working with Agency staff to consider proposals for the Draft MTW Plan. RAB also developed a statement of priorities which is included as an attachment to the MPHA MTW Plan.

In addition, MPHA attended information gathering meetings with public housing residents, sent notice to all Section 8 Housing Choice Voucher holders and owners and hosted meetings for the same, and sought comments from community partners and advocacy groups. Information gathered from these meetings was utilized in developing the Draft MTW Plan, and in gathering feedback on MPHA's proposed initiatives and administrative policies. The MPHA Board of Commissioners sought additional feedback in a August 28, 2013 public hearing.

The Comments and Responses Section of the MTW Plan lists comments by the MTW Resident Advisory Board, attendees at the public hearing, and by various resident organizations, key constituencies, and individual residents. This section also includes MPHA responses and changes to the Draft MTW Plan and administrative policies based upon the comments received.

A copy of the Board Resolution is attached to this Report. MPHA Board members will receive a Board Update with copies of all comments received and MPHA responses prior to the September 25, 2013 Board Meeting.

The MTW Plan must be submitted to HUD prior to October 15, 2013.

This Report was prepared by Bob Boyd, Director of Policy and Special Initiatives. For Further information, please contact Mr. Boyd at (612) 342-1437 or bboyd@mplspha.org.

APPENDIX D: MPHA Board Resolution /Certification of Compliance

OMB Control Number: 2577-0216
Expiration Date: 5/31/2016

Form 50900: Elements for the Annual MTW Plan and Annual MTW Report

Attachment B

Certifications of Compliance

Annual Moving to Work Plan
Certifications of Compliance

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan*

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the PHA fiscal year beginning January 1, 2014, hereinafter referred to as "the Plan", 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 Plan and implementation thereof:

1. The PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the PHA conducted a public hearing to discuss the Plan and invited public comment.
2. The PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
3. The PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1.
4. The PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
6. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
7. The PHA will affirmatively further fair housing by examining its programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
12. The PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.

APPENDIX D: MPHA Board Resolution /Certification of Compliance

OMB Control Number: 2577-0216

Expiration Date: 5/31/2016

13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
21. All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its Plan and will continue to be made available at least at the primary business office of the PHA.

Minneapolis Public Housing Authority
PHA Name

MN002
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. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

F. Clayton Tyler
Name of Authorized Official

Chair, MPHA Board of Commissioners
Title

Signature

10-9-2013
Date

*Must be signed by either the Chairman or Secretary of the Board of the PHA's legislative body. This certification cannot be signed by an employee unless authorized by the PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.

APPENDIX E: Performance & Evaluation Reports

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 3/31/2014

Part I: Summary						
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: MN46R00250210 Date of CFFP:			FFY of Grant:2010 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
1	Total non-CFP Funds					
2	1406 Operations (may not exceed 20% of line 21) ³					
3	1408 Management Improvements					
4	1410 Administration (may not exceed 10% of line 21)					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures					
11	1465.1 Dwelling Equipment—Nonexpendable					
12	1470 Non-dwelling Structures					
13	1475 Non-dwelling Equipment					
14	1485 Demolition					
15	1492 Moving to Work Demonstration	736,720	736,720	736,720	0	
16	1495.1 Relocation Costs					
17	1499 Development Activities ⁴					

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary						
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: MN46R00250211 Date of CFFP:			FFY of Grant:2011 FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012 <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
1	Total non-CFP Funds					
2	1406 Operations (may not exceed 20% of line 21) ³					
3	1408 Management Improvements					
4	1410 Administration (may not exceed 10% of line 21)					
5	1411 Audit					
6	1415 Liquidated Damages					
7	1430 Fees and Costs					
8	1440 Site Acquisition					
9	1450 Site Improvement					
10	1460 Dwelling Structures					
11	1465.1 Dwelling Equipment—Nonexpendable					
12	1470 Non-dwelling Structures					
13	1475 Non-dwelling Equipment					
14	1485 Demolition					
15	1492 Moving to Work Demonstration	30,522	0	0	0	
16	1495.1 Relocation Costs					
17	1499 Development Activities ⁴					

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary						
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: MN46R00250211 Date of CFFP:			FFY of Grant: 2011 FFY of Grant Approval:	
Type of Grant						
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)		
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012		<input type="checkbox"/> Final Performance and Evaluation Report				
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	30,522	30,522	0	0	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director			Date			
Signature of Public Housing Director			Date			

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary					
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: MN46R00250210 Date of CFFP:		FFY of Grant: 2010 FFY of Grant Approval:	
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	736,720	736,720	736,720	0
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director			Date	Signature of Public Housing Director	
				Date	

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary	
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P00250111 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2011 FFY of Grant Approval:	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2012 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	11,530,231	11,530,231	11,530,231	5,966,502
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary					
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: MN46P00250111 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant: 2011 FFY of Grant Approval:	
Type of Grant					
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012		<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)				
20	Amount of Annual Grant:: (sum of lines 2 - 19)	11,530,231	11,530,231	11,530,231	5,966,502
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director			Date	Signature of Public Housing Director	
				Date	

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary	
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P0025012 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2012 FFY of Grant Approval:	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2012 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	10,631,469	10,631,469	962,748	0
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary						
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: MN46P0025012 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2012 FFY of Grant Approval:	
Type of Grant						
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)		
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012		<input type="checkbox"/> Final Performance and Evaluation Report				
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	10,631,469	10,631,469	962,748	0	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director			Date			
Signature of Public Housing Director			Date			

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary	
PHA Name: Minneapolis Public Housing Authority	Grant Type and Number Capital Fund Program Grant No: MN46P0025013 Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: 2013 FFY of Grant Approval:	

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: 12/31/2012 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	10,331,899	10,331,899	0.00	0.00
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
Expires 3/31/2014

Part I: Summary						
PHA Name: Minneapolis Public Housing Authority		Grant Type and Number Capital Fund Program Grant No: MN46P0025013 Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: 2013 FFY of Grant Approval:	
Type of Grant						
<input type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)		
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 12/31/2012			<input type="checkbox"/> Final Performance and Evaluation Report			
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)	10,331,899	10,331,899	0.00	0.00	
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director			Date		Signature of Public Housing Director	
					Date	

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

