

**The FY 2005
Minneapolis**

HUD CONSOLIDATED PLAN
for Housing and Community Development

**Five Year Strategy
2005-2009**

**One Year Action Plan
June 1, 2005 – May 31, 2006**

**Community Development Block Grant
Emergency Shelter Grant
Housing Opportunities for Persons with
AIDS
HOME Investment Partnerships
American Dream Downpayment Initiative**

**Approved by HUD
June 2005**



CONSOLIDATED PLAN

TABLE OF CONTENTS

CHAPTER 1 INTRODUCTION TO FIVE-YEAR STRATEGIC PLAN (2005-2009)	6
A. Background	6
B. Planning Process (91.200(b))	6
1. Lead Agency	6
2. Planning Timeline	7
3. Jurisdiction Consultations	7
C. Citizen Participation Plan	8
1. Background	8
2. Schedule	9
3. Public Hearings	10
4. Notification and Access to Hearings	10
5. Technical Assistance	11
6. Proposed Funding Processes	11
7. Comments/Complaints	12
8. Anti-Displacement and Relocation Plan	12
9. Substantial Change Process and Amendments	12
10. Access to Records	13
D. Institutional Structure (91.215 (i))	14
1. Organizational Relationships	14
2. Organizational Relationship with Public Housing Agency	14
E. Monitoring (91.230)	14
1. Purpose	15
2. Objectives	15
3. Definitions	15
4. Production Monitoring	16
5. Quality Control/Compliance Monitoring	17
F. Priority Needs Analysis and Strategies (91.215 (a))	18
1. Basis for Priority Assignments	18
2. Obstacles to Meeting Underserved Needs	19
G. Lead-based Paint (91.215 (g))	19
H. General Community Demographics and Income	19
I. Low-Income and Minority Concentrations	24
CHAPTER 2 HOUSING NEEDS	25
A. General	25
B. Housing Needs (91.205)	25

1.	Housing Need Race/Ethnicity	30
2.	Elderly	36
3.	Persons with Disabilities.....	38
4.	Persons and Families with HIV/AIDS	38
5.	Single Persons	42
6.	Large Families	43
C.	Priority Public Housing Needs (91.210 (b))	43
1.	Families on Public Housing and Section 8 Waiting Lists	44
2.	Public and Assisted Housing	46
D.	Housing Market Analysis (91.210)	56
1.	Housing Supply.....	56
2.	Housing Demand.....	63
3.	Combination of Supply and Demand	68
4.	Vacancy Rates and Rent Levels	68
5.	Housing Prices	69
E.	Barriers to Affordable Housing (91.210 (e); 91.215 (f))	70
F.	Lead-based Paint Hazards	71
CHAPTER 3 HOMELESSNESS AND THOSE THREATENED WITH HOMELESSNESS (91.205(B); 91.215 (C)		73
A.	General.....	73
B.	Nature & Extent of Homelessness	73
C.	Need for Facilities and Services	76
D.	Low-Income Individuals & Children At-Risk for Homelessness.....	76
E.	Priority Homeless Needs	76
F.	Priority/Goals:	79
G.	Homeless Inventory.....	83
1.	Existing Facilities.....	84
2.	Existing Services	84
H.	Strategic Plan for Homelessness.....	90
1.	Homelessness	90
2.	Chronic Homelessness	90
3.	Homelessness Prevention	91
4.	Institutional Structure.....	91
5.	Discharge Coordination Policy.....	92
CHAPTER 4 COMMUNITY DEVELOPMENT		94
A.	Introduction.....	94
1.	Public Facilities	94
2.	Public Improvements.....	94
3.	Public Services.....	96

4.	Economic Development	101
5.	Anti-Poverty Issues (91.215 (h))	103
B.	Non-Homeless Special Needs	103
CHAPTER 5 FIVE-YEAR STRATEGY (2005-2009).....		105
A.	General.....	105
1.	Assumptions	107
2.	Accountability for Results - Performance Measurement.....	108
3.	New CDBG Target Area Map.....	109
4.	Consolidated Plan General Support for 5-Year Strategy – Goals and Objectives	109
B.	Housing.....	110
1.	General – The Unified Housing Policy	110
2.	Affirmatively Furthering Fair Housing	111
3.	Affordable Housing Policy	112
4.	Affordable Housing.....	113
5.	Special Needs Housing	121
6.	Addressing and Removing Affordable Housing Barriers	123
C.	Homelessness.....	125
D.	Lead-Based Paint Hazards.....	127
E.	Community Development	127
1.	Public Facilities	128
2.	Public Services.....	128
3.	Economic Development	130
4.	Anti-Poverty.....	131
F.	Institutional Structure	132
1.	Relationship with Local Public Housing Authority	132
CHAPTER 6 2005 ONE-YEAR ACTION PLAN		134
A.	General.....	134
1.	Federal Resources	136
2.	Other Resources	137
B.	Geographic Distribution of Consolidated Plan Assistance	138
C.	Addressing Obstacles in Meeting Underserved Needs.....	139
D.	2005 Planning Process.....	139
E.	2005 Citizen Participation Process	139
F.	2005 Institutional Structure	140
1.	Relationship with Local Public Housing Authority	140
G.	2005 Monitoring Objectives	141
H.	2005 Lead-based Paint Objectives.....	141

I.	Housing	141
1.	2005 Housing Goals and Objectives	142
2.	2005 Actions to Address Affordable Housing Barriers.....	145
3.	2005 HOME Single Family program	145
4.	2005 HOME Multifamily Guidelines	149
5.	2005 American Dream Downpayment Initiative Guidelines.....	151
6.	2005 Affirmatively Furthering Fair Housing	153
J.	2005 Addressing Homelessness and Those Threatened with Homelessness	156
1.	2005 Actions to Address Homelessness.....	156
K.	2005 Community Development Objectives	157
1.	Public Facilities	157
2.	Public Services.....	158
3.	Economic Development	160
L.	2005 Anti-Poverty Objectives	161
M.	Non-Homeless Special Needs Housing.....	162
1.	2005 Non-Homeless Special Needs Objectives	162
2.	Housing Opportunities for Persons with AIDS (HOPWA) Objectives	164
N.	CDBG Program Requirements	165
O.	ESG Program Requirements	167
P.	SF-424 Federal Applications for Assistance/Grantee Certifications.....	167
	DEFINITIONS USED WITHIN THE CONSOLIDATED PLAN	168
	APPENDIX	178

Chapter 1 Introduction to Five-Year Strategic Plan (2005-2009)

A. Background

The Minneapolis Consolidated Plan is an application and strategy statement to the U.S. Department of Housing and Urban Development (HUD) addressing the city's housing and community development needs. The 2005 Consolidated Plan is a new Five-Year Strategy covering the program years of 2005-2009. It also serves as the 2005 Action Plan. The Consolidated Plan is a combination housing plan, community development plan and application for the following five U.S. Department of Housing and Urban Development entitlement programs:

- ◆ Community Development Block Grant (CDBG)
- ◆ Home Investment Partnerships (HOME)
- ◆ American Downpayment Dream Initiative (ADDI)
- ◆ Emergency Shelter Grant (ESG)
- ◆ Housing Opportunities for Persons with AIDS (HOPWA)

The 2005-09 Consolidated Plan five-year strategy updates the city's previous five-year strategy issued in 2000. The plan is a statement of how the city intends to spend its HUD entitlement funds in the areas of housing and community development. It seeks to tie that spending to other funding initiatives in the city that affect the city's low- and moderate-income residents. Priorities are set in accordance with HUD directives.

This particular Consolidated Plan also provides for a one-year action plan (2005). The action plan is a statement of how the city intends to spend its HUD entitlement funds in the areas of housing and community development over the 2005 program year. The City's annual program year for Consolidated Plan purposes runs from June 1 - May 31.

B. Planning Process (91.200(b))

1. Lead Agency

The city's lead agency responsible for the plan's development is the Office of Grants & Special Projects in the Department of Intergovernmental Relations, Office of the City Coordinator under the management of Gaynell Schandel (612) 673-2001. The contact person for any questions related to the Consolidated Plan is:

Matt Bower
Grants & Special Projects
307M City Hall
350 South Fifth St.
Minneapolis, MN 55415

(612) 673-2188
Fax: (612) 673-3724
Matthew.bower@ci.minneapolis.mn.us

The City implements Consolidated Plan funding through several key constituencies. The Minneapolis Community Planning and Economic Development Department (CPED) implements the housing, economic development, and community development strategies. The Minneapolis Department of Health and Family Support implements health and public service strategies. The City partners with the Minnesota Housing Finance Agency to administer the Housing Opportunities for Persons with AIDS (HOPWA) grant. Examples and details of partnerships are found throughout the Consolidated Plan.

2. Planning Timeline

Development of the Five-Year Consolidated Plan strategy and annual Action Plans is a continuous process with many opportunities for feedback. Annually, the Mayor recommends a budget for Consolidated Plan funding approximately each August for City Council deliberation leading up to an approved budget in December. With a budget determined, city departments and partner agencies review implementation and program strategies to develop the annual Consolidated Plan, which is submitted, to HUD in April. Then the City collects performance data, annually, on previous program year activities during the summer before submitting an annual performance report to HUD in August. This performance data provides feedback for budget setting priorities for the following year.

3. Jurisdiction Consultations

To ensure that the Consolidated Plan meets local needs, and addresses HUD statutory purposes, coordination among internal departments and various external entities is essential throughout the plan's development.

Internal

City staff received from HUD draft Consolidated Plan guidelines, and immediately after April 15, 1994, internal coordination began. These guidelines, dated March 18, 1994, described the new Consolidated Plan. City staff continually relies upon HUD-issued updates to Consolidated Plan requirements in developing the city's Consolidated Plan.

A work team made up of representatives of the Grants and Special Projects office, the Planning Division, CPED and MPHA convened to write the 2005-2009 Consolidated Plan Five-Year Strategy. CPED provides information and analyses on housing and homelessness needs and the current housing market. MPHA provides data on public housing. CPED contributes data and analysis on

housing, homelessness and economic development issues and the city's housing and community development strategies. Additionally, various other departments contribute information relating to their specific areas of expertise, providing an overall collaborative effort.

External

Equally important to internal staff consultations is consulting with non-City parties. A significant component of external cooperation includes periodic inter-jurisdictional meetings between representatives of HUD entitlement communities in the Metro Area. These meetings have included representatives from the cities of Minneapolis, St. Paul, Plymouth; CPED; Metropolitan Council; HUD; Hennepin, Ramsey and Anoka counties; and the Washington, Dakota and Bloomington Housing and Redevelopment Authorities. Discussion topics of this group consist of joint issues and concerns raised by the Consolidated Plan.

The City also consults with community-based agencies and boards on different aspects of the Consolidated Plan. This input is especially valuable to inform city staff of needs and program issues that can be observed as only those in the field can.

The City works with the Minnesota Housing Finance Agency (MHFA) and the HIV Housing Coalition in planning the annual HOPWA allocations. City staff participates in the Community Advisory Board on Homelessness, the Interagency Stabilization Group, Metropolitan Housing Implementation Group, Funder's Council, Lead Task Force and Fair Housing Implementation Council.

Serving as a link between the community and City officials, staff from the Minneapolis Planning Department have been appointed as members of MPHA's citywide Comprehensive Grant Committee. This relational link serves to inform the committee of the progress related to Consolidated Plan. Additionally, Minneapolis Grants and Special Projects staff participate in MPHA's Comprehensive Grant Public Hearings and Public Meetings for the Coalition for Housing for Persons with HIV. Annually, the Hennepin County Continuum of Care planning processes also provides considerable input into the Consolidated Plan – the Continuum is staffed by the county with city technical assistance provided by city staff.

C. Citizen Participation Plan

1. Background

Throughout the development of the Consolidated Plan, citizen input is encouraged. The City of Minneapolis provides its citizens many opportunities to provide input to the decision making process. Citizens are encouraged to attend

and participate in city council committee meetings, neighborhood/community revitalization meetings, numerous boards and public hearings designed to solicit public comments. These community engagement practices are designed to meet the needs and requirements of various programs and planning processes.

Staff of the City of Minneapolis have developed a citizen participation plan designed specifically for the Consolidated Plan. Nothing in the Consolidated Plan, however, shall be construed to restrict the City's responsibility and authority for the development of its application to the U.S. Department of Housing and Urban Development (HUD) and the execution of its Community Development Plan.

A Citizen Participation Schedule is developed for each year's Consolidated Plan at the beginning of the Citizen Participation process and is continually updated. The Citizen Participation Schedule for the 2005 Consolidated Plan follows.

