

On May 25, 2016, the Saint Paul Public Housing Agency (PHA) Board of Commissioners approved the following actions:

- Bush Foundation Ecosystem Grant Opportunity
- Funding Request to Minnesota Housing; Seal Hi-Rise, MN 1-27 (AMP 2); Construct 6 Dwelling Units; HUD Development Application
- Funding Request to Minnesota Housing; Valley Hi-Rise, MN 1-6 (AMP 5); Construct 4 Dwelling Units; HUD Development Application
- Section 8 Management Assessment Program (SEMAP) Certification; High Performer Rating
- Capital Fund Program: 2013, 2014, 2015 and 2016 Budget Revisions
- Wells Fargo Foundation Grant Opportunity
- Allina Health Charitable Contributions Grant Request
- Mayo Clinic Health System Grant Opportunity
- Security Guard and Training Services; Central Administrative Office; Contract No. 17-006

Copies of these Board reports are available here.....

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

REPORT TO COMMISSIONERS

FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR

REGARDING Bush Foundation  
Ecosystem Grant Opportunity

DATE May 25, 2016

Staff requests Board approval to apply for a two-year grant of up to \$200,000 through the Bush Foundation's Ecosystem Grants Program, to provide general operating support for Resident Initiatives Department staff in their work with PHA partner organizations.

Staff received a notification on May 3, 2016 of this grant opportunity for 501(c)3 public charities and governmental entities. Unlike many traditional grants which are tied to specific activities and programs, Ecosystem Grants are for the purpose of supporting organizations that work with others. An applicant organization is required to show how they advance the goal of a Bush Foundation program or strategic initiative by serving as an ecosystem organization. As explained on the Bush Foundation's website:

“Ecosystem grants provide general operating support to help sustain organizations that create unique and significant value for our grantees, [Bush] Fellows, Rebuilders, and others... We call them ecosystem organizations [in reference to infrastructure organizations or intermediary organizations] because they help create an environment for big things to happen in the region.”

The PHA's application would show how the Agency assists grantees, Fellows, Rebuilders and others by advancing the Bush Foundation's *Community Innovation Program* strategic initiative to inspire and support community problem solving.

If successful, grant funds would be used to pay the salaries and benefits of current staff who coordinate PHA partners and programs in the following areas:

- 1) Contracted Resident Education and Training Coordinator for Section 3 and Youth Connections: Funds would help support a contract employee to assist in overseeing the PHA's Section 3 initiatives to provide residents with onsite education and jobs skills training, and programs geared towards public housing youth. In the past, this has included working

with partners such as Saint Paul Public Schools, Saint Paul Neighborhood Network, Twin Cities Mobile Jazz Project, the Minnesota Office of Higher Education, and Resource, Inc.

- 2) Long-term Temporary Green Initiatives Technician: Funds would help support the salary and benefits of a Long-term Temporary Green Initiatives Technician to research opportunities for the PHA to make energy efficiency improvements in policies and/or processes, prepare reports, assist with green projects implementation, and maintain informational databases. In the past, this has included working with partners such as Geronimo Energy, the City of Saint Paul's Department of Public Works, University of Minnesota Extension Programs, and Mademoiselle Miel (for bees).
- 3) Long-term Temporary Administrative Support Technician: Funds would help support the salary and benefits of a Long-term Temporary Administrative Support Technician to assist in coordinating, tracking, promoting, and administering site-based programs in the areas of nutrition, physical activity, and smoking cessation/tobacco reduction. In the past, this has included working with partners such as the Saint Paul-Ramsey County Department of Public Health, Amherst H. Wilder Foundation, Allina Health, and the National Association of Mental Illness.

A number of PHA partners are and/or have been successful Bush Foundation grantees. Staff believes that the PHA's innovative work with these outside community partners helps provide critical data and analysis, spreads great ideas and builds capacity, and advances public awareness and policy.

The Bush Foundation will award Ecosystem Grants to be effective in early January 2017. With the Board's approval staff would submit an application to the Bush Foundation by the May 26, 2016 closing date.

ANH

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM**

**JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Funding Request to Minnesota Housing:  
Seal Hi-Rise, MN 1-27 (AMP 2);  
Construct 6 Dwelling Units;  
HUD Development Application

**DATE**

May 25, 2016

Staff requests Board approval of Resolution No. 16-05/25-1 and Resolution No. 16-05/25-2

authorizing the following actions:

1. Apply to Minnesota Housing (formerly known as Minnesota Housing Finance Agency, or MHFA) for a loan or grant of approximately \$540,000 to pay part of the cost to convert the existing breezeway to six new one-bedroom units at the Seal Hi-Rise at 825 Seal Street (AMP 2);
2. Submit a development application to HUD for this project; and
3. Amend the Agency Plan accordingly.

Funding requests through the Multifamily Rental Housing Common Application must be received by Minnesota Housing no later than June 16, 2016. The HUD development application does not have a deadline but staff intends to submit it around the same time, with the Board's approval.

Two of the six new one-bedroom apartments at Seal Hi-Rise will be handicapped accessible. The other four one-bedroom units will be of universal design and can be converted to be handicapped accessible in the future if needed. These new units will use six of the ten "shelved" public housing operating subsidies (from scattered site homes sold in the past), and with the four new units at Valley Hi-Rise that are also recommended for approval at this meeting, all of the Agency's currently approved public housing subsidies would be utilized.

The cost to construct the six new units, modify the building entry and revise the community room is estimated at \$897,587 by Adsit Architecture who did the attached schematic plans and construction estimate. Under the proposed plan, the PHA would seek approximately \$540,000 from Minnesota Housing in the form of a grant or interest-free 30 year loan, and pay the rest of the cost (approximately \$357,587) from HUD Capital Fund Program grants. HUD will allow the PHA to exceed their Housing Construction Cost (HCC) limit of \$730,416 if non-HUD funds are used for the excess amount. Approximately \$85,000 of additional Capital Fund Program funds would be used for architectural costs, environmental costs, permits, a survey, inspections and sundry planning costs.

