

February 2017

Minneapolis Public Housing Authority notice institutes unclear changes

Every month, Minneapolis Public Housing Authority (MPHA) sends out thousands of rent invoices to their tenants when rent in due first of each month. On January 1, 2017, MPHA sent out notice with the rent bill stating that MPHA will increase rent, water usage, and utility fees effective immediately (http://tinyurl.com/MPHA-Notice-Jan1-2017). MPHA failed to give residents the required notices for these changes. In accordance with the Department of Housing and Urban Development (HUD) regulations, a PHA (Public Housing Agency) must provide 30 to (60) day advance notice for rent increase, utility fee changes, and provide public comment process for tenants for these changes. According to City ordinance, landlord must give 30-day notices for any changes including rent increase.

In addition, MPHA charges market rate rents, which they call, *flat rate rents*. Flat rate rents increase every year without proper explanation. How can public housing that is income based charge market rate rents? In the late 1990s, HUD deregulated MPHA through a program called Moving To Work (MTW). MTW allows MPHA to increase rents and use HUD funds any way they like. The deregulation placed a financial burden on residents that has intensified in the last 10 years. MPHA's long-term goal is to start charging market rate rents for public housing units subsidized by public housing dollars where residents should only be paying 30% of their income for rent. The Defend Glendale Campaign has noticed a trend of residents paying more than 30% of their income for rent. In addition, unless there has been income changes for residents such as job loss or job gain, changes to rent should only take place during the annual rent recertification process, and not at any time MPHA chooses. Therefore, the policy changes MPHA outlined in this letter violates HUD policies and city ordinances.

Let us look closely the changes MPHA outlined in the Statement of Policies that govern public housing operation: http://tinyurl.com/MPHA-Notice-Jan1-2017)

- "Tenants who are absent from their unit for between 30 & 90 days, and as result have reduction in income, will receive a rent credit resulting in a charge of \$75 for up to three months."
 - This statement is confusing to residents. Are residents to receive credit of \$75 from their rent or are they being charged \$75 for zero income rent? Does the latter mean that residents not making any income only pay \$75 until their income changes? What happens after the 90 days are up? This policy statement is not clear and MPHA must do a better job of writing clearly and explaining their policies clearly to residents.

 "A tenant may not request a transfer for one year after refusal of a suitable unit without good cause."

What constitutes a "good cause"? This statement is ambiguous and vague. MPHA must define what it considers to be a "good cause." HUD policy, public meetings, and public comments process will help in defining "good cause." We fear that without clear definitions, property managers would interpret "good cause" based on their subjective, discriminatory, or biased attitudes and use the policy to target residents.

Under the fair housing act, Illegal discrimination occurs when the landlord includes preference or limitations in the rental units they advertise or creates different terms or standards for certain residents. By having vague statement of "good cause," MPHA is setting a trend to be discriminatory on who they offer housing, transfers to other housing and where that housing is located? East African residents in Glendale have already been a target for removal out of Glendale. The ambiguity of "good cause" opens doors to further discrimination, bias, and subjectivity, and forecloses opportunities for accountability.

 "Flat rate (maximum rent charge) is increasing effective January 1, 2017. Contact your Property Manager if you have questions."

This notice was sent out on December 22, 2016 and residents had 4 working days for this notices excluding holidays. This is a violation of city and HUD housing codes, which requires landlords to provide minimum 30-day notices for rent change.

MPHA needs to explain the reasons for rise in flat rate rents (equivalent to market rate rent). With flat rate rent, residents pay more than 30% of their income. Therefore, they can't save money for their children's education or to buy a home. This change took place when MPHA was deregulated under the Moving To Work Program; a program designed to make low-income residents poorer.

 "Changes in the Sales & Services Charge schedule: removing or tampering with Aerators (\$13) and excess water usage (\$25). Staff labor rates were increased."
 What constitutes excess water or electric? Who and how measures this excess? MPHA must explain these specifics.

The water and electric usage are included in the rent. The rent collected in Glendale pays for almost 89% percent expenses in Glendale. In addition, HUD reimburses MPHA for all of these expenses. So why does MPHA need to charge for what is already paid for?

Some residents remove aerators because there is not enough water in the shower or the water is not hot enough. When residents call the work order number to fix the issue they don't so the residents take care of the issue themselves. So now the residents are being punished because they need water that MPHA is limiting, despite it already being paid for. Muslim residents pray and there are large families that require water. This double billing for water is not legal. According to HUD Regulations for Public Housing Utility

Allowances, "PHA must give residents 60-day notice of proposed allowances and 30-day comment period [Sec. 965.502(c)]; PHA must notify residents of the option to request individual relief from surcharges for excess consumption for PHA-provided utilities, or from billing in excess of the UAs for resident-paid utilities [Sec. 965.508]. "Residents are subject to charges for extra appliances such as freezers and refrigerators."

" <u>HUD- Utility Allowance Guide Book, Sept. 2008."</u>
https://www.hud.gov/offices/pih/programs/ph/phecc/draftuaguidebook.doc.pg.5

 Changes in Housekeeping Standards section, "requires enough space in all rooms to facilitate ingress and egress, the ability for MPHA staff to maintain the bedroom windows, outlets, heating system, switches and other fixtures and similar access as necessary, and provide pest control services."
 If MPHA kept up the repairs on leaky and moldy walls in the basement, resident would not have space shortage where they would need to use their rooms for storage.

This is the first time MPHA actually included a notice fully written in Somali; yet residents who speak Oromo and Hmong languages are still to receive proper translation services. As you can see all of the notices MPHA sends include the message on the bottom of this link. The bottom of the page has a box with one sentence written in 7 languages that say if you don't understand this information please call MPHA representation, but there is no number to call because MPHA does not hire professional translations or interpreters for listed language. MPHA also fails to provide translations during MPHA meetings when they inform residents or when residents visit MPHA headquarters. MPHA has therefore created a culture that immigrant and refugee communities who face language barriers find extremely uncomfortable.

We urge MPHA to listen to the voices of residents who are trying to hold MPHA accountable. We urge MPHA to stop harassing residents, to repair their homes, to change its culture of intimidation and misinformation, and to improve its culture. This can only happen if MPHA starts listening to residents and working to protect their homes.

Sincerely, Defend Glendale Campaign

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