2. Schedule

City of Minneapolis Citizen Participation Plan FY 2005 Consolidated Plan	
January 5, 2004	Initial meeting of Public Health Advisory Committee (PHAC) on CDBG
May 25, 2004	Public Health Advisory Committee CDBG public service priorities recommendation
August 9-24, 2004	Public Comment period on 2003 Consolidated Annual Performance and Evaluation Report (CAPER)
August 12, 2004	Mayor's Proposed 2005 Budget
August 24-25, 2004	Public Health Advisory Committee community meetings on public service needs/priorities
August 24, 2004	Public Hearing on 2003 CAPER
August 27, 2004	2003 CAPER submitted to HUD
October 19, 2004	Ways & Means Committee Public Hearing on PHAC CDBG public service budget
November 4, 2004	Mailing of 2005 Consolidated Plan Budget Executive Summary
December 6, 2004	Public Hearing on 2005 Proposed Budget including Consolidated Plan
December 13, 2004	2005 Consolidated Plan Budget Approved (based on estimated HUD awards)
February 25, 2005	City Council Approval of Official 2005 Consolidated Plan Budgets
March 11, 2005	City Council approval of PHAC public service projects
March 14-April 13, 2005	Public Comment period on Draft 2005

	Consolidated Plan
April 5, 2005	Public Hearing on 2005 Consolidated Plan
April 15, 2005	City submission of 2005 Consolidated Plan to HUD
June 1, 2005-May 31, 2006	Year 31 CDBG Program Year, FY 2005 Consolidated Plan Year
August 2005	Public Hearing on FY 2004 CAPER
August 2005	Submission of FY 2004 CAPER to HUD

3. Public Hearings

The City's citizen participation plan encourages the inclusion of all City residents throughout the Consolidated Plan development process--especially low-income residents who are the primary clients for HUD programs, organizations advocating for and serving low-income residents and other interested parties. Public meetings and public hearings have been and continue to be the foundation of the citizen participation plan. At least three public hearings are held each year to address housing and community development needs and development of proposed activities, approval of the annual Consolidated Plan and review of program performance.

The City will be submitting its 2005-09 Consolidated Plan Five Year Strategy and 2005 Action Plan to HUD on April 15, 2005. A draft copy of the 2005-09 Consolidated Plan will be made available in March 14, 2005 for at least a thirty-day public comment period. The City of Minneapolis Community Development Committee holds the public hearings on the Consolidated Plan, while the full City Council holds the public hearing and receives comments on the proposed budget during the annual Truth-in-Taxation hearing in December.

4. Notification and Access to Hearings

To assist in obtaining broad-based participation, extensive communication efforts are used during the implementation of the City's citizen participation plan. A Consolidated Plan mailing distribution list of approximately 200 names is revised continuously. The list includes public, private and social service agencies and individuals that request notification of meetings and hearings. Public notices for both public meetings and hearings are published in Finance and Commerce, in accordance with City notification practices. Notification of meetings and hearings is sent to the Consolidated Plan mailing list.

The various printed notices give a list of addresses where copies of the Consolidated Plan are available and invite persons to either speak at the public meetings and hearings and/or submit written comments. Both public meetings and hearings are accessible and sign language interpretation is available for public hearings and meetings. To have a name placed on a speakers list for a City Council Public Hearing, call (612) 673-3130, or for sign language interpreting, TTY (612) 673-2626.

All Consolidated Plan materials can be made available in alternative formats upon request. To request such accommodation, please contact the Grants & Special Projects office at (612) 673-2032.

5. Technical Assistance

A wide range of assistance is available to all groups needing help in understanding the Consolidated Plan application process and development of proposals. This service, as well as referrals to appropriate community agencies, is available from the Office of Grants and Special Projects in City Hall. For technical assistance, call (612) 673-2188.

In the event that a significant number of non-English speaking residents wish to participate in an aspect of the Consolidated Plan citizen participation process, a request for assistance should be forwarded to the City Clerk's Office, or the Office of Grants and Special Projects. The number for requesting non-English speaking personnel is (612) 673-2032.

6. Proposed Funding Processes

The City's method for allocating Consolidated Plan funds varies according to the funding source. Further information on solicitation of funding opportunities can be obtained from the following staff and is discussed in various sections of this plan (for instance, within project descriptions for programs that have funding solicitations):

<u>Fund</u>	<u>City Awards Funds to:</u>	<u>For Further Information Call:</u>
CDBG	Various Agencies	Becky McIntosh, Department of Health and Family Support (612) 673-2884; Matt Bower, Grants & Special Projects (612) 673-2188
HOME	Project Developers	Donna Wiemann, CPED (612) 673-5257
ADDI	First-time homebuyers	Mark Anderson, CPED (612) 673-5289
ESG	Project Developers	Donna Wiemann, CPED (612) 673-5257

7. Comments/Complaints

If somebody is unable to attend Public Meetings or Hearings for the Consolidated Plan, written comments or relevant data such as articles, reports, studies, or surveys that should be considered in the Consolidated Plan can be sent to the Office of Grants & Special Projects. It is City policy to respond to written comments or complaints pertaining to the Consolidated Plan within 15 days of receipt. All written comments and complaints plus the city's action taken are included in the Appendix of the subsequent Consolidated Plan/Annual Performance Report.

8. Anti-Displacement and Relocation Plan

The City of Minneapolis considered existing policies designed to minimize displacement in the CDBG program when developing the Consolidated Plan. For example, CPED adheres to ongoing administrative policies to limit displacement when implementing CDBG-funded activities. These policies limit displacement by using land inventories, available vacant land and substandard vacant structures. Where displacement does occur, the city provides a full range of relocation benefits and services to those displaced according to its relocation policy. The Consolidated Plan complies with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended and implementing regulations at 49 CFR 24. The City has and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974 as amended in connection with any activity assisted with funding under the CDBG or HOME programs.

9. Substantial Change Process and Amendments

The City of Minneapolis outlines the following policy regarding formal amendments to its Consolidated Plan.

For purposes of definition, the City of Minneapolis defines “activity” as described in 24 CFR 91.505 as the equivalent of a “program/project” as described in the City’s annual Consolidated Plan budget documents.

The Consolidated Plan will be amended, formally, upon the occurrence of one of the following:

1. A Consolidated Plan activity described in the Consolidated Plan, as amended, is cancelled;

2. A new Consolidated Plan activity not previously described in the Consolidated Plan, as amended, is added; or
3. There is a substantial change to the current Consolidated Plan, as amended. Substantial change is defined as:
 - a) A change in Consolidated Plan priorities
 - b) A change in a program/project description of such a degree that it may be reasonably concluded that a significant change in projected program purpose, scope, location, fund allocation or intended beneficiaries would ensue; or
 - c) A reprogramming of more than 25% of an original CDBG amount budgeted for a major functional Consolidated Plan budget category: Housing, Economic Development, Community Development, Public Services, and Administration.

Formal amendments to the Consolidated Plan trigger the Consolidated Plan citizen participation plan (i.e., need for public hearing before Community Development Committee, 30-day public comment period). Changes to the Consolidated Plan not rising to the level of formal amendment will be treated through existing city review and approval processes. These informal changes will be included in the annual performance report to HUD and the public for the subject Consolidated Plan year.

10. Access to Records

The Consolidated Plan is available for review at the Minneapolis Grants and Special Projects Office (Room 307M City Hall), all Minneapolis Public Libraries, and at the Legal Aid Society of Minneapolis. A limited number of copies of the Consolidated Plan are also made available to pickup.

Consolidated Plan information is also placed on the following website for review: www.ci.minneapolis.mn.us/grants, link to the Consolidated Plan page. Requests for other records related to the Consolidated Plan can be made by calling the Grants & Special Projects Office. Staff of the Grants & Special Projects Office can also meet with groups or individuals to discuss the Plan. Please call (612) 673-2032 to request information, or to arrange an appointment.

Orders for copies of the Consolidated Plan, comments on the Consolidated Plan process, requests for technical assistance and additions/changes to the mailing list should be sent to Matt Bower, Office of Grants and Special Projects, Room 307M City Hall, 350 South Fifth Street, Minneapolis, MN 55415, or call (612) 673-2188 or fax (612) 673-3724.

D. Institutional Structure (91.215 (i))

1. Organizational Relationships

The institutional structure through which the city carries out its housing and community development plan consists of public, private and nonprofit partners. The primary public entities are the city of Minneapolis, the Minneapolis Public Housing Authority, Hennepin County, and the Minnesota Housing Finance Agency. Nonprofit organizations include nonprofit developers and community housing development organizations, the Family Housing Fund, and the Interagency Stabilization Group. Private sector partners include local financial institutions, for-profit developers and the foundation community.

The city works with these partners to design programs that work to address needs present in the city. Still, program delivery gaps occur whether through funding shortfalls, differing timetables, and contrary program design. The city seeks to resolve these gaps through its commitment to its institutional relationships evidenced by its close working relations with its partners. The city will continue to meet with and inform its partners of its housing and community development needs, goals and strategies.

2. Organizational Relationship with Public Housing Agency

The organizational relationship between the MPHA and the city is an important component of the city's institutional structure for carrying out its housing and community development plan for its low and moderate-income residents. A nine member Board of Commissioners governs the MPHA; four of these members are city council-appointed, and five members, including the chairperson, are mayoral appointees. One appointee of the council and mayor respectively must be a public housing resident.

The MPHA functions as an independent housing authority with its own personnel and purchasing systems. The city provides financial support to several MPHA initiatives. City staff sits on the Comprehensive Grant Committee of MPHA and MPHA staff contributes to the development of the city's Consolidated Plan. The city funds resident participation initiatives that encourage local resident management of public housing sites.

E. Monitoring (91.230)

The following describes the standards and procedures that the city uses to monitor activities carried out in the Consolidated Plan and to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.

1. Purpose

The intention of these guidelines is to define the city's monitoring system and provide general guidelines and operating standards for "overseeing" subcontracted activities.

2. Objectives

The objectives of the city's monitoring system are:

- ◆ To satisfy the statutory requirements of grantor agencies
- ◆ To assist contractors in properly administering grant-funded programs implemented on behalf of the city
- ◆ To minimize the city's liability by identifying and correcting major program deficiencies before they result in financial penalties and/or funding sanctions.
- ◆ To provide city management and grantor agencies with performance information to guide them in making future funding decisions (i.e. verify the quantity and assess the quality of the services being delivered).

3. Definitions

The definition of monitoring, for the purposes of grant administration, is an on-going process aimed at measuring, maintaining and/or improving performance and, under normal circumstances, can be placed in one of the following two categories:

Production Monitoring: Review procedures done at critical points within a process to assure production consistency. An example of this would be the "desk top" review of invoices by city staff before payment.

Quality Control / Compliance Monitoring: Review procedure done outside the production process to assess the quality of the process and product being delivered; it can be used to measure the effectiveness of production controls. An example of this would be the reviews conducted by auditors to determine the accuracy and adequacy of financial records, procedures and controls.

Vendor: A "Vendor," as defined in the Internal Control Standards section of the Federal Managers Financial Integrity Act of 1982, audit resolution Standard is one who:

- ◆ Provides goods and/or services within normal business operations

- ◆ Provides similar goods or services to many different purchasers
- ◆ Operates in a competitive environment
- ◆ Is not required to follow program compliance requirements in delivering goods and/or services

Subrecipient: A "Subrecipient" as defined in the Internal Control Standards section of the Federal Managers Financial Integrity Act of 1982, audit resolution Standard is one who:

- ◆ Determines eligibility for assistance
- ◆ Is required to meet program objectives
- ◆ Is responsible for making program decisions
- ◆ Is responsible for meeting program compliance requirements
- ◆ Uses funds provided to carry out a subrecipient program rather than provide goods or services for a program of the prime recipient.

4. Production Monitoring

Subrecipient Monthly/Quarterly Reports: City departments responsible for administering grants normally require periodic reports from subrecipients indicating costs incurred and progress on contract goals. Normally, these are done monthly and result in installment type payments over the contract period. Payments cover reported costs and may include an operating advance. Program and Finance staff review these reports before payment – also, the reports serve as one of the indicators as to whether an on-site visit is necessary.

Vendor Invoices: Vendor invoices are normally submitted after goods or services have been received and are reviewed by Program and Finance staff before payment. Payment is based solely on the competitively established per-unit price of the goods or services received rather than the cost to the vendor.

Technical Assistance: The City Program and Finance offices both provide technical assistance on a request basis to improve subrecipient performance and reduce the need for compliance monitoring. During these visits, staff is not only able to provide subrecipients with technical assistance but can assess the need for "quality control" type follow-up visits.

Audit Reviews: City Finance staff performs audit reviews on a regular basis to assure that:

- ◆ Required audits are completed and submitted.
- ◆ Any findings identified in the reports are resolved.
- ◆ The reports, in general, meet the grantor's minimum audit requirements.

The audit review function is a centrally coordinated and controlled activity and is used as another indicator of the need to conduct an on-site visit.

5. Quality Control/Compliance Monitoring

Quality control or compliance type monitoring is done on a "perceived risk" or request basis and is conducted by Program, Finance, or a combination of Program and Finance staff as dictated by each particular situation. Monitored subrecipients are selected from the most recent complete list of contractors, based on dollar volume and/or types of activities being undertaken and/or for the problem indicators previously listed. Subrecipients monitored on a request basis are normally identified by city council members or subrecipient Boards also on a perceived risk basis but on the judgment of someone other than Program or Finance Department staff.

Under current staffing, subrecipients meeting the following criteria need not be monitored:

- ◆ Those that receive less than \$5,000 per year
- ◆ Those that have a "clean" audit report.
- ◆ Those that have been administering programs for the City/CPED for more than 3 years
- ◆ Those that have submitted all of the required program and financial reports and those reports do not indicate a problem.