Staff discussed the possibility of building these new units at Seal Hi-Rise with the Seal Hi-Rise residents on May 17, 2016 and the residents were supportive. Enclosure of the existing Seal Hi-Rise breezeway will solve current second floor apartment plumbing and heating freeze-ups and will solve breezeway security surveillance issues. Staff will also discuss the concept with the Resident Advisory Board (RAB) on May 24, 2016. The RAB members have supported previous PHA initiatives to add units to the public housing supply (Roosevelt six-plex, Mt. Airy four-plex, 12 new units at McDonough).

There is a large unmet demand for affordable rental units for low income residents, as evidenced by the long waiting list for public housing. At the end of March 2016 there were 1,574 residents on the public housing one-bedroom waiting list.

JMG/HP/DAL/FAH

Attachments: Resolution No. 16-5/25-1  
Resolution No. 16-5/25-2  
Seal Site Plan

**SAINT PAUL PUBLIC HOUSING AGENCY**

**RESOLUTION NO. 16-5/25-1**

**AUTHORIZATION TO SUBMIT FUNDING APPLICATION TO  
MINNESOTA HOUSING FINANCE AGENCY;  
MULTIFAMILY RENTAL HOUSING COMMON APPLICATION FOR  
CONSTRUCTION OF SIX DWELLING UNITS AT SEAL HI-RISE (AMP 2)**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) administers a Public Housing Program under an Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD), that currently includes 4,262 units; and

WHEREAS, there is a large unmet need for affordable housing for very-low income families in Saint Paul, especially for residents requiring dwelling units with one bedrooms, as evidenced by the 1,574 households on the one-bedroom waiting list for public housing on March 31, 2016; and

WHEREAS, Minnesota Housing (formerly known as Minnesota Housing Finance Agency, MHFA) has issued a Consolidated Multifamily and Single Family Request for Proposals (RFP) that offers various grants and loans to assist the construction, rehabilitation and operation of low income rental housing; and

WHEREAS, staff has identified an opportunity to construct six new one-bedroom apartments in the existing breezeway space at the Seal Hi-Rise at 825 Seal Street (AMP 2); and

WHEREAS, staff hired an architect who has estimated the cost to construct the six new one-bedroom units, modify the building entry and modify the community room to be approximately \$897,587, of which \$540,000 would be from Minnesota Housing and the balance from the Capital Fund Program; and

WHEREAS, Minnesota Housing may be able to provide the \$540,000 of additional funding in the form of a grant or an interest free loan to enable the PHA to construct the six additional apartments; and

WHEREAS, Minnesota Housing requires the submittal of a Proposal for the Consolidated Multifamily and Single Family funding to determine if they will allocate the requested funding to the PHA; and

WHEREAS, the application for Minnesota Housing funding requires that the PHA commit to using six of the public housing program operating subsidies that are currently available and utilizing the Capital Fund Program grant funds;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of St. Paul as follows:

1. Staff are authorized to prepare and submit an application to Minnesota Housing under the 2016 Consolidated Request for Proposals, requesting funding in the amount of

approximately \$540,000 for the construction of six additional apartments at the Seal Hi-Rise; and

2. The Executive Director, or his duly authorized agents, are authorized to execute all documents required to request the Minnesota Housing funding, and
3. The Executive Director, or his duly authorized agents, are authorized to execute the Minnesota Housing grant and loan documents to accept the Minnesota Housing funding if it is approved.

**SAINT PAUL PUBLIC HOUSING AGENCY**

**RESOLUTION NO. 16-5/25-2**

**AUTHORIZATION TO SUBMIT  
DEVELOPMENT APPLICATION TO HUD FOR  
CONSTRUCTION OF SIX NEW ONE-BEDROOM APARTMENTS AT  
SEAL HI-RISE (AMP 2)**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) administers a Public Housing Program under an Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD), that currently includes 4,262 units; and

WHEREAS, there is a large unmet need for affordable housing for very-low income families in Saint Paul, especially for one-bedroom dwelling units, as evidenced by the 1,574 residents on the one-bedroom waiting list for public housing on March 31, 2016; and

WHEREAS, the PHA is authorized to receive Operating Fund and Capital Fund subsidies from HUD for up to 10 more public housing units as of this date and in accordance with the PHA's "Faircloth Limit"; and

WHEREAS, Minnesota Housing (formerly known as Minnesota Housing Finance Agency, MHFA) has issued a Consolidated Multifamily and Single Family Request for Proposals (RFP) that offers various grants and loans to assist the construction, rehabilitation and operation of low-income rental housing; and

WHEREAS, staff has identified an opportunity to construct six new one-bedroom apartments in the breezeway space at the Seal Hi-Rise (AMP 2); and

WHEREAS, staff has estimated the cost to construct the six new one-bedroom apartments, to be approximately \$897,587, of which \$540,000 would be provided by Minnesota Housing, if the loan request is approved, with the balance coming from Capital Fund Program grants; and

WHEREAS, Minnesota Housing may be able to provide the additional funding in the form of a grant or an interest free loan to enable the PHA to construct the six one-bedroom apartments; and

WHEREAS, the PHA intends to utilize six of the public housing program operating subsidies that are currently available to the PHA; and

WHEREAS, construction of the six apartments at Seal Hi-Rise utilizing HUD Capital Fund Program funding and future operating subsidies will require HUD approval of a Development Program application; and

WHEREAS, submittal of a Development Program application to HUD requires approval of the PHA Board of Commissioners;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of St. Paul as follows:

1. Staff are authorized to prepare and submit a Development Application to HUD requesting approval to convert the Seal Hi-Rise (AMP 2) breezeway to six new one-bedroom apartments, utilizing \$540,000 of Minnesota Housing funding that the PHA hopes to receive, Capital Fund Program funds, and FFY2016 and future operating subsidies from HUD; and
2. The Executive Director, or his duly authorized agents, are authorized to execute all documents required for the HUD Development Program application.
3. The Executive Director, or his duly authorized agents, are authorized to execute the amended Annual Contributions Contract (ACC) and related documents when offered by HUD for this project.
4. The Agency Plan is amended accordingly.

