

State of Minnesota

January 15, 2020

U.S. Housing and Urban Development Agency 451 7th Street S.W. Washington, DC 20410

The members of the Minneapolis State Senate Delegation urge the Housing and Urban Development (HUD) to pause the Minneapolis Public Housing Authority's (MPHA) *Section 18* Demolition & Disposition process, until MPHA is able to demonstrate that the agency has a short and long term protection plan for the thousands of residents that currently live in these buildings.

On August 16th, 2019, the Department of Housing and Urban Development (HUD) approved the Minneapolis Public Housing Authority's (MPHA) *Section 18* Demolition & Disposition application to remove 640 'scattered site' buildings from Federal-protected public trust (Section 9 Housing) and move them into Section 8, which has fewer long term protections for the properties. This disposition will affect 5000 public housing residents, the majority of which are low-income African-American and East African families with children.

Questions have been raised about the *Section 18* submission approval process. There was no scattered-site resident council to monitor the application process. The Resident Advisory Board (RAB) approved the application, but no scattered-site residents sit on the RAB. Were scattered-site residents given the opportunity to review and discuss the application and participate in the process? If not, the plan may not have full community input and support.

HUD Secretary Carson's administration's recent changes significantly weakened *Section 18* regulations meant to protect residents. MPHA Commissioners Tessa Wetjen called for pausing the *Section 18* application process because there is a great deal of confusion regarding MPHA's *Section 18* Application. What was the process to engage with all MPHA tenants during the application process? What steps are being taken to address and clarify the confusion around the application process?

We have been told the number of properties that MPHA is seeking to privatize via *Section 18* is 25 times larger than the cumulative amount of disposed properties from the years 2001-2018. This disposition will affect more than 98% of existing housing and land on which scattered-site housing is located. MPHA provided HUD a timetable of the number of days from when residents will be displaced, which is 180 days from approval. As a result, MPHA has the authority to displace all affected residents by February 16, 2020. We are concerned about this

short timeframe and would like to know if residents have been properly notified. The impact of this change could have devastating consequences to many families.

We ask HUD and MPHA to halt MPHA's *Section 18* Demolition & Disposition process until these concerns are further reviewed and resolved. We look forward to hearing from you to learn more about your plan to address these issues.

Sincerely,

Sen. Patricia Torres Ray

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Sen. Scott Dibble

Sen. Kari Dziedzic

Sen. Bobby Joe Champion

cc: Representative Ilhan Omar, U.S. Congress

Mayor Jacob Frey, City of Minneapolis

Minneapolis City Council Members

Colleen O'Kane, HUD Congressional Liaison Region V

Jane Hornstien, HUD Director of the Special Application Center

Lucia Clausen, HUD MPLS Director of Public Housing

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James Rosenbaum, MPHA Commissioner

Tessa Wetjen, MPHA Commissioner

Faith Xiong, MPHA Commissioner

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