Monitors utilize a "free format" type of monitoring review using the contract as a guide. A summary of the results of each visit is prepared in memo form and provided to the responsible Program Office manager(s) for resolution.

F. Priority Needs Analysis and Strategies (91.215 (a))

Discussion of needs and strategies are found later in this Consolidated Plan under respective subject areas. However, the following is an overview of what is used for assigning priorities and some obstacles present that the reader should keep in mind in evaluating the strategies the city is using to meet underserved needs.

1. Basis for Priority Assignments

The Five-Year Consolidated Plan reflects city priorities used in determining eligible projects to be funded with Consolidated Plan resources. Competing priorities for limited Consolidated Plan resources prevent the city from funding all of the areas of need to the degree they deserve to be.

- ◆ Estimated funding resources are derived from either known approved plans (as in the case of capital improvement plan), or historic funding resources.

- ◆ Needs and strategies are procured from an array of planning documents produced by the city and outside agencies. Grants and Special Projects staff welcome any planning documents from outside agencies that can contribute to the comprehensiveness of the Consolidated Plan. Staff will consider submitted materials for the Consolidated Plan.

- ◆ Strategies noted do not necessarily correspond to a specific project.

- ◆ Estimated units are derived from any known projections developed by the city, general references to a measure that could be translated into a unit, or a review of units produced historically and projected forward into time.

- ◆ The HUD Consolidated Plan requests that housing and community development needs be assigned a priority, though it is not required. For purposes of the Consolidated Plan, the city assigns priorities to the extent possible. Citizens can expect that the annual budget is a statement on priorities by the City. Where Consolidated Plan budgets do not reflect assigned priorities, annual Consolidated Plan updates in the future will consider changing the priorities. Priorities are relative and follow these classifications:

High: The city plans to use available Consolidated Plan funds for activities to meet the need during the Five-Year Strategic Plan.

Medium: The city plans to use any available funds, including Consolidated Plan funds, for activities to meet the need during the Five-Year Strategic Plan, and can assist organizations in seeking funds to meet the need.

Low: The city does not envision using any available Consolidated Plan funds for activities to meet the need during the Five-Year Strategic Plan. The city will consider certifications of consistency for other organizations' applications for federal assistance to meet these needs.

No Such Need: The city finds that there exists no such need, that the need is of a nature not requiring Consolidated Plan assistance, or the need is already substantially addressed.

2. Obstacles to Meeting Underserved Needs

Limited resources are the primary obstacle to meeting underserved needs identified in the Consolidated Plan. The solution to this problem can be achieved by actively engaging other community development partners to recognize and share local priorities to address underserved needs. The reader will find examples of this work in the partnership discussions throughout the Plan. Other efforts will be cited where participants at different levels of government demonstrate a shared vision of how to address needs.

G. Lead-based Paint (91.215 (g))

The city, as recipient of HUD funding, is required to estimate the number of housing units that may contain lead-based paint hazards and that are occupied by HUD client populations – also required are actions to evaluate and reduce lead-based paint hazards. The housing section of the Plan will be more specific in this discussion.

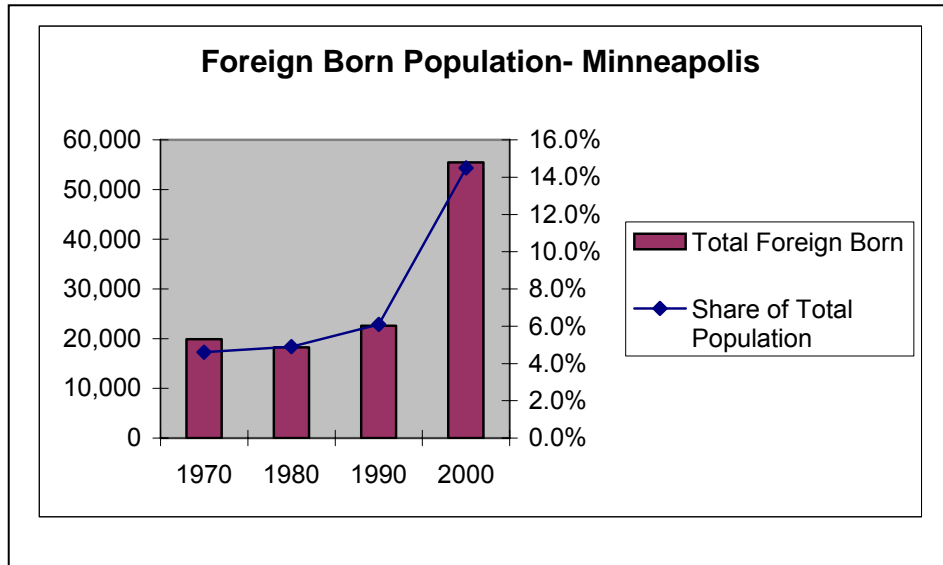
However, to summarize, the City will continue its active efforts at treating lead-based paint hazards in city housing stock through several levels. First, at the identification level- working with health providers, the state health department and local health departments to identify children with elevated blood lead levels. The City will also work at the mitigation level -- coordinating mitigation measures at addresses where persons with elevated blood lead levels have been identified.

H. General Community Demographics and Income

According to the 2000 US Census, the City's population increased 3.9% to 382,618 from 1990. This increase is highly competitive among traditional "Rust Belt" central cities while reversing a decades-long trend of decline.

The increase in the city's population since 1990 is directly related to an influx of foreign-born residents. The 2000 Census found that 56 percent of the metropolitan area's foreign-born population arrived since 1990 (the third highest percentage among the 25 largest metropolitan areas). Minneapolis' foreign-born

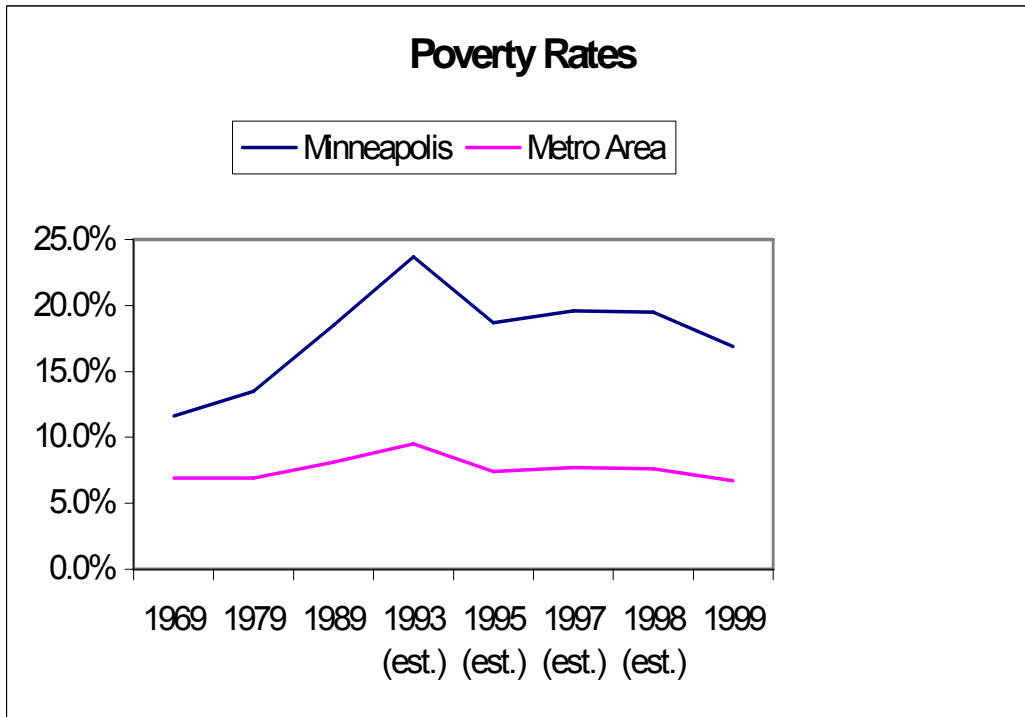
population increased itself during the 1990s by 135% (1990: 23,624, 2000: 55,475).¹ More recent data available from the U.S. Census Bureau “American Community Survey” provides an estimated Minneapolis foreign-born population to be 16.5% of the estimated population for 2003. The American Community Survey is a nationwide survey designed to provide communities an updated look at how they are changing.



The poverty rate for Minneapolis residents has varied 11 and 24 percent since the 1960s. Over the same period of time the rate has been between two to three times higher the metropolitan area as a whole.² The most recent census data is for 1999.

¹ U.S. Census Bureau, Statistical Abstract of the United States: 2003.

² U.S. Housing & Urban Development, SOCDs Census Data.



Poverty Status, Persons and Families, 1999

	Persons in Poverty	Percentage (%)
All persons	62,092	17
Related children < 5 years	5,888	23
Related children 5-17 years	13,963	25
Related children < 18 years	19,851	25
Persons 18 and over	41,615	15
All families	8,868	12
Families with related children under 18 years	7,614	19
Female headed families with related children under 18	4,876	34

HUD provides definitions of various levels. In some cases, however, the Minneapolis Consolidated Plan definitions have been changed slightly for differentiation purposes. The definitions are:

	<u>Minneapolis Definition</u>	<u>HUD Definition</u>
Extremely Low-Income (Very Low)	0-30% MFI	0-30% MFI
Low-Income	31-50% MFI	Less than 50% MFI
Moderate-Income	51-80% MFI	Does not exceed 80% MFI
Middle-Income and Above	81% and Above MFI	80-95% MFI

MFI refers to median family income. For purposes of HUD program definition and eligibility determinations, incomes are measured at the metropolitan area median family income. For example, a very-low income family of four is defined as a family whose income does not exceed 30% of the metropolitan median family income for a family of four. HUD annually updates the metropolitan median family income and corresponding income levels. Program beneficiaries are determined through the median income measure.

The following two illustrations describe current income limits and the full-time hourly wage required to achieve income levels.

FY 2005 Median Family Income		
Minneapolis-St. Paul, MN-WI MSA	\$77,000	
Annual Income & Equivalent Full-Time Wage/Hour*		
A single person at 30% MFI would earn... **	\$16,150	\$ 7.76/hr
A single person at 50% MFI would earn... **	\$26,950	\$ 12.96/hr
A single person at 80% MFI would earn... **	\$40,600	\$ 19.52/hr

FY 2005 Median Family Income		
Minneapolis-St. Paul, MN-WI MSA	\$77,000	
Annual Income & Equivalent Full-Time Wage/Hour***		
A family of four at 30% MFI would earn... **	\$23,100	\$ 11.11/hr
A family of four at 50% MFI would earn... **	\$38,500	\$ 18.51/hr
A family of four at 80% MFI would earn... **	\$58,000	\$ 27.88/hr
* Assumption 2,080 annual hours		
** Income is adjusted for HUD formula calculations		
*** Assumption one wage earner at 2,080 annual hours		

Very low-income families or households are those whose income is between 0 and 30 percent of the metropolitan area's median family or household income, subject to adjustments for smaller or larger families. In Minneapolis, for 2005 the 30 percent income measure for a family of four is \$23,100, calculated from the current metropolitan median family income of \$77,000. Examples of households in this income category include many individuals residing in licensed residential facilities; those receiving public assistance such as Temporary Assistance for Needy Families (TANF), persons who are without housing, and many of the working poor. Additionally, evidence is that many recent immigrant populations that have moved into the city over the past decade are disproportionately at this income level.

In the 2000 Census, 30,379 Minneapolis households were at or below 30 percent MFI. This is a 2.6% decrease from 1990 (1990: 31,156 households). In 1990, 19.4% of Minneapolis households were very low-income, and in 2000, 18.7% of Minneapolis households were low income – showing no significant change in the share of households at this income level.

The geographical distribution of individuals and families with very low-incomes shows the highest concentrations of very low-income individuals and families are located in the near southern and northern areas of the city. These areas of the city also contain the oldest and most deteriorated housing stock.

HUD defines low-income families or households as those whose income does not exceed 50 percent of the metropolitan area's median family income, subject to adjustments for smaller or larger families. For differentiation purposes, this Consolidated Plan defines low income as 31 to 50 percent of median family income. In Minneapolis, the current 50 percent limit for a family of four is \$38,500 calculated from the metropolitan median family income of \$77,000. Examples of households in this income category can include many single parent families and the working poor. Additionally, the City assumes that many recent immigrant populations that have moved into the city over the past decade are disproportionately at this income level.

The geographical distribution of individuals and families with low incomes again shows the highest concentrations of low-income individuals and families are located in the near southern and northern areas of the city. These areas of the city also contain the oldest and most deteriorated housing stock. It should be noted that the density of concentration has decreased; more neighborhoods now contain low income households.

HUD defines moderate-income households or families as those whose income does not exceed 80 percent of the median family income for the metropolitan area, subject to adjustments for smaller or larger families. For differentiation purposes, this Consolidated Plan defines moderate-income as those having an income that is 51 to 80 percent of median family income. In Minneapolis, the

current 80 percent limit for a family of four is \$ 58,000, calculated from the metropolitan median family income of \$ 77,000. The share of households in the city at this income level has remained the same over the past decade.