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM**

**JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Funding Request to Minnesota Housing:  
Valley Hi-Rise, MN 1-6 (AMP 5);  
Construct 4 Dwelling Units;  
HUD Development Application

**DATE**

May 25, 2016

Staff requests Board approval of Resolution No. 16-05/25-3 and Resolution No. 16-05/25-4

authorizing the following actions:

1. Apply to Minnesota Housing (formerly known as Minnesota Housing Finance Agency, or MHFA) for a loan or grant of approximately \$360,000 to pay part of the cost to convert the existing Maintenance Contracts office space to four new one-bedroom units at the Valley Hi-Rise at 261 E. University Ave (AMP 5);
2. Submit a development application to HUD for this project; and
3. Amend the Agency Plan accordingly.

Funding requests through the Multifamily Rental Housing Common Application must be received by Minnesota Housing no later than June 16, 2016. The HUD development application does not have a deadline but staff intends to submit it around the same time, with the Board's approval.

Two of the four new one-bedroom apartments at Valley Hi-Rise will be handicapped accessible.

The other two one-bedroom units will be of universal design and can be converted to be handicapped accessible in the future if needed. These new units will use four of the ten "shelved" public housing operating subsidies (from scattered site homes sold in the past), and with the six new units at Seal Hi-Rise that are also recommended for approval at this meeting, all of the Agency's currently approved public housing subsidies would be utilized.

The cost to construct the four new units is estimated at \$505,687 by TKDA Architects who did the attached schematic plans and construction estimate. Under the proposed plan, the PHA would seek approximately \$360,000 from Minnesota Housing in the form of a grant or interest-free 30 year loan, and pay the rest of the cost (approximately \$145,687) from HUD Capital Fund Program grants. HUD will allow the PHA to exceed their Housing Construction Cost (HCC) limit of \$486,944 if non-HUD funds are used for the excess amount. Approximately \$55,000 of additional Capital Fund Program funds would be used for architectural costs, environmental costs, permits, a survey, inspections and sundry planning costs.

Staff discussed the possibility of building these new units at Valley Hi-Rise with the Valley Hi-Rise residents on May 4, 2016 and the residents were supportive. Conversion of the existing Maintenance Contracts Office to dwelling units will be made possible by the upcoming relocation of the Maintenance Contracts Office to the Mt. Airy hi-rise. Staff will also discuss the concept with the Resident Advisory Board (RAB) on May 24, 2016. The RAB members have supported previous PHA initiatives to add units to the public housing supply (Roosevelt six-plex, Mt. Airy four-plex, 12 new units at McDonough).

There is a large unmet demand for affordable rental units for low income residents, as evidenced by the long waiting list for public housing. At the end of March 2016 there were 1,574 residents on the public housing one-bedroom waiting list.

JMG/HP/DAL/FAH

Attachments: Resolution No. 16-5/25-3  
Resolution No. 16-5/25-4  
Valley Site Plan

**SAINT PAUL PUBLIC HOUSING AGENCY**

**RESOLUTION NO. 16-5/25-3**

**AUTHORIZATION TO SUBMIT FUNDING APPLICATION TO  
MINNESOTA HOUSING FINANCE AGENCY;  
MULTIFAMILY RENTAL HOUSING COMMON APPLICATION FOR  
CONSTRUCTION OF FOUR DWELLING UNITS AT VALLEY HI-RISE (AMP 5)**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) administers a Public Housing Program under an Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD), that currently includes 4,262 units; and

WHEREAS, there is a large unmet need for affordable housing for very-low income families in Saint Paul, especially for residents requiring dwelling units with one bedroom, as evidenced by the 1,574 households on the one-bedroom waiting list for public housing on March 31, 2016; and

WHEREAS, Minnesota Housing (formerly known as Minnesota Housing Finance Agency, MHFA) has issued a Consolidated Multifamily and Single Family Request for Proposals (RFP) that offers various grants and loans to assist the construction, rehabilitation and operation of low income rental housing; and

WHEREAS, staff has identified an opportunity to construct four new one-bedroom apartments in the existing Maintenance Contracts Office space at the Valley Hi-Rise at 261 East University Avenue (AMP 5); and

WHEREAS, staff hired an architect who has estimated the cost to construct the four new one-bedroom units in the existing Maintenance Contracts Office space to be approximately \$505,687, of which \$360,000 would be from Minnesota Housing and the balance from the Capital Fund Program; and

WHEREAS, Minnesota Housing may be able to provide the \$360,000 of additional funding in the form of a grant or an interest free loan to enable the PHA to construct the four additional apartments; and

WHEREAS, Minnesota Housing requires the submittal of a Proposal for the Consolidated Multifamily and Single Family funding to determine if they will allocate the requested funding to the PHA; and

WHEREAS, the application for Minnesota Housing funding requires that the PHA commit to using four of the public housing program operating subsidies that are currently available and utilizing the Capital Fund Program grant funds;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of St. Paul as follows:

1. Staff are authorized to prepare and submit an application to Minnesota Housing under the 2016 Consolidated Request for Proposals, requesting funding in the amount of

approximately \$360,000 for the construction of four additional apartments at the Valley Hi-Rise; and

2. The Executive Director, or his duly authorized agents, are authorized to execute all documents required to request the Minnesota Housing funding, and
3. The Executive Director, or his duly authorized agents, are authorized to execute the Minnesota Housing grant and loan documents to accept the Minnesota Housing funding if it is approved.

