



April 18, 2019

**Harrison Neighborhood Association (HNA)  
Opposes the City of Minneapolis MOU with MPHA and the  
Privatization of Public Housing**

The Harrison Neighborhood Association (HNA) opposes approval of the MPHA MOU, and instead encourages the City Council to explore strategies to stop MPHA's RAD and Section 18 Demolition and Disposition HUD applications.

HNA strongly opposes the privatization of public housing in any form and is deeply troubled by MPHA's recent submission of a RAD application for Elliot Twins and a Section 18 Demolition and Disposition application for 730 of its scattered site properties. MPHA's decision to privatize Minneapolis' public housing stock comes in the midst of record high rates of homelessness and an increasing demand for deeply affordable housing. Transferring public housing into the hands of private developers will only lead to more displacement and exacerbate the city's already dire housing crisis.

While MPHA cites the lack of federal funding as its justification for RAD and Section 18 Disposition, MPHA's own documents reveal that HUD increased funding in 2018 and 2019. In addition, there are other sources of funding available at the city, county, and state levels that could be used to make up capital funding shortfalls. HNA asks that alternative sources of funding be fully utilized before employing any privatization methods. To this end, HNA is committed to assisting in any effort to secure funding that will preserve public housing as a vital public asset.

The proposed MOU is, by Council Members' own admission, weak and does not adequately safeguard against potential resident displacement. It also does not achieve the City Council's desire to maintain "public control" of the properties. This is because public control is contrary to the necessary elements of RAD conversion. Inherent in the RAD process, is the requirement to privatize, both through the elimination of the public housing authority as the owner of the buildings, and through the removal of the Declaration of Trust from the land.

If the City Council truly wants to keep public housing within public control and prevent the potential displacement of thousands of Minneapolis' most vulnerable residents, then it needs to intervene on residents' behalf to stop MPHA's HUD

applications for RAD and Section 18. As a first step, instead of approving a weak MOU, HNA asks that the Council write a letter to HUD opposing MPHA's RAD and Section 18 applications. In addition, the City Council and Mayor possess the ability to exercise considerable authority over the MPHA through the powers enumerated in Minneapolis Code of Ordinances Chapter 420, including the power to appoint, and remove with or without cause, MPHA Board Commissioners. If the City Council believes MPHA is not acting in accordance with the city's housing equity goals, it could act to remove the current MPHA Commissioners and replace them with appointees who truly value public housing as a public good.

HNA urges the Council to explore all potential options to halt the RAD and Section 18 applications, and we are committed to working with the Council and community to find a solution that will keep public housing public.