Households at this income level are found throughout the city; however, they are primarily concentrated at the edge neighborhoods of the city and along green spaces (Minnehaha Creek and Mississippi River corridors and lakes). Neighborhoods around the downtown riverfront areas are also increasingly seeing their income profile reflect rising incomes as new market rate rental- and ownership-housing units are being built in these areas.

I. Low-Income and Minority Concentrations

Concentrations of low-income and minority persons is being defined as in the Hollman vs. Cisneros decree. Under the decree, census tracts with at least 33.5 percent or more of the population at or below the federal poverty level are defined as areas of concentrated poverty. Areas of concentrated minority populations are those census tracts where the minority population is greater than 28.69 percent in any given census tract. Two maps in the Appendix illustrate the concentrated neighborhoods based in the 2000 Census.

With respect to poverty concentrations, the areas that are concentrated consist of southern Downtown, Cedar Riverside, Ventura Village, parts of west and east Phillips, part of Central and University area neighborhoods in south Minneapolis and Harrison, Near North, and Hawthorne neighborhoods in north Minneapolis. Minority-concentrated tracts cover a broader swath of the city, roughly covering the north Minneapolis neighborhoods west of the Mississippi River through downtown and most of south central Minneapolis with pockets of concentration in northeast and far south Minneapolis.

Chapter 2 Housing Needs

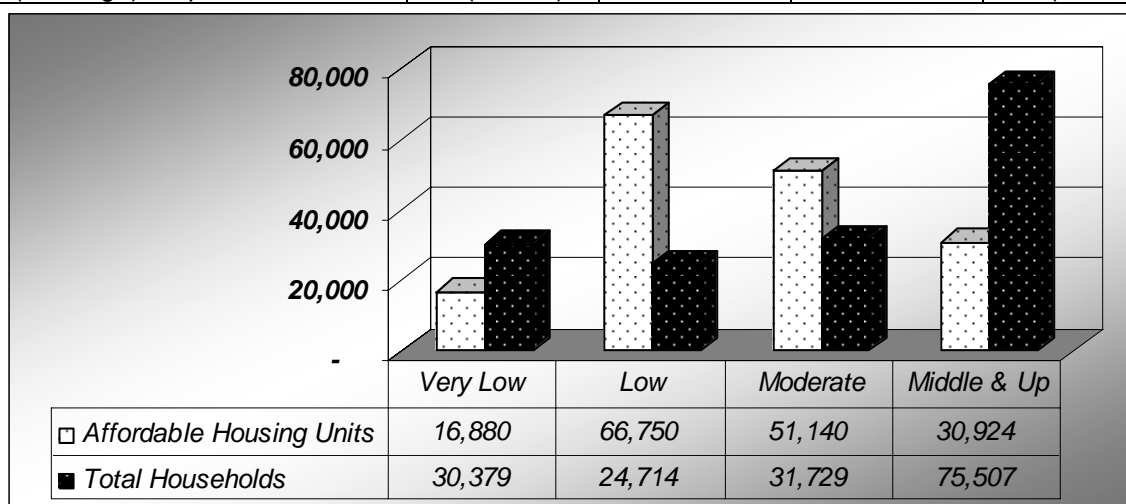
A. General

This section reviews the housing needs experienced by low and moderate income Minneapolis residents. It discusses a housing market analysis that touches on the options available to the City in addressing the needs and gaps in the housing supply for HUD client populations. The majority of housing data is taken from the HUD Comprehensive Housing Affordability Strategy (CHAS) compiled from the 2000 U.S. Census. HUD requires communities to document their local affordable housing needs upon this data³.

B. Housing Needs (91.205)

Renter & Owner vs. Availability of Units

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
Category: MFI	0-30%	31-50%	51-80%	81%+
Renters	23,948	15,985	16,951	22,057
Owners	6,431	8,729	14,778	53,450
Number All Households	30,379	24,714	31,729	75,507
Percent All Households	19%	15%	20%	47%
Affordable Housing Units:				
Rental Occupied	16,470	37,015	21,315	4,145
Owner Occupied	n/a	28,320	28,910	26,199
Rental Vacant	410	1,175	585	360
Owner Vacant	n/a	240	330	220
Affordable Housing Units:	16,880	66,750	51,140	30,924
(Shortage)/Surplus	(13,499)	42,036	19,411	(44,583)



³ HUD State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data (1990, 2000) (Note: Changes in the HUD's methods in 2004 explain various rounding discrepancies, throughout the discussion, in data aggregated between classifications and in total.)

From the table above, nineteen percent, or 30,379 of the city's 162,329 households have very-low incomes and face a shortage of affordable housing. The data indicate that there is a shortage of 13,499 for affordable housing units, including both owner and rental properties, in the very-low income category (for those making 0-30% of metropolitan median family income). This statistic can be misleading across all income classifications, for example, "affordable units" are occupied by households with higher incomes and are, in reality, unavailable to households with lower incomes.

The table summarizes the level of housing assistance needs within income classification versus number of available affordable units. The very-low income group faces a shortage of 7,068 affordable rental units (complete ownership data is not available for this income group). This type of housing shortage situation produces an outcome of overcrowding. Anecdotal observations by low-income advocacy groups indicate that many families are doubled-up in housing units in order to avoid homelessness or to reduce housing costs. The same situation has been observed with residents who are recent immigrants.

The geographical distribution of individuals and families with very-low incomes is mapped in the appendix. The data show the highest concentrations of low income individuals and families located in the near southern and northern areas of the city. These areas of the city also contain the oldest and most deteriorated housing stock.

Examples of households in this income category include many single parent families and the working poor. Additionally, the City assumes that many recent immigrant populations that have moved into the city over the past decade are disproportionately at this income level.

Twenty percent city's households have moderate-incomes. The table above shows there are 51,140 housing units available in Minneapolis that are affordable to moderate-income households for a surplus of 19,411 units. The cost of housing is a concern in this income group, particularly for family and owner occupant households. Although the number of housing units affordable to moderate-income households appears to be adequate, higher income residents who have chosen to live in the city probably occupy many units.

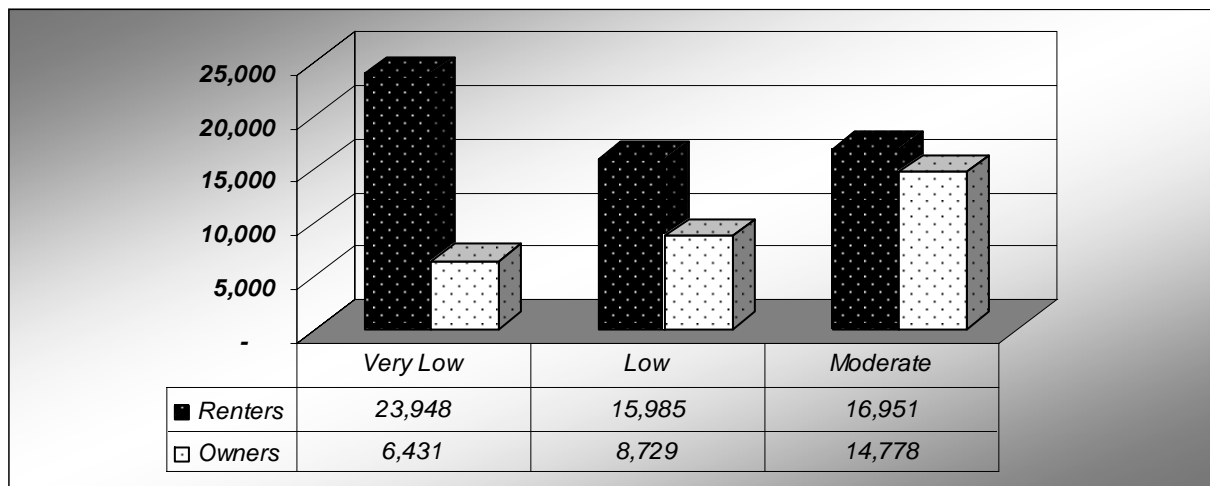
HUD defines middle-income households or families as those whose income is between 80 and 95 percent of the area's median family income, subject to adjustments for smaller and larger families. This Consolidated Plan, however, defines middle-income households as those with incomes at or above 81 percent. Households falling into this income category are generally ineligible for Consolidated Plan assistance. However, housing units within this category are eligible for housing assistance under the Consolidated Plan if they meet the national objective of eliminating slum and blight, influences that are a danger to public health and safety.

Forty-seven percent or 75,507 of the city's 162,329 households have middle-incomes and above. The table shows there are 30,924 housing units available in Minneapolis that are affordable to households at middle-income and above. The data shows a shortage of 44,583 housing units for this income category, meaning that the housing market is not providing the number of units necessary to house households at this income level. Therefore, households at 81+ percent of median income are occupying housing units affordable at lower income levels.

Further examination of the middle-income category shows that 22,057 (28%) of all renters in the city and 53,450 (64%) of all owners fall into this income category. The shortage represented in this category indicates a greater demand for higher priced rental and owner housing units than is available to the number of middle-income and above renters and owners.

Renter and Owner Comparisons within Income Classifications
Source: HUD Chas Data 2000

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate
Renters	23,948	15,985	16,951
Owners	6,431	8,729	14,778

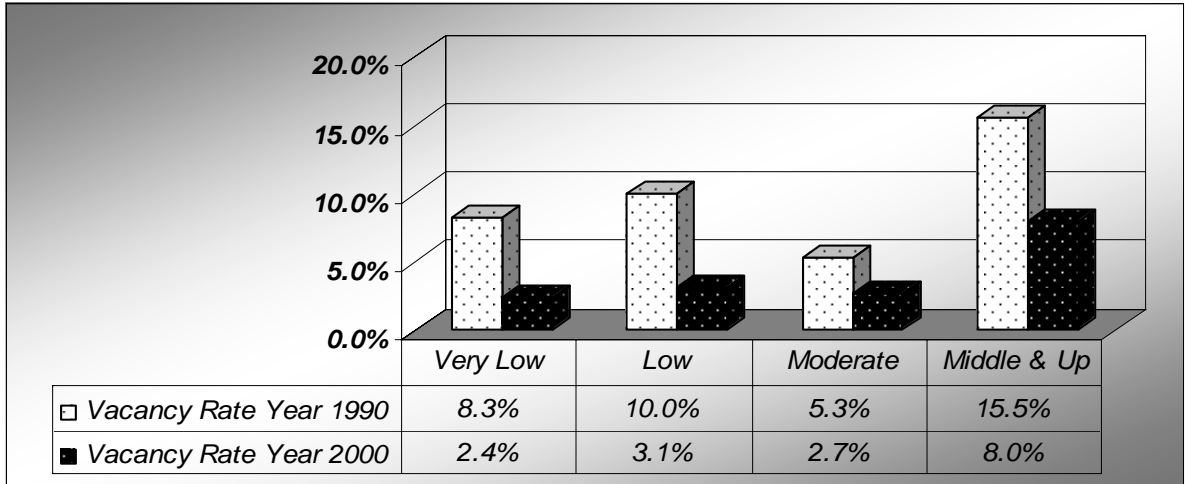


According to HUD CHAS data, 23,948 renters (30 percent of all renters), and 6,431 homeowners (8% of all homeowners) fall into the very-low income category. While rental units provide most of the affordable units available to very-low income households, renters in this income category still face a shortage of 7,068 units, as noted in a previous table. There are 16,880 affordable rental-housing units available in Minneapolis that are affordable to very-low income households; the demand for such units exceeds the supply. There are, according to HUD's CHAS data, approximately 1,660 more rental-housing units affordable to very-low income households than in 1990; however, note in the comparison below, vacancy rates have sharply decreased over the same time.

Further analysis of HUD data reveals that approximately 20 percent of all renters and approximately 10 percent of homeowners fall into the low income category.