**SAINT PAUL PUBLIC HOUSING AGENCY**

**RESOLUTION NO. 16-5/25-4**

**AUTHORIZATION TO SUBMIT  
DEVELOPMENT APPLICATION TO HUD FOR  
CONSTRUCTION OF FOUR NEW ONE-BEDROOM APARTMENTS AT  
VALLEY HI-RISE (AMP 5)**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) administers a Public Housing Program under an Annual Contributions Contract with the U.S. Department of Housing and Urban Development (HUD), that currently includes 4,262 units; and

WHEREAS, there is a large unmet need for affordable housing for very-low income families in Saint Paul, especially for one-bedroom dwelling units, as evidenced by the 1,574 residents on the one-bedroom waiting list for public housing on March 31, 2016; and

WHEREAS, the PHA is authorized to receive Operating Fund and Capital Fund subsidies from HUD for up to 10 more public housing units as of this date and in accordance with the PHA's "Faircloth Limit"; and

WHEREAS, Minnesota Housing (formerly known as Minnesota Housing Finance Agency, MHFA) has issued a Consolidated Multifamily and Single Family Request for Proposals (RFP) that offers various grants and loans to assist the construction, rehabilitation and operation of low-income rental housing; and

WHEREAS, staff has identified an opportunity to construct four new one-bedroom apartments in the existing Maintenance Contracts Office space at the Valley Hi-Rise (AMP 5); and

WHEREAS, staff has estimated the cost to construct the four new one-bedroom apartments, to be approximately \$505,687, of which \$360,000 would be provided by Minnesota Housing, if the loan request is approved, with the balance coming from Capital Fund Program grants; and

WHEREAS, Minnesota Housing may be able to provide the additional funding in the form of a grant or an interest free loan to enable the PHA to construct the four one-bedroom apartments; and

WHEREAS, the PHA intends to utilize four of the public housing program operating subsidies that are currently available to the PHA; and

WHEREAS, construction of the four apartments at Valley Hi-Rise utilizing HUD Capital Fund Program funding and future operating subsidies will require HUD approval of a Development Program application; and

WHEREAS, submittal of a Development Program application to HUD requires approval of the PHA Board of Commissioners;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of St. Paul as follows:

1. Staff are authorized to prepare and submit a Development Application to HUD requesting approval to convert the existing Maintenance Contracts Office space at the Valley Hi-Rise (AMP 5) to four new one-bedroom apartments, utilizing \$360,000 of Minnesota Housing funding that the PHA hopes to receive, Capital Fund Program funds, and FFY2016 and future operating subsidies from HUD; and
2. The Executive Director, or his duly authorized agents, are authorized to execute all documents required for the HUD Development Program application.
3. The Executive Director, or his duly authorized agents, are authorized to execute the amended Annual Contributions Contract (ACC) and related documents when offered by HUD for this project.
4. The Agency Plan is amended accordingly.

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Section 8 Management Assessment  
Program (SEMAP) Certification;  
High Performer Rating

**DATE** May 25, 2016

Staff requests approval of Resolution No. 16-05/25-06 certifying the PHA’s Section 8 Management Assessment (SEMAP) score for Fiscal Year 2015, which again earns HUD’s “High Performer” rating for the PHA’s Section 8 Housing Choice Voucher Program and achieves Agency Goal #2. Staff calculates that the score this year will be 97% (140 out of 145 points), the same as the last five years. This is the fifteenth year the PHA has achieved the High Performer rating since SEMAP’s inception in FY 2000. With Board approval, staff will submit the certification to HUD via the internet by the May 31 deadline.

The PHA’s FY 2015 SEMAP score is calculated as follows:

<b>SEMAP Performance Indicators</b>	<b>FY 2016 PHA Score</b>	<b>FY 2015 PHA Score</b>	<b>Possible Points</b>
1. Selection from Waiting List	15	15	15
2. Reasonable Rent	20	20	20
3. Determination of Adjusted Income	20	20	20
4. Utility Allowance Schedule	5	5	5
5. HQS Quality Control Inspections	5	5	5
6. HQS Enforcement	10	10	10
7. Expanding Housing Opportunities	5	5	5
8. FMR Limit and Payment Standards	5	5	5
9. Annual Reexaminations	10	10	10
10. Correct Rent Calculations	5	5	5
11. Pre-contract HQS Inspections	5	5	5
12. Annual HQS Inspections	10	10	10
13. Lease-up (utilization)	20	20	20
14. FSS Enrollment and Escrow Accounts	5	5	10
15. Deconcentration Bonus	0	0	
<b>TOTAL POINTS</b>	<b>140</b>	<b>140</b>	<b>145</b>
<b>SEMAP SCORE</b>	<b>97%</b>	<b>97%</b>	<b>100%</b>

Scores for the first eight indicators are based on the PHA's auditing files and certifying that we have met the standard. The scores for Indicators #9-14 are based on data stored in HUD's Public and Indian Housing Information Center (PIC). HUD extracts the information from the family profile data forms (HUD-50058) submitted electronically by the PHA for each household at least annually, or more frequently as family circumstances change.

This year the PHA scored all 20 points in the self-audit of 54 files for the "Determination of Adjusted Income" factor. Anything over 90% earns full points in this category. Only two files contained an error, giving a success rate of 96% on the sampled set. The files have since been corrected. Though this error rate is impressive, supervisors will continue to conduct ongoing training for staff to ensure these calculations are done correctly and consistently.

As is the case every year, the PHA received five of ten possible points on the indicator for "Family Self-Sufficiency (FSS) enrollment and escrow accounts". To earn any additional points, the PHA would have to have 321 voucher participants enrolled in FSS, instead of the 21 enrolled at the end of the fiscal year. The PHA earns five points on this factor because 71% of FSS participants during the year (15 of the 21) had escrow accounts, well above the 30% threshold to earn these five points. As the rent portion of an FSS participant increases due to earned wages from a new job, the PHA matches this amount and places it into an account. This escrow account is then returned, with interest, when the participant "graduates" from the FSS program.

