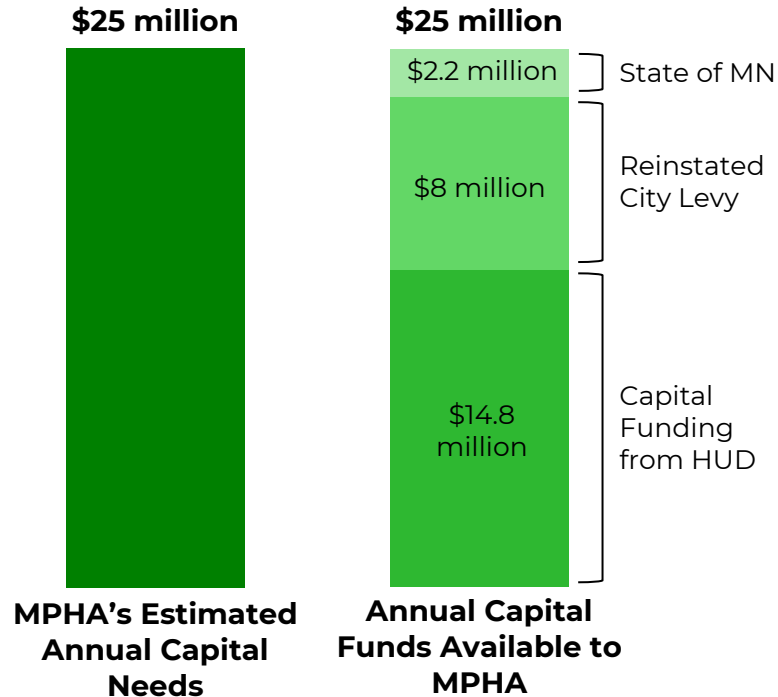


MPHA CAN AFFORD TO KEEP PUBLIC HOUSING PUBLIC

MPHA claims a funding gap as the reason to privatize public housing through the RAD program. In reality, public funding is available for MPHA to utilize. MPHA estimates it will require \$500 million in capital needs over the next 20 years – or \$25 million per year. DG&PHC contests this figure, but even if we take it at face value, it is clear that public funding sources will meet that need. MPHA doesn't have a valid reason to privatize public housing in Minneapolis.



In addition:

MPHA has \$23 million in unrestricted reserves (savings) that could be put toward repairs of public housing buildings.

Public housing residents pay millions of dollars in rent and fees annually. MPHA anticipates collecting \$21,827,000 from its tenants in 2019. This money goes toward MPHA's operations budget.

A recent report by the Government Accountability Office found that **the RAD program doesn't bring in anywhere near the amount of private funding that its proponents claim.** Whereas HUD claims that RAD raises \$19 of private funding for every \$1 of public funding, the GAO reported that the actual ratio is only \$1.23 of private funding for every \$1 of public funding.

Sources:

<https://mphaonline.org/wp-content/uploads/2018/10/MPHA-2019-MTW-Annual-Plan-FINAL-102018.pdf> (pg. 5, 23, 94)
<https://tinyurl.com/Portfolio-Strategy> (pg. 4)
<https://www.gao.gov/assets/700/690210.pdf> (pg. 17)