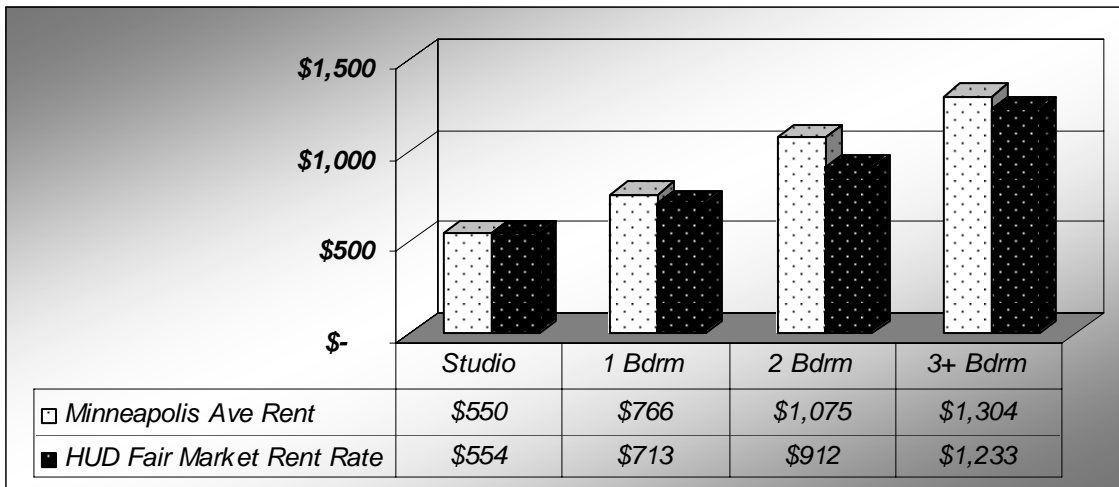
Rental Vacancy Rates by Affordability Classification
Source: HUD Chas Data 2000

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up	Total
Year 2000	2.4%	3.1%	2.7%	8.0%	3.1%
Year 1990	8.3%	10.0%	5.3%	15.5%	8.3%



	Studio	1 Bdrm	2 Bdrm	3+ Bdrm *
2003 Minneapolis Average Rent	\$ 550	\$ 766	\$ 1,075	\$ 1,304
HUD 2003 Fair Market Rents	\$ 554	\$ 713	\$ 912	\$ 1,233

Rent Rates



Source: U.S. Department of HUD HOME 2003 Program Rents and 2003 Minneapolis GVA Marquette survey of rental property owners and managers

The following table highlights local survey data to reveal changing vacancy rates, as a possible indication of recent trends. In the City of Minneapolis' 2003 State of the City report, GVA Marquette compiled metro-wide non-random sample survey data. Rental market data is based on a survey of rental property owners and managers, representing approximately one quarter of Minneapolis rental units; they are self-selected and tend to own or manage larger multi-unit rental properties. Because this is a non-random sample, reported rental and vacancy rates will differ to some degree from the true levels reflecting the entire rental housing stock. It should be noted that affordability is not a factor as it is with the HUD CHAS data. However, the direction and general magnitude of changes in GVA Marquette-reported rental rates and vacancies would be expected to mirror similar trends in the overall rental market.

**Rental and Vacancy Rates
City of Minneapolis
Source: GVA Marquette, Private Non-random Survey**

	2003	2002	2001	2000	1999
Minneapolis Rental Vacancy Rate	6.5%	6.1%	3.7%	1.7%	1.7%
Minneapolis Average Rent Rate	\$ 815	\$ 799	\$ 789	\$ 762	\$ 693

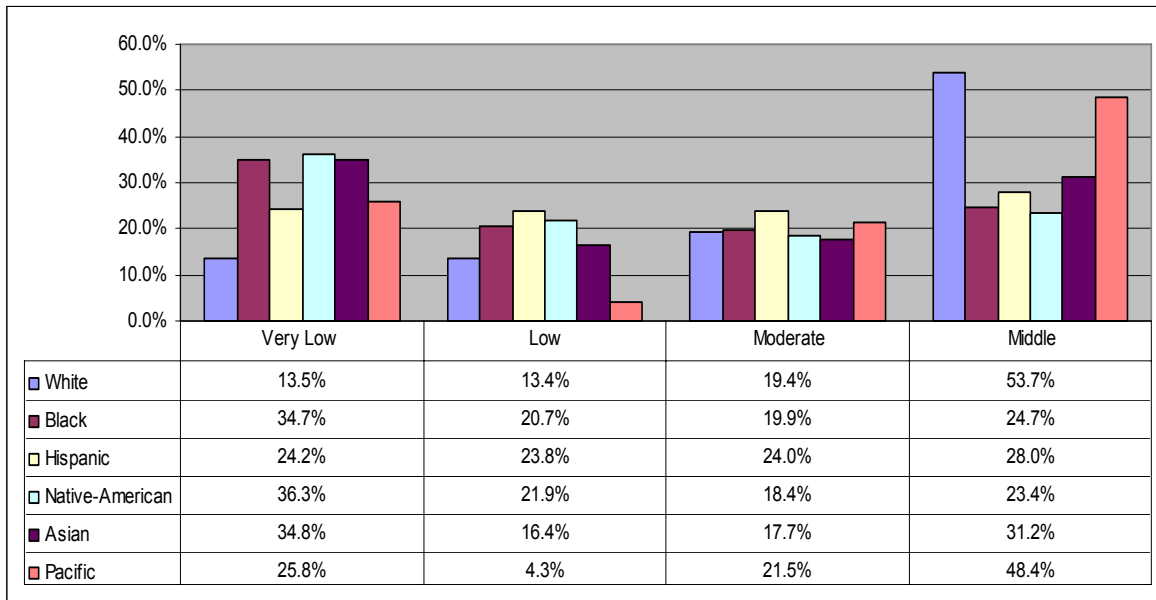
In GVA Marquette-sampled housing developments, rent levels grew by 2% in Minneapolis from 2002 to 2003, while levels remained relatively stable for the metropolitan area as a whole. Over the five-year period from 1998 to 2003, Minneapolis rents rose about 42%. Vacancies in sampled Minneapolis rental buildings increased in 2003 from 6% to 7%. The higher metro-wide vacancy rate rose by a full percentage point to 8%. (Source: Minneapolis State of the City 2003)

1. Housing Need Race/Ethnicity

The following table and graph represent the distribution within each race/ethnicity across HUD income classifications.

**Income Classification % Within Each Race/Ethnicity
City of Minneapolis
All Households**

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up	Total
White	13.5%	13.4%	19.4%	53.7%	75.7%
Black	34.7%	20.7%	19.9%	24.7%	14.4%
Hispanic	24.2%	23.8%	24.0%	28.0%	4.3%
Native-American	36.3%	21.9%	18.4%	23.4%	1.3%
Asian	34.8%	16.4%	17.7%	31.2%	4.2%
Pacific	25.8%	4.3%	21.5%	48.4%	0.1%



Source: HUD CHAS Data 2000

The following data identifies households with “any housing problems” by racial/ethnic classification among types of housing situations compared to the percentage of persons in the category as a whole. If the proportion for a racial/ethnic group is at least 10 percent higher than the income group as a whole, then that racial/ethnic group is experiencing a disproportionately higher level of need for housing assistance than the total group. Renter households predominately experiencing this condition are the Hispanic and Pacific Islanders; for owners, practically all households with persons of color have a disproportionately higher level of need for housing assistance: Black, Hispanic, Native American, Asian and Pacific Islanders. The City, therefore, addresses these needs to ensure that rental opportunities and home ownership programs are tailored to assist these specific households.

**HUD Estimates of Need within Household Type
City of Minneapolis
Substandard Housing Problems
All vs. Race/Ethnic Group**

Income Group:		0-30% MFI Very Low			31-50% MFI Low			51-80% MFI Moderate			81% + Middle & Up		
		Total Households	Households with Any Problems	%	Total Households	Households with Any Problems	%	Total Households	Households with Any Problems	%	Total Households	Households with Any Problems	%
Renters	All	23,948	17,554	73%	15,985	10,438	65%	16,951	3,916	23%	22,057	1,963	9%
	White	11,480	8,576	75%	9,450	6,048	64%	11,485	2,125	19%	16,925	779	5%
	Black	6,890	4,981	72%	3,550	2,212	62%	2,780	765	28%	2,190	425	19%
	Hispanic	1,415	1,140	81%	1,269	1,036	82%	1,206	613	51%	1,120	445	40%
	Native Am	725	500	69%	405	235	58%	245	70	29%	250	50	20%
	Asian	2,015	1,421	71%	655	460	70%	605	170	28%	990	195	20%
	Pacific Isl	20	20	100%	4	4	100%	20	-	0%	35	-	0%
	Owners	All	6,431	4,875	76%	8,729	4,976	57%	14,778	5,512	37%	53,450	4,436
Elderly Renter	White	4,700	3,379	72%	6,515	3,231	50%	11,665	3,943	34%	47,210	3,446	7%
	Black	1,005	875	87%	1,145	875	76%	1,735	789	46%	3,435	340	10%
	Hispanic	235	215	92%	354	285	81%	428	269	63%	790	190	24%
	Native Am	44	40	91%	60	30	50%	145	70	48%	245	30	12%
	Asian	295	275	93%	435	370	85%	570	365	64%	1,080	350	32%
	Pacific Isl	4	4	100%	-	-	-	-	-	-	10	-	0%
	White	3,020	1,670	55%	1,625	869	54%	1,000	235	24%	1,005	120	12%
Black	775	405	52%	100	55	55%	70	20	29%	80	15	19%	
Hispanic	75	15	20%	34	30	88%	4	4	100%	-	-	-	
Native Am	-	-	-	-	-	-	-	-	-	-	-	-	
Asian	-	-	-	-	-	-	-	-	-	-	-	-	
Pacific Isl	-	-	-	-	-	-	-	-	-	-	-	-	
Elderly Owner	All	2,856	1,802	63%	3,307	962	29%	3,414	495	15%	6,661	386	6%
	White	2,540	1,565	62%	3,090	844	27%	3,265	473	15%	6,220	367	6%
	Black	210	160	76%	175	105	60%	110	10	9%	285	10	4%
	Hispanic	25	25	100%	15	-	0%	8	4	50%	25	-	0%
	Native Am	-	-	-	-	-	-	-	-	-	-	-	-
	Asian	-	-	-	-	-	-	-	-	-	-	-	-
	Pacific Isl	-	-	-	-	-	-	-	-	-	-	-	-
Family Renter	All	7,420	6,317	85%	5,143	3,707	72%	4,607	1,641	36%	6,133	1,100	18%
	White	1,175	1,040	89%	1,320	884	67%	1,760	326	19%	3,640	215	6%
	Black	3,470	2,915	84%	2,045	1,409	69%	1,455	560	39%	1,005	270	27%
	Hispanic	920	840	91%	900	785	87%	745	485	65%	700	365	52%
	Native Am	-	-	-	-	-	-	-	-	-	-	-	-
	Asian	-	-	-	-	-	-	-	-	-	-	-	-
	Pacific Isl	-	-	-	-	-	-	-	-	-	-	-	-
Family Owner	All	1,966	1,780	91%	3,349	2,464	74%	6,464	2,741	42%	30,160	2,406	8%
	White	795	725	91%	1,635	1,069	65%	4,070	1,445	36%	25,640	1,487	6%
	Black	650	595	92%	825	645	78%	1,290	615	48%	2,470	274	11%
	Hispanic	190	170	90%	295	245	83%	390	245	63%	610	190	31%
	Native Am	-	-	-	-	-	-	-	-	-	-	-	-
	Asian	-	-	-	-	-	-	-	-	-	-	-	-
	Pacific Isl	-	-	-	-	-	-	-	-	-	-	-	-
Other Renters	All	12,095	8,890	74%	8,990	5,718	64%	11,245	2,002	18%	14,804	725	5%
	White	7,285	5,872	81%	6,505	4,293	66%	8,725	1,571	18%	12,280	442	4%
	Black	2,645	1,661	63%	1,405	745	53%	1,255	184	15%	1,105	140	13%
	Hispanic	420	285	68%	335	220	66%	460	125	27%	420	80	19%
	Native Am	-	-	-	-	-	-	-	-	-	-	-	-
	Asian	-	-	-	-	-	-	-	-	-	-	-	-
	Pacific Isl	-	-	-	-	-	-	-	-	-	-	-	-
Other Owners	All	1,609	1,294	80%	2,073	1,549	75%	4,900	2,283	47%	16,629	1,646	10%
	White	1,365	1,091	80%	1,790	1,316	74%	4,330	2,026	47%	15,350	1,581	10%
	Black	145	120	83%	145	125	86%	335	165	49%	680	55	8%
	Hispanic	20	20	100%	44	40	91%	30	20	67%	155	-	0%
	Native Am	-	-	-	-	-	-	-	-	-	-	-	-
	Asian	-	-	-	-	-	-	-	-	-	-	-	-
	Pacific Isl	-	-	-	-	-	-	-	-	-	-	-	-

Notes: **Highlighted blocks are 10% higher than the category as a whole.** Incomes at 81%+ MFI (Middle Income and Above) are listed for informational purposes and are generally ineligible for HUD community planning and economic development grant funding. Source: HUD State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data, 2000

This following analyses, provided by the City’s Planning Department, is based on the most recent United States Census data. It indicates that the median housing value and sales prices are increasing as the percentage of renters is declining. Median income is increasing, but not as quickly as the value of housing. Of those renting, 26 percent of their income goes toward rent.

Percent of Income Paid in Rent, by Race				
White	Black	Hispanic	Native American	Asian
25.3	29.0	23.8	27.9	27.7

Homeowners with a mortgage are paying slightly less of their income on housing costs than renters, with 21.5% of owners’ income going toward housing.