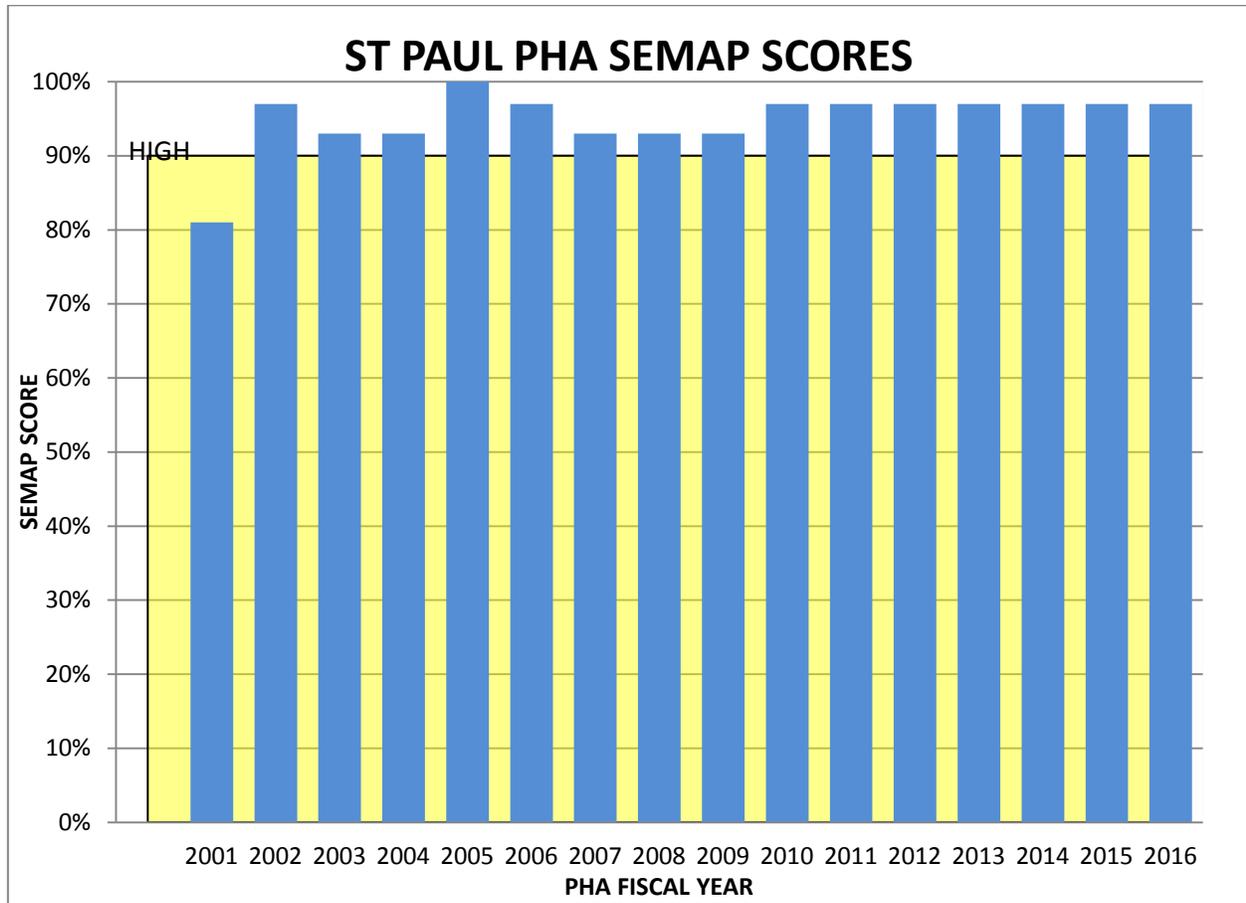
Again this year the PHA did not receive the five bonus points available on Indicator #15, Deconcentration of Poverty. To receive points on this factor, the PHA would have to show that more voucher participant families with children are living in, or moving to, low poverty census tracts. The

three criteria are explained in more detail in the attachment. HousingLink conducted the required data analysis for the PHA, and the results are shown on an attachment.

An explanation of all of the SEMAP indicators and scores is attached. Staff believes that the PHA’s performance on these indicators confirms that the Agency is successfully administering the program with integrity and accountability, as well as achieving Agency Goal #2 for another year.

FAH/DJM

- Attachments:
1. Resolution No. 16-05/25-06
  2. Explanation of SEMAP Indicators
  3. HousingLink Analysis



**PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**

**RESOLUTION NO. 16-05/25-06**

**SECTION 8 MANAGEMENT ASSESSMENT  
PROGRAM (SEMAP) CERTIFICATION**

WHEREAS, the Public Housing Agency of the City of Saint Paul (PHA) currently administers a Section 8 Housing Choice Voucher Program and with a total of 4,668 units; and

WHEREAS, the Saint Paul Public Housing Agency is required to submit a Section 8 Management Assessment Program (SEMAP) certification for Fiscal Year 2016; and

WHEREAS, staff has completed all required file audits and documentation for SEMAP scoring; and

WHEREAS, the final SEMAP scores have been presented to the Board and considered at this meeting;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of Saint Paul as follows:

1. The PHA's SEMAP score of 140 out of 145 points, or 97%, as explained in the attached Board Report, is hereby approved; and
2. The Executive Director or his designee is authorized to execute the required certification and to submit it to the Department of Housing and Urban Development with any required documentation.

Date: \_\_\_\_\_

\_\_\_\_\_  
Tom Reding, Chair  
Saint Paul PHA Board of  
Commissioners

## EXPLANATION OF SEMAP INDICATORS AND PHA SCORES

As stated in the Board report, the scores for Indicators #1-8 are certified by the PHA; five of those require self-audits of a sample of randomly selected files. The size of the sample varies for different indicators depending of the universe of that indicator.