Percent of Income Paid by Homeowners, by Race					
	White	Black	Hispanic	Native American	Asian
Total	18.2	23.7	21.8	23.0	20.9
With Mortgage	19.9	24.4	21.9	23.2	21.9
Without Mortgage	10.8	11.2	21.0	10.0	10.9

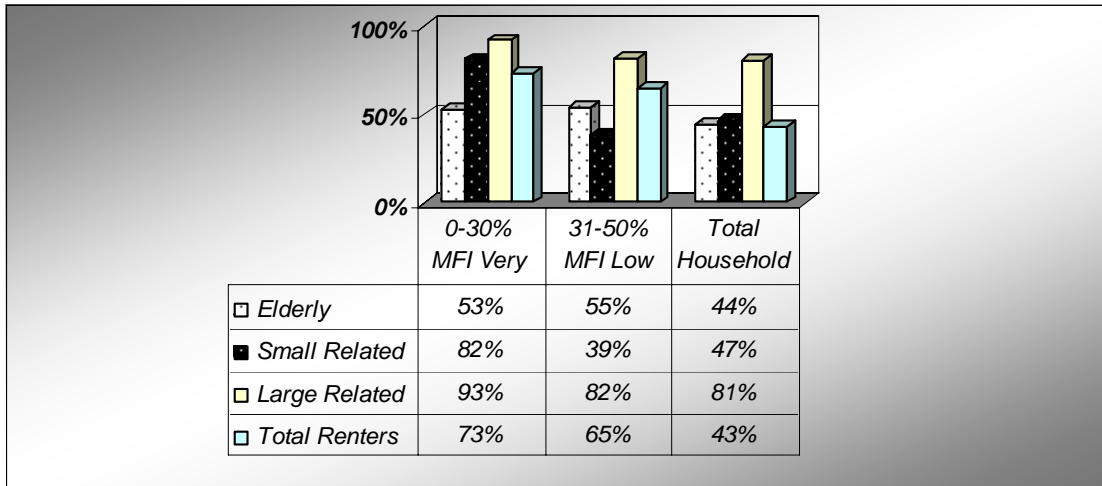
Based on this, and previous analyses, it can be inferred that the number of renters is declining somewhat, and median housing values and sale prices are increasing at a similar rate. Median income is increasing, but not as quickly as the housing values. It appears that some renters may be purchasing homes, which can be attributed to recent low interest rates available to homebuyers.

Households by type, income, and housing problems

The following two tables illustrate the level of housing assistance needs, for renters and for owners within various income categories. The tables list the percentage of households by type and illustrates to what degree each type is affected by housing problems. Households facing a cost burden are those households spending over 30 percent of their income on housing costs, while those with a severe cost burden are spending over 50 percent of their income on housing costs. Households facing any housing problem face one or more of the following problems: overcrowding, substandard housing conditions, cost or severe cost burdens. For example, seventy-three percent (73%) of renter households, and seventy-six (76%) of owners, with low-incomes, live with housing problems of some kind.

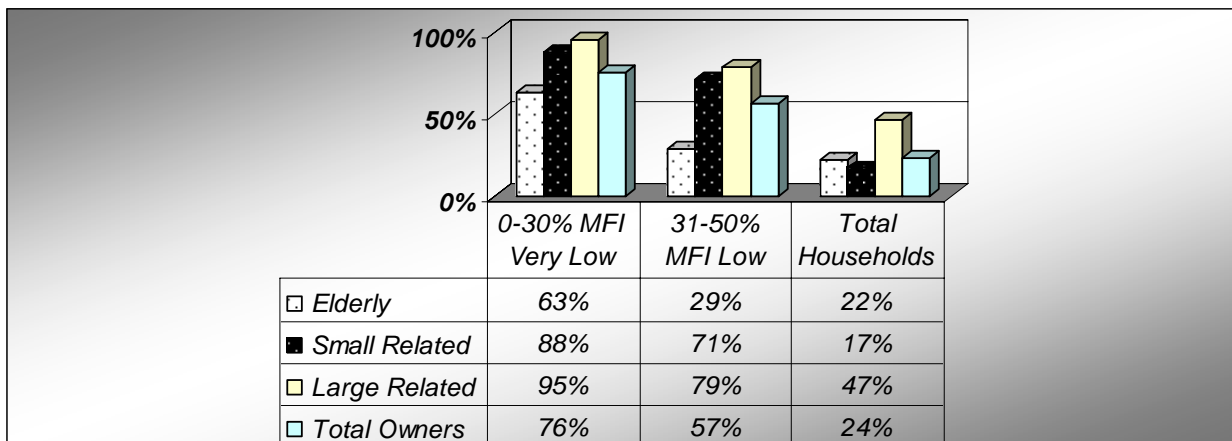
**Percentage of Renters with Housing Cost Burden
Very-low and Low Income Households with Any Housing Problems
Source: HUD Chas Data 2000**

	0-30% MFI Very Low	31-50% MFI Low	Total Households
Elderly 1 & 2 Member Households	53%	55%	44%
Small Related (2 to 4)	82%	39%	47%
Large Related (5 or more)	93%	82%	81%
Total Renters	73%	65%	43%



**Percentage of Owners with Housing Cost Burden
Very-low and Low Income Households with Any Housing Problems
Source: HUD Chas Data 2000**

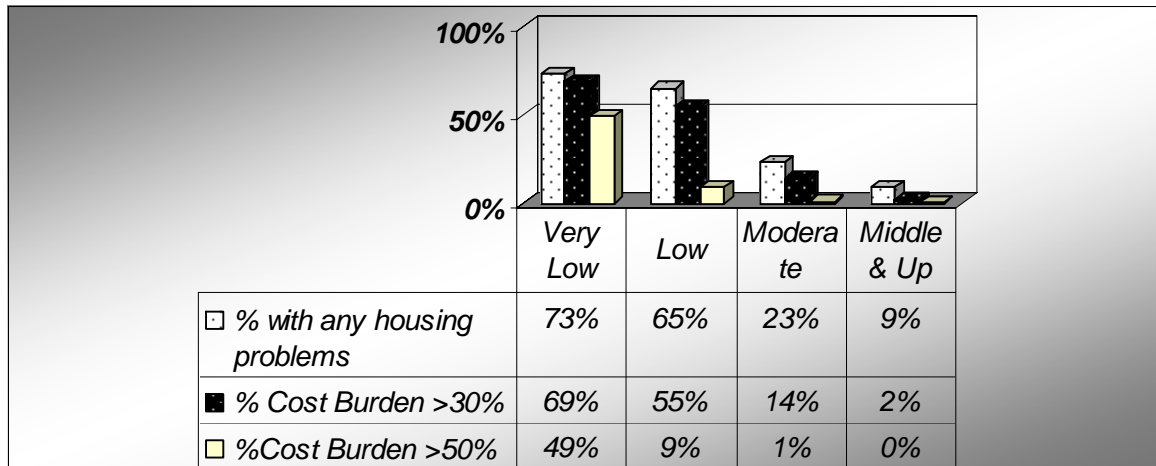
	0-30% MFI Very Low	31-50% MFI Low	Total Households
Elderly 1 & 2 Member Households	63%	29%	22%
Small Related (2 to 4)	88%	71%	17%
Large Related (5 or more)	95%	79%	47%
Total Owners	76%	57%	24%



The two tables below show housing problems for the middle income group are much less significant than for other income groups with only 9 percent of renters and 8 percent of owners encountering any housing problems. The implication of the data is that households with incomes at these levels have the ability to solve their own housing problems, or that equity in the property allows for privately subsidized improvements. These numbers are from HUD's analysis of 2000 Census data information, the latest data treatment of this sort available to the city.

**Percentage Cost Burden for Renters
Total Households by Income Classification
Source: HUD Chas Data 2000**

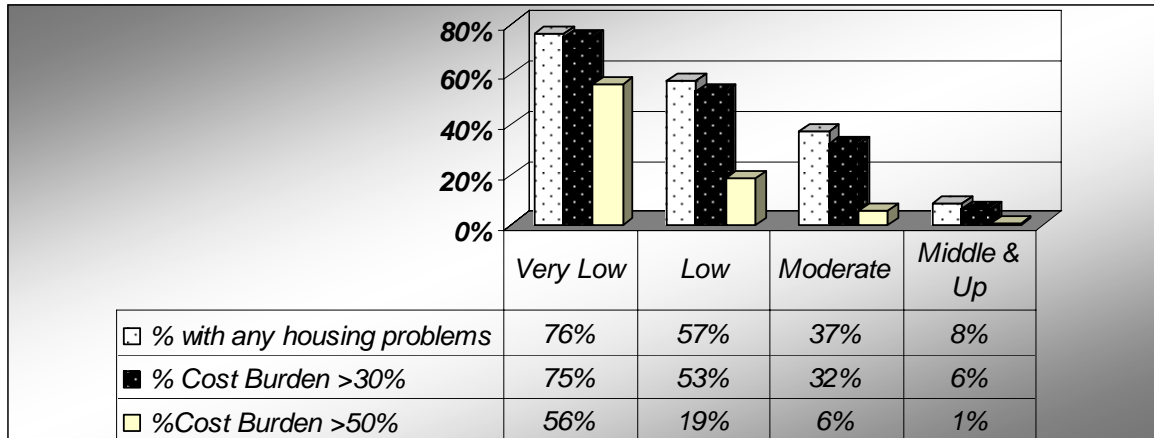
	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
% with any housing problems	73%	65%	23%	9%
% Cost Burden >30%	69%	55%	14%	2%
% Cost Burden >50%	49%	9%	1%	0%



Source: HUD CHAS Data 1990, 2000 Includes cost burden, severe cost burden, overcrowding and substandard housing conditions

**Percentage Cost Burden for Owners
Total Households by Income Classification
Source: HUD Chas Data 2000**

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
% with any housing problems	76%	57%	37%	8%
% Cost Burden >30%	75%	53%	32%	6%
% Cost Burden >50%	56%	19%	6%	1%



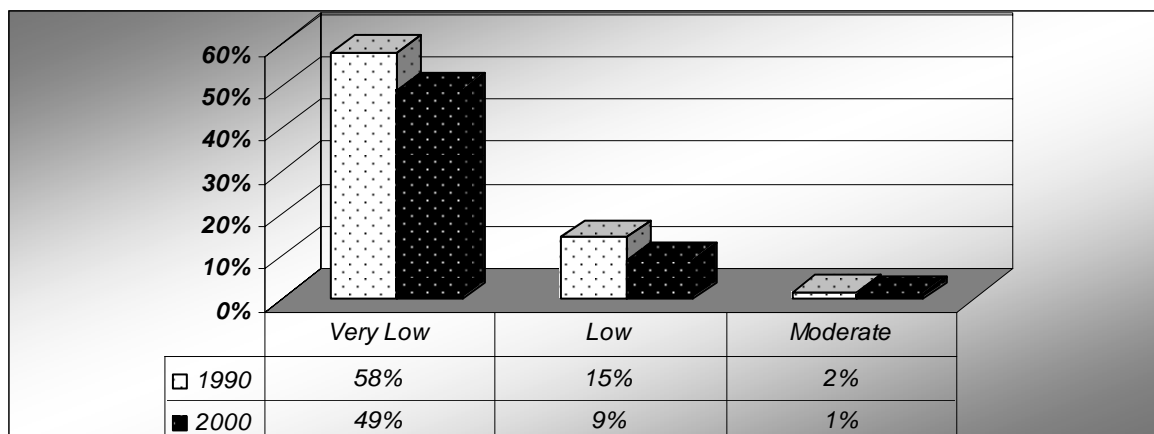
Source: HUD CHAS Databook (1990 Census Analysis)

* Includes cost burden, severe cost burden, overcrowding and substandard housing conditions

As shown on the chart/graph below, the cost burden for very-low income renters has dropped since 1990 however nearly 50% of very-low income renters are paying more than one-half of their income for housing. In addition, HUD data shows the percentage of renters reporting any housing problems has remained approximately the same from 1990 to 2000. Housing problems are generally highest among large family households.

Renter Household Cost Burden Compared: 1990 to 2000
Households with Cost Burdens of 50% or more
 Source: HUD Chas Data 1990, 2000

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate
1990	58%	15%	2%
2000	49%	9%	1%

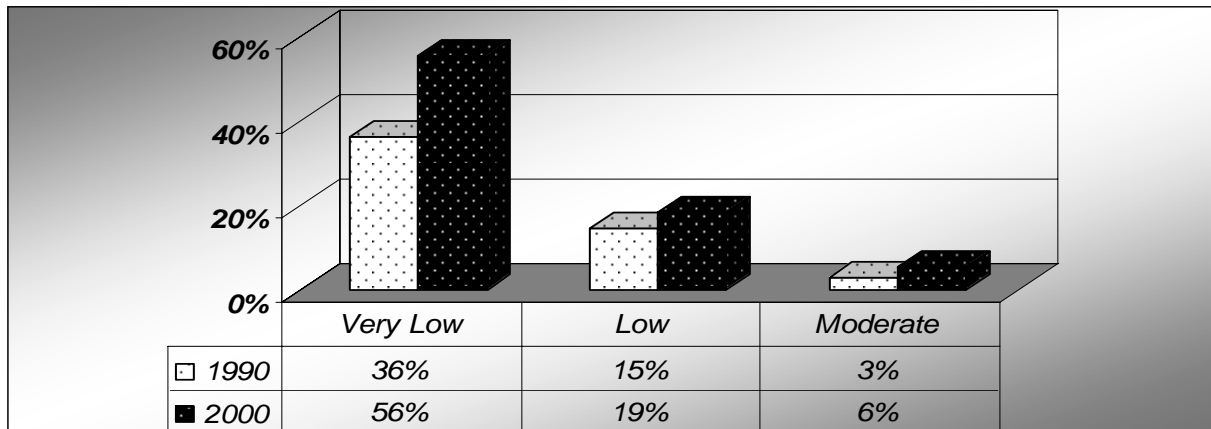


In contrast to renter households, severe housing costs and housing problems of any type have increased sharply for owner occupant households. An effect of

this is seen in the decreased share of very-low income households that are owner occupants. Single-family housing costs have accelerated faster than incomes, over the past decade.

Owner Household Cost Burden Compared: 1990 to 2000
Households with Cost Burdens of 50% or Greater

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate
1990	36%	15%	3%
2000	56%	19%	6%



Source: HUD Chas Data 1990, 2000

2. Elderly

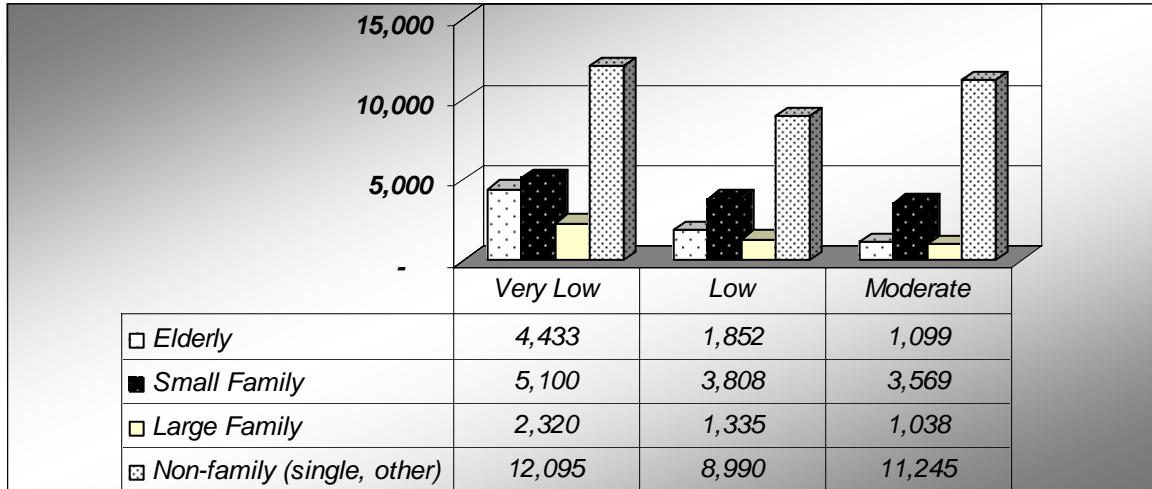
34,878 Minneapolis residents are 65 years of age or older according to the 2000 Census (9% of city's population). The number of persons 65 years of age and older who are below the poverty level is 3,378—9.7 percent of the city's elderly population. Among very-low income elderly renters, 30 percent of renter and 35 percent of owner households pay over 50 percent of their income for housing. Eleven percent of low-income elderly households face housing costs of over 50 percent of income.

The 2000 Census documented 6,374 residents who are older than 85 years of age and could be classified as frail elderly. Based upon the number of senior residents that face severe housing cost burdens, it is assumed that a majority of the residents age 85+ are paying more than 30% of their income for housing (supportive or private).

Renter Households by Type and Income Classification

Source: HUD Chas Data 2000

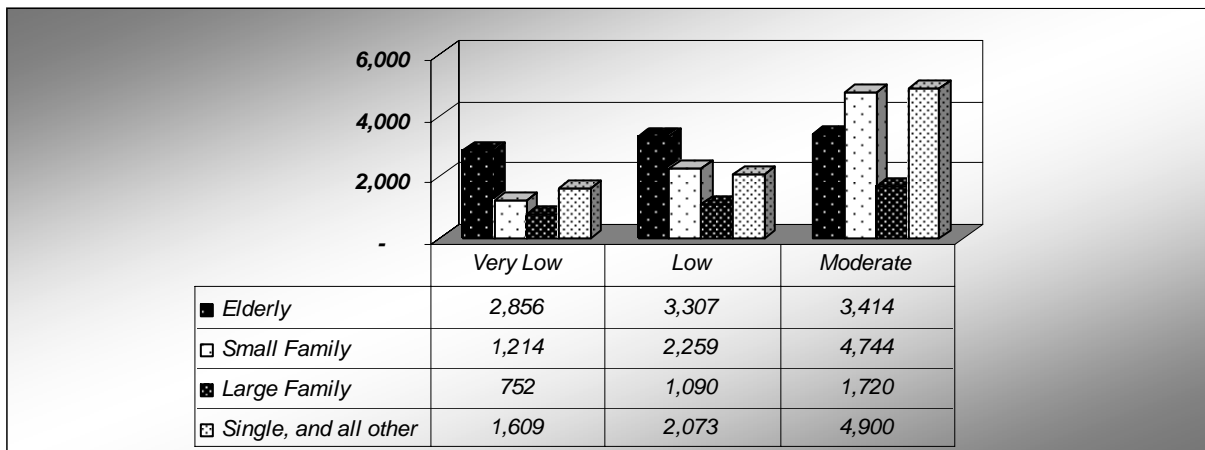
	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
Elderly	4,433	1,852	1,099	1,120
Small Family	5,100	3,808	3,569	5,270
Large Family	2,320	1,335	1,038	863
Single, and all other	12,095	8,990	11,245	14,804



Owner Households by Type and Income Classification

Source: HUD Chas Data 2000

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
Elderly	2,856	3,307	3,414	6,661
Small Family	1,214	2,259	4,744	26,448
Large Family	752	1,090	1,720	3,712
Single, and all other	1,609	2,073	4,900	16,629

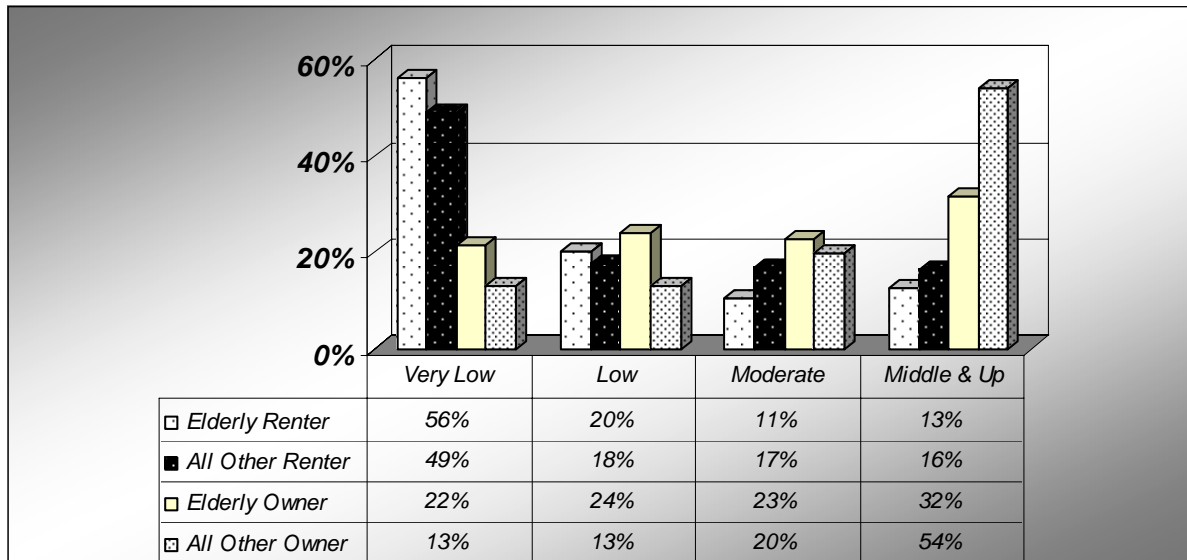


3. Persons with Disabilities

HUD data from the 2000 Census shows that there are 57,385 persons with disabilities in the city of Minneapolis. This population is more likely to have lower incomes and often their housing arrangements may not be suitable for their condition. The incidence of disabilities rises with age and with the increased aging of the population, the number of persons requiring adaptive needs housing and services in the future is expected to increase.

Households with Problems of Mobility and Self Care Limitations
Source: HUD Chas Data 2000

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
Elderly Renter	56%	20%	11%	13%
All Other Renter	49%	18%	17%	16%
Elderly Owner	22%	24%	23%	32%
All Other Owner	13%	13%	20%	54%



4. Persons and Families with HIV/AIDS

Grantee Overview

In 1994, the Minnesota Department of Health (MDH) received funding from the U.S. Department of Housing and Urban Development (HUD) for housing for people living with HIV statewide. The Coalition for Housing for People with HIV/AIDS was designated as the advisory group to assist MDH in the distribution and expenditure of Housing Opportunities for Persons with AIDS (HOPWA) funds. During that time, a comprehensive needs assessment and five-year plan for HIV/AIDS housing was completed. In 1995, the number of AIDS cases for the Twin Cities metropolitan area surpassed the threshold and the City of Minneapolis, the metropolitan area's largest municipality, became the designated HOPWA grantee. HOPWA use for this formula grant is restricted to the thirteen-county Eligible Metropolitan Area (EMA). A map in the Appendix shows the geographic focus of these funds.

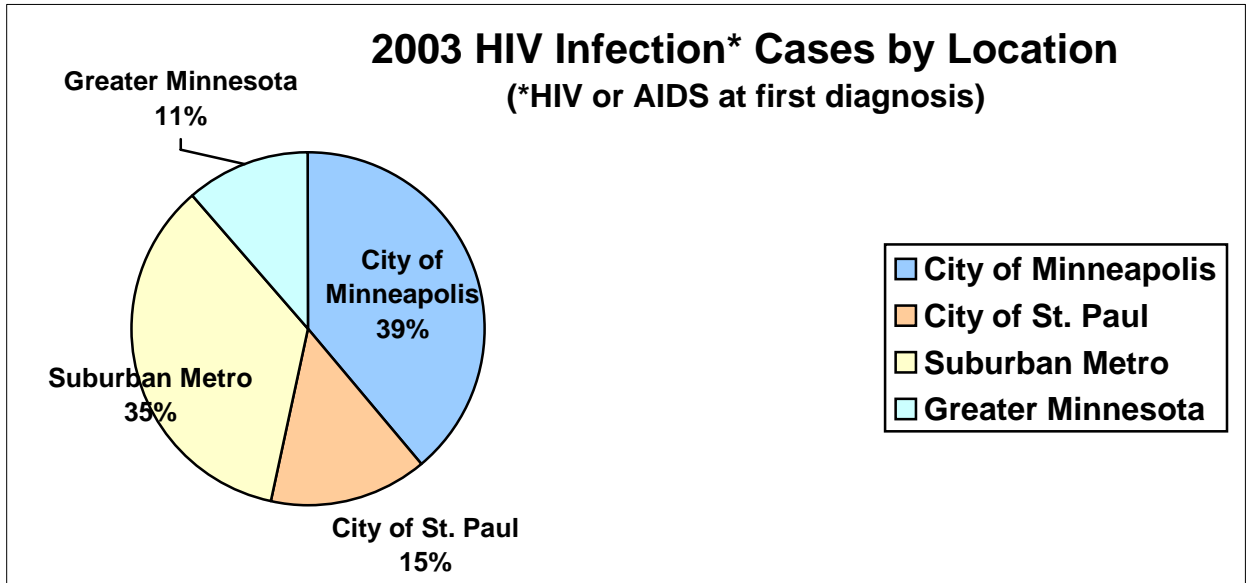
Following priorities set by the Minnesota HIV Housing Coalition, which acts as an advisory group to make recommendations for HOPWA funding, renewals for ongoing programs receive funding priority. If funds appropriated exceed the amount necessary to continue those programs at comparable levels, (or if priorities change to address changing needs) those funds will be made available in the MHFA Multifamily Consolidated RFP.

Collaborating (partnering) with the MHFA allows HOPWA funds to be advertised in MHFA's Consolidated RFP process. The Super RFP is an annual advertisement of MHFA and funding partner funds. (An applicant files one general proposal application to MHFA and agency staff determines how many different programs a proposal may be eligible for). This coordinated approach helps an applicant to access numerous funding programs within one process, assisting projects to secure the bulk of total project funding faster than through separate funding rounds. There will be a separate renewal process for ongoing HOPWA programs. If funds exceed the amount necessary to renew the existing programs, they will be advertised in the Consolidated RFP.

Community Overview

Statewide cases of HIV/AIDS

According to the Minnesota Department of Health Surveillance Report, as of December 31, 2003 a cumulative total of 7,356 persons have been diagnosed and reported with HIV infection in Minnesota. Of those, 2,583 are known to be deceased. An estimated 4,895 persons were assumed to be living with HIV infection in Minnesota at the end of 2003. In 1999-2003 an average of 335 new cases of HIV infection or AIDS have been reported annually in Minnesota (includes new AIDS cases in persons previously diagnosed with HIV infection in previous years), with 90% of the cases residing in the EMA.