SEMAP Performance Indicators 24 CFR Sec. 985.3	FY 2016 PHA Score	Possible Points
1. Selection from Waiting List	15	15
2. Reasonable Rent	20	20
3. Determination of Adjusted Income	20	20
4. Utility Allowance Schedule	5	5
5. HQS Quality Control Inspections	5	5
6. HQS Enforcement	10	10
7. Expanding Housing Opportunities	5	5
8. FMR Limit and Payment Standards	5	5
9. Annual Reexaminations	10	10
10. Correct Rent Calculations	5	5
11. Pre-contract HQS Inspections (not being rated this year)	5	5
12. Annual HQS Inspections (not being rated this year)	10	10
13. Lease-up (utilization)	20	20
14. FSS Enrollment and escrow accounts	5	10
15. Deconcentration Bonus	0	
<b>TOTAL POINTS</b>	140	145
<b>SEMAP SCORE</b>	97%	100%

- 1. Selection from Waiting List (15 of 15 points).** *The PHA has policies for selecting applicants from the waiting list and follows those policies. Required two sample sets: one for new admissions to the program (10 samples) and one for applicants reaching the top of the waiting list (18 samples). All files sampled met the criteria.*
- 2. Reasonable Rent (20 of 20 points).** *PHA has adopted and follows a reasonable written method to determine and document reasonable rent for each unit rented or any rent increase. Staff audited the ten samples to the program as new admissions, and found that all rents were reasonable. Among the 54 files that were audited for ongoing participants and new applicants, staff audited all of those that had a new rent approved, and found that all rents were reasonable. SEMAP awards the full 20 points for correct procedures, and 98% accuracy and above in application.*
- 3. Determination of Adjusted Income (20 of 20 points).** *The PHA's sample of files shows that at the time of admission and reexamination, the PHA property obtained third party verification of*

*adjusted income or documented why not; used the verified information in determining adjusted income; properly attributed allowances; and used appropriate utility allowances. This indicator requires audits of separate samples of files from admissions and reexaminations, for a total of 54 files audited. There were only two findings, for an accuracy rate of 96% and a score of 20 points on this component.*

- 4. Utility Allowance Schedule (5 of 5 points).** *The PHA maintains an up-to-date utility allowance schedule. As required by HUD regulations the PHA reviewed the utility allowance schedules this year, and found that no changes were needed. The Board last approved the Utility Allowance Schedule on July 22, 2015. Staff reviewed the schedule in early 2015 and recommended breaking out separate utility allowances for the few multi-family units where the residents are required to pay a separate fee for trash removal and/or water/sewer.*
- 5. Housing Quality Standards (HQS) Quality Control Inspections (5 of 5 points).** *PHA supervisor(s) re-inspected a sample of units during the PHA fiscal year for quality control of HQS inspections. Forty-three quality control inspections (the required sample size) were conducted.*
- 6. HQS Enforcement (10 of 10 points).** *The PHA's sample of failed inspections show that any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection, and all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspections or within any PHA approved extension, or if the HQS deficiencies were not corrected in the required time, the PHA stopped assistance payments no later than the first of the following month or took prompt and vigorous action to enforce the family obligations. The sample size of 32 files contained no findings.*
- 7. Expanding Housing Opportunities (5 of 5 points).** *The PHA has written policies and procedures to help families using vouchers to find housing outside areas of poverty or minority concentration. To receive full points in this category, the PHA compiled all of the relevant information from our own procedures and the information provided to participants and applicants that illustrate their commitment to expanding housing opportunities.*
- 8. FMR Limit and Payment Standards (5 of 5 points).** *PHA has adopted Payment Standards that are within HUD's limits or HUD-approved exception rent limits. The current PHA payment standards range from 95% to 100% of the FMRs, which is within the allowable range of 90-110%.*
- 9. Annual Reexaminations (10 of 10 points).** *The PHA completes a reexamination for each participating family at least every 12 months. The MTCS SEMAP indicator for fiscal year end shows 19 late reexaminations out of 4,251 families subject to reexamination (0.4% late). In order to gain full points, the PHA must have at least 95% completed in a timely manner.*
- 10. Correct Tenant Rent Calculations (5 of 5 points).** *The PHA correctly computes the family's payment of rent to the property owner. The MTCS SEMAP indicator for fiscal year end shows no rent discrepancies out of 2422 files.*

- 11. Pre-contract HQS Inspections (5 of 5 points).** *Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and Housing Assistance Payments (HAP) contracts. HUD's on-line MTCS SEMAP report shows that 661 out of 662 newly-leased units passed inspection on or before the contract effective date. In order to gain full points for this indicator, the PHA must have at least 98% completed in a timely manner.*
- 12. Annual HQS Inspections (10 of 10 points).** *The PHA inspects each unit under contract at least annually. On-line MTCS data show no inspections out of the 3779 annual HQS inspections were late. The Agency receives full points on this indicator if 5% or fewer annual inspections are late.*
- 13. Lease-up (Utilization) (20 of 20 points).** *The PHA executes assistance contracts on behalf of eligible families for the number of units that have been under budget for at least one year. Lease up rates for this factor can be calculated from either the unit lease-up rate or the budget utilization rate, both measured against a 98% standard for full points. The PHA earns full points under either standard. The HCV SEMAP unit utilization rate for calendar year 2015 was 101.7% (number of unit-months under HAP contract divided by total of unit-months authorized), earning full points on this indicator. The HCV budget utilization was 98.84%, which would also earn the full points.*
- 14. FSS enrollment and escrow accounts (5 of 10 points).** *This factor contains two components. The first part measures the number of Family Self Sufficiency (FSS) slots filled in the PHA's mandatory program. The second component measures the percent of escrow accounts established for FSS participants. To receive the full 10 points the PHA would have to have at least 321 FSS participants (80% of 401), with 30% or more of those participants having escrow accounts. The PHA receives 5 points because more than 30% of the current FSS participants have escrow accounts: 21 participants, 15 with escrow accounts = 72%.*
- 15. Deconcentration indicator (0 of 5 bonus points).** *A PHA in a metropolitan area can add five points to their SEMAP score by showing they meet one of the three criteria under this indicator. The criteria are based on families with children living in or moving to areas (census tracts) with lower poverty rates. The average poverty rate of 22.9% is the new figure from the 2010-2014 American Community Survey (ACS) from the U.S. Census. The previous average was 22.0%.*

A PHA receives "deconcentration" points for SEMAP if:

Criterion 1: *Over half (50%) of all families with children assisted by Section 8 in the PHA's "principal operating area" live in "low poverty census tracts".*

*A "low poverty census tract" is defined as one with a poverty rate below 10%, or below the average poverty rate for the PHA's "principal operating area". In Saint Paul the average poverty rate is 22.9% according to ACS figures. There are 43 census tracts with lower poverty rates and 38 with higher poverty rates.*

HousingLink's analysis showed that approximately 30.6% of Section 8 participant families with children live in census tracts with poverty rates below 22.9%.

That percentage is higher than last year (24.9%), showing that more families with children are living in low-poverty areas. This is likely due to more areas being defined this year as low-poverty areas than in the year previous.

*Criterion 2: The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's "principal operating area" is at least 2% higher than the percent of all Section 8 families with children living in low-poverty census tracts.*

HousingLink's analysis showed that, of the voucher participant families with children who moved during the year, approximately 29.3% moved to low-poverty census tracts. That figure is lower than the 30.6% of families living in low-poverty census tracts, so the PHA does not meet this criterion.

*Criterion 3: The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's "principal operating area" over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.*

Of the voucher participant families with children who moved during the last two years, approximately 29.3% moved to low-poverty census tracts. That figure is lower than the 29.4% of families who lived in low-poverty census tracts two years ago.

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Capital Fund Program:  
2013, 2014, 2015 and 2016  
Budget Revisions

**DATE** May 25, 2016

Staff requests Board approval of Resolution No. 16-05/25-05 approving revisions to the budgets for the four open Capital Fund Program (CFP) grants, awarded in 2013-2016. The revised budgets adjust line items to match actual obligations and expenditures but do not change the total amount of the grants, which are shown below.

The following work items were added to the 2015 Capital Fund Program budget:

- Architectural fees for Seal Hi-Rise breezeway conversion to 6 dwelling units
- Architectural fees for Valley Maintenance Contracts office conversion to 4 dwelling units
- Additional funding for Front Hi-Rise elevator modernization
- Engineering fees for Valley Hi-Rise Plumbing Replacement
- Engineering fees for Montreal Hi-Rise Plumbing Replacement.

The following work items were added to the 2016 Capital Fund Program budget:

- MHFA match for Seal Hi-Rise breezeway conversion to 6 dwelling units
- MHFA match for Valley Hi-Rise Maintenance Office conversion to 4 dwelling units
- Scattered Site unit modernization on vacancy.

The above additions were made possible by moving work items to the Operating Budget and lower than expected bids for the Ravoux Hi-Rise plumbing replacement.

As shown below, staff continues to obligate the CFP grants promptly. As of April 29, 2016 the 2013 CFP grant is 98.24% obligated, the 2014 CFP grant is 91.35% obligated, the 2015 CFP grant is 74.87% obligated, and the 2016 CFP grant is 77.09% obligated.

The table below shows the CFP grant amounts, the dates when the PHA gained access to the funds (when HUD signed the ACC amendments), and the timelines for expenditure. The PHA routinely meets or exceeds all of HUD’s goals for timely obligation of CFP grant funds (90% obligated within 24 months), and expenditure (fully expended within 48 months).

	<b>2013 CFP Funds</b>	<b>2014 CFP Funds</b>	<b>2015 CFP Funds</b>	<b>2016 CFP Funds</b>
<b>Grant Amount</b>	\$6,024,889	\$6,725,092	\$6,786,832	\$7,118,173
<b>ACC Date</b>	9/9/13	5/13/14	4/13/15	4/13/16
<b>Percent Obligated</b>	98.24% (4/29/16) Met 90% goal by 9/8/15	91.35% (4/29/16) Met 90% goal by 5/12/16	74.87% (4/29/16) Goal: 90% by 4/12/17	77.09% (4/29/16) 90% goal by 4/12/18
<b>Percent Expended</b>	97.86% (4/29/16) Goal: 100% by 9/8/17	90.26% (4/29/16) Goal: 100% by 5/12/18	47.90% (4/29/16) Goal: 100% by 4/12/19	0.00% (4/29/16) Goal: 100% by 4/12/20

Summary spreadsheets of these budgets are attached for Board review.

DAL/mlp

Attachments: Resolution No. 16-05/25-05  
 Summary Spreadsheets of CFP Grant Budgets

**PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**

**RESOLUTION NO. 16-05/25-05**

**REVISIONS FOR 2013, 2014, 2015 & 2016 CAPITAL FUND PROGRAM BUDGETS.**

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has awarded the Public Housing Agency of the City of Saint Paul (PHA) the following grants:

- FFY2013 Capital Grant Program Grant No. MN46P00150113
- FFY2014 Capital Grant Program Grant No. MN46P00150114
- FFY2015 Capital Fund Program Grant No. MN46P00150115; and
- FFY2016 Capital Grant Program Grant No. MN46P00150116

WHEREAS, HUD requires the PHA to establish a budget for the expenditure of funds under each grant provided under the Capital Fund Program; and

WHEREAS, staff drafted the attached Capital Fund Program budget revisions, dated August 12, 2015 for each of the grants listed above; and

WHEREAS, the Board of Commissioners finds that these CFP grant budget revisions are necessary and appropriate to comply with HUD requirements and to best serve the needs of PHA residents;

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of the Public Housing Agency of the City of Saint Paul as follows:

1. The following budgets are approved as presented:
  - a. May 25, 2016 Budget Revision for the FFY2013 Capital Grant Program Grant No. MN46P00150113;
  - b. May 25, 2016 Budget Revision for the FFY2014 Capital Grant Program Grant No. MN46P00150114;
  - c. May 25, 2016 Budget Revision for the FFY2015 Capital Grant Program Grant No. MN46P00150115;
  - d. May 25, 2016 Budget Revision for the FFY2016 Capital Grant Program Grant No. MN46P00150116;
2. Staff is authorized to execute and submit all required documents relating to these grants and budget revisions; and
3. The Agency Plan will be amended accordingly.
4. Pursuant to HUD notice dated January 11, 1990, the PHA certifies that no employee is serving in a variety of positions that will exceed 100 percent of his or her work time.

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Wells Fargo Foundation Grant  
Opportunity

**DATE** May 25, 2016

Staff requests Board approval to apply for up to \$5,000 from the Wells Fargo Foundation in partnership with the Twin Cities Mobile Jazz Project (TCMJP) and YouthPrise. If selected for funding, the grant would be used to fund the PHA's portion of costs (50%) for an eight-week music education class series at one of the PHA's community centers. With the Board's approval, staff would submit an application by June 30, 2016.

The mission of the TCMJP is to utilize jazz music, its derivatives, history, art, media and technology as a means to promote learning, communication and self-expression. The PHA first partnered with the TCMJP and YouthPrise in Fiscal Year 2016 to host a class series at the Mt. Airy Homes Community Center. The mission of TCMJP fits well with the purpose of the PHA's Youth Connections Program, which is the umbrella program that encompasses all of the PHA's youth-focused initiatives. Under the direction of Mr. Andre Fischer, the founder of the TCMJP, local and nationally known musician mentors taught youth from Mt. Airy and the surrounding community jazz history as an American art form, core music concepts, the basics of playing and listening techniques, and the use of digital media for digital archiving and music recording. The youth then created and performed a final project in their preferred musical genre.

YouthPrise is a youth education-focused nonprofit funded by the McKnight Foundation. TCMJP has an established history of partnering with YouthPrise and with Saint Paul Public Schools to provide creative arts after school programming.

ANH

Attachment: Wells Fargo's Corporate Giving Guidelines

# **PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Allina Health Charitable  
Contributions Grant Request

**DATE** May 25, 2016

Staff requests Board approval to apply for a grant of up to \$5,000 through the 2016 Allina Health Charitable Contributions Request Program, in partnership with the Presidents Council of PHA Hi-Rises and the City Wide Residents Council (CWRC). The Resident Councils will use these funds to work with staff to develop the following activities:

1. Partner with Twin Cities YMCA to provide Yoga and Tai Chi exercise classes for adults;
2. Purchase low impact exercise videos and light weights for community exercise groups in the hi-rises; and
3. Partner with Cycles for Change to provide a “Learn to Ride” bike class series for adults.

In February 2016, the PHA applied for an Allina Neighborhood Health Connection Grant in partnership with the Presidents Council and City Wide. That grant application was not selected for funding due to new, stricter funding requirements. Allina Health staff recently contacted PHA staff to encourage the Agency to submit an application to the Charitable Contributions Request Program, which has broader funding goals. Staff presented the proposed list of activities to the Resident Council leadership groups to seek their official support to apply for funding. The Presidents Council gave its approval on April 25, 2016, and the CWRC gave its approval on April 19, 2016.

ANH

# PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

**REPORT TO COMMISSIONERS**

**FROM JON M. GUTZMANN  
EXECUTIVE DIRECTOR**

**REGARDING** Mayo Clinic Health System  
Grant Opportunity

**DATE** May 25, 2016

Staff requests Board approval to request a charitable contribution of up to \$5,000 from the Mayo Clinic Health System, applying in partnership with the City Wide Residents Council and the Presidents Council of the St. Paul PHA Hi-Rises.

Mayo Clinic Health System uses an open pipeline to fund charitable contribution requests from local not-for-profit organizations that either enhance general health and wellness, or provide community health education. If selected for funding, the grant would be used to contract with Community Programs in the Arts (COMPAS) to provide “Artful Aging” classes in PHA hi-rises and community centers.

COMPAS explains the arts-health connection underlying their Artful Aging classes on their website:

People who practice the arts as they age visit the doctor less, take less medication, have higher morale, and reduced rates of depression. Research is also finding that music and art stimulate the brain in areas that Alzheimer’s cannot touch, bypassing the debilitating disease and often providing relief.”

Over the past year staff has received numerous requests from hi-rise residents for art-based classes.

Both the Presidents Council and the City Wide Resident Council are supporting this application. With the Board’s approval staff would submit an application to Mayo Clinic Health System by June 30, 2016.

ANH

Attachment: Mayo Clinic Health Systems’ Charitable Contribution Request Guidelines

# **PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL**

**REPORT TO COMMISSIONERS**

**FROM** JON M. GUTZMANN  
EXECUTIVE DIRECTOR

**REGARDING** Security Guard and Training Services  
Central Administrative Office  
Contract No. 17-006

**DATE** May 25, 2016

Staff recommends Board approval to award a contract for security guard services combined with training and employment programs for public housing residents, to General Security Services Corporation (GSSC) of Minneapolis, MN. The contract will include security guard services and training at the PHA's W. Andrew Boss Central Administrative Office building for a monthly cost of \$5,029.00. The current contract cost is \$4,881.89. The new contract will be effective July 10, 2016 and run for an initial period of two years with an optional third year extension.

The contractor will provide a uniformed security guard at the W. Andrew Boss building from 6:00 AM to 6:00 PM Monday through Friday. A guard will also make scheduled patrol checks after business hours and on weekends.

GSSC will provide training and full-time employment for one PHA resident during the contract period to fulfill Section 3 requirements. Thirty-five PHA residents have been hired and trained under the PHA's security guard training program since its inception in 1994.

A Request for Proposals (RFP) for these services was advertised in newspapers and trade journals, and sent to local security firms that have expressed an interest in working for the PHA. Three firms submitted proposals, each of which was independently rated by a PHA staff evaluation committee on the criteria stated in the RFP, including related experience, best cost

value, M/W/DBE participation, resident training program, and general response to the PHA's invitation to submit a proposal. GSSC received the highest overall rating from the committee.

GSSC is the current security services provider for the PHA and is performing satisfactorily. Copies of the Employer Information Reports for GSSC and the second highest rated proposer, Twin City Security, are attached.

The cost is split between the Operating Fund and the Building Fund. There are sufficient funds available in those two budgets to pay for this contract.

SEA

Attachments: Employer Information Reports  
Summary of Proposal Ratings