Source: Minnesota Department of Health

According to data from the Minnesota Department of Health HIV/AIDS Reporting System (HARS) as of December 31, 2003, 1,815 individuals were living in the Minneapolis-St. Paul EMA with an AIDS diagnosis. Of those living with AIDS, 307 new cases were reported in the two-year period from January 1, 2002 to December 31, 2003. An additional 2,588 individuals were living with HIV (not AIDS) in the EMA. 86% of those living with AIDS were identified in Hennepin and Ramsey counties, the two hardest hit counties in the region, which include the Cities of Minneapolis and St. Paul. Pierce and St. Croix Counties in Wisconsin accounted for 1% or only 55 of the HIV/AIDS cases in the EMA. The AIDS epidemic in the EMA has traditionally been and continues to be centered in the Twin Cities of Minneapolis-St. Paul. In fact, 96% of the people living with HIV or AIDS (PLWH/A) in the EMA reside in five metropolitan counties – Hennepin, Ramsey, Anoka, Dakota and Washington. The eight other counties in the EMA each report less than 35 cases of PLWH/A.

Despite the drop in the incidence of AIDS cases, the fatality rate has also dropped resulting in more people living with AIDS for longer periods and, therefore, requiring more varied diverse types of housing for indefinite periods.

Of those living with AIDS in the EMA 57% are White, 32% are Black, 7% are Hispanic, 2% are American Indian and 1% are Asian. Similar patterns are reflected for PLWH. Of those living with HIV, 57% are White, 33% are Black, 6% are Hispanic, 2% are American Indian and 1% is Asian.

These MDH data portray an evolving epidemic in the Minneapolis-St. Paul EMA with the gay and bisexual male community continuing to experience the greatest impact; however, trends that have emerged nationally are appearing in the EMA:

- Communities of color, specifically Blacks, African-born, Native Americans and Latinos, comprise an increasingly disproportionate share of HIV and AIDS cases.
- African-born persons living with HIV/AIDS account for 9% of all cases in the EMA.
- Women are becoming infected at an increasing rate, particularly younger women and Black women. The increase in the infection rate among African-born women is also cause for alarm.
- The urban counties (Hennepin and Ramsey) in the EMA continue to be disproportionately impacted. While they make up only 55% of the EMA's population, they account for 86% of the EMA's living HIV/AIDS cases.

The HIV/AIDS epidemic is expanding to include more women and people of color, as well as individuals with complex issues that may involve substance use, mental illness, unstable housing, low socioeconomic status and language/cultural barriers.

These statistics continue to support the findings from the Minnesota HIV Housing Coalition 1995 HIV Housing Needs Assessment and Five-Year Plan and the 1997 and 2002 HIV Housing Needs Assessment Updates in that:

- ◆ The total number of people living with HIV in Minnesota has grown steadily.
- ◆ HIV continues to affect gay and bisexual men, women, and people of color in disproportionate numbers.
- ◆ Approximately one-third of the HIV-positive population in Minnesota is in need of intensive supportive services.
- ◆ Housing-related problems are a major concern for a significant number of those living with HIV.
- ◆ Many are dealing with complex health issues, such as mental illness or chemical dependency, in addition to HIV infection.
- ◆ Most of the people living with HIV surveyed had very low incomes.

Inventory of Housing Stock and Facilities for Persons with HIV/AIDS and Their Families

HIV/AIDS housing and housing-related services in the HOPWA program area have been distributed among the following types:

- ◆ Adult Foster Care
- ◆ Day Health Centers
- ◆ Permanent Supportive Housing
- ◆ Rental Assistance

Facility	Address	Housing Type	# of Units
Agape Dos	Minneapolis	Adult Foster Care	4
Agape Home	Minneapolis	Adult Foster Care	4
Aliveness Project	Minneapolis	Day Health Center	-
Clare Apartments	Minneapolis	Permanent Supportive Housing*	32
Clare Housing	St. Paul	Adult Foster Care	4
Damiano House	Minneapolis	Adult Foster Care	4
Ford House	Minneapolis	Permanent Supportive Housing	11
Grace House	Minneapolis	Adult Foster Care	4
Grace House II	Minneapolis	Adult Foster Care	4
Hope House	Stillwater	Adult Foster Care	4
Lydia Apartments	Minneapolis	Permanent Supportive Housing	6
Martin Luther King Court	St. Paul	Permanent Supportive Housing for Families	8
Maynidoowahdak Odena	Minneapolis	Permanent Supportive Housing	14
Metropolitan Council HRA Housing Assistance Program	Scattered Site – Metropolitan Area	Permanent Rental Assistance	50
Minnesota AIDS Project Transitional Housing Program	Scattered Site – Metropolitan Area	Transitional Rental Assistance	60
Park House	Minneapolis	Day Health Center	-
St. Christopher Place Apartments	St. Paul	Permanent Supportive Housing	5
Salvation Army Harvest Hills	Coon Rapids	Permanent Supportive Housing for Families	8
Salvation Army HOPE Harbor	Minneapolis	Permanent Supportive Housing	6

*In development. Expected to open fall, 2005. Note: Not all of these are HOPWA funded.

5. Single Persons

Minneapolis Single Residents by Income Classification: According to the table below, compiled from HUD CHAS data, single persons make up 45 percent of all households in Minneapolis. There are approximately two single-renter households for every single-owner household. Over 25 percent of single households fall in the very-low income category, and of this group 74 percent are burdened with some kind of housing problem, 50 percent pay over half of their household income for housing. For single-person owner households, although the group is smaller, 80 percent are burdened with some kind of housing problem, and 56 percent pay over half their household income for housing. These cost burdens diminish gradually in next-higher income categories. With the exception of the Middle & Up income category, all cost

burdens and housing problems are generally higher for single-owner households than for single-renter households.

Single-Person Households

Household Income as % of MFI:	0-30% Very Low	31-50% Low	51-80% Moderate	81%+ Middle & Up	Total
Renters	12,095	8,990	11,245	14,804	47,134
Owners	1,609	2,073	4,900	16,629	25,211
Number All Single Residents	13,704	11,063	16,145	31,433	72,345
	45%	45%	51%	42%	45%
Number All Households	30,379	24,714	31,729	75,507	162,329

6. Large Families

Minneapolis Large Families by Income Classification: Large-family households have five or more related family occupants. This group has this highest level of “any housing problems” compared to all other household types and income categories. Over half of the large-family renters fall into the very-low income category – 92 percent of this group has cost burdens described by HUD as housing costs greater than 30% of income, and/or overcrowding, and/or no complete kitchen or plumbing facilities. Although large-family owners outnumber large-family renters, most of the owner households are in moderate and middle income categories.

Large-family Households

Household Income as % of MFI:	0-30% Very Low	31-50% Low	51-80% Moderate	81%+ Middle & Up	Total
Renters	2,320	1,335	1,038	863	5,556
Owners	752	1,090	1,720	3,712	7,274
Number All Large Families (5+)	3,072	2,425	2,758	4,575	12,830
	10%	10%	9%	6%	8%
Number All Households	30,379	24,714	31,729	75,507	162,329

C. Priority Public Housing Needs (91.210 (b))

The Minneapolis Public Housing Authority (MPHA) is a consistently high performing public housing agency. MPHA is responsible for operating public housing sites and administering HUD Housing Voucher programs within the city. The following data is from their latest annual public housing agency plan. It is followed by a narrative provided by the Minneapolis Public Housing Authority describing this public housing program and several initiatives benefiting public housing residents.

1. Families on Public Housing and Section 8 Waiting Lists

Minneapolis Public Housing properties are leased-out at an average of 99% annually.

Public Housing and Section 8 Waiting List

	Number of Families	Percentage of Total Families
Waiting list total	7,367	100%
<=30% MFI	6,630	90%
>30% to <=50% MFI	663	9%
>50% to <80% MFI	74	1%
Families w/ Children	3,501	47%
Elderly Families	334	5%
Families w/ Disabilities	347	5%
White	1,031	14%
Black	5,747	78%
Native American	221	3%
Asian	368	5%
Hispanic	147	2%
Non-Hispanic	7,220	98%

Source: Minneapolis Public Housing Authority, 2005 (HUD 2004) Agency Plan

Housing Needs of Families on Minneapolis Public Housing Section 8 Tenant-Based Rental Assistance Waiting List

	Number of Families	Percentage of Total Families	Annual Turnover
Waiting list total	6,917	100%	1,380
<=30% MFI	5,879	85%	
>30%- <=50% MFI	553	8%	
>50% - <80% MFI	278	4%	
> 80% MFI	207	3%	
Families w/ Children	4,090	59%	
Elderly Families	285	4%	
Families w/ Disabilities	2,146	31%	
White	1,522	22%	
Black	4,982	72%	
Native American	346	5%	
Asian	69	1%	
Hispanic	169	2%	
Non-Hispanic	6,748	98%	

Source: Minneapolis Public Housing Authority, 2005 (HUD 2004) Agency Plan

The following chart provides detail on the Minneapolis communities where public housing exists.

Public Housing Locations by Minneapolis Neighborhood

	Calhoun-Isles	Camden	Central	Longfellow	Near North	Nokomis	Northeast	Phillips	Powderhorn	Southwest	University	Scattered Site	Total
Family	0	0	0	0	0	0	0	0	0	0	183	733	916
Elderly	0	220	0	151	84	0	704	0	370	0	0	0	1,529
General Occupancy	0	31	964	166	560	0	240	664	163	0	539	0	3,327
Mixed Finance Developments	0	8	0	0	105	0	0	0	6	0	0	0	119
Section 8 Vouchers	0	0	0	0	0	0	0	0	0	0	0	4,100	4,100

Source: 2003 State of the City of Minneapolis

HUD Table 4 Minneapolis PHA Priority Public Housing Needs

Public Housing Need Category	PHA Priority Need Level High, Medium, Low, No Such Need	Estimated Dollars To Address
Restoration and Revitalization		
Capital Improvements	H	\$11,470,000
Modernization	M	\$4,605,000
Rehabilitation	H	\$6,865,000
Other (Specify)		
Management and Operations	H	\$2,215,000
Improved Living Environment		
Neighborhood Revitalization (non-capital)		
Capital Improvements	M	\$180,000
Safety/Crime Prevention/Drug Elimination	H	\$2,200,000
Other (Specify)-Resident Initiatives	H	\$99,000
Economic Opportunity		
Resident Services/ Family Self Sufficiency	H	\$49,000
Other (Specify)- Section 3 Employment	H	\$47,000
Total		\$27,731,000

2. Public and Assisted Housing

Publicly subsidized rental housing can be divided into two broad categories: publicly owned housing and privately owned, subsidized housing. Publicly owned housing in Minneapolis, owned by the Minneapolis Public Housing Authority (MPHA), consists of approximately 5,770 units, while privately owned, subsidized housing consists of 8,959 units for a total of 14,729 units.

a. Publicly Owned Housing

The MPHA owns and manages the city's stock of public housing. As of April 2005, Minneapolis had nearly 5,800 units of public housing. Three general types of public housing are available: high-rise housing, family roughhouse developments, and family scattered-site housing.

Currently there are 40 high-rise buildings located throughout the city that provide 4,856 units of housing for low-income adults or two-person households. The remaining public housing units provide housing for low-income families through both row-house developments and scattered-site homes. In addition to the Glendale Town homes, MPHA owns 731 units that are single-family homes, duplexes, or fourplexes. These homes are rented to low-income families.

Physical Condition of Public Housing

The 40 high-rises, 731 scattered site homes, and 184 town home units owned and managed by the MPHA are in good physical condition. The value of these properties is estimated to be over \$500 million. A significant amount of renovation has taken place within the high-rises as well as within the family housing over the past several years. During 2004, MPHA exceeded \$165 million in improvements having taken place in public housing within the City of Minneapolis since HUD introduced the Comprehensive Grant Program in 1992.

Restoration and Revitalization Needs of Public Housing

Designed to improve the living environment of public housing residents, the Capital Fund Program's (CFP) initial funding became available to MPHA in 1993 (then known as Comp Grant). For the first time ever, MPHA was afforded consistent annual funding from HUD to plan and perform modernization activities and undertake management improvements. In 2000, HUD re-named the Comp Grant fund as Capital Fund but maintained the formula based allocation.

During the past twelve years, MPHA has moved rapidly and effectively forward with modernization planning and implementation. An extensive planning process based on a comprehensive needs assessment and incorporating greater resident

involvement has been followed. Coupled with innovative project delivery strategies, MPHA has embarked upon the most ambitious capital improvements program ever undertaken for public housing in Minneapolis.

Since the beginning of comprehensive capital funding from HUD through the Comprehensive Grant and Capital Fund programs, MPHA has contracted for more than \$175 million in capital and management improvements and fully expended more than \$167 million. The approach MPHA has taken towards the implementation of capital improvements at its properties has been in direct response to the needs identified in its comprehensive needs analysis, which has been conducted three times, first in 1992, later in 1996, and most recently in 2001. Generally speaking, the buildings and developments that exhibited the highest levels of critical need received capital improvements first. By the end of 2002, MPHA had completed comprehensive rehabilitation at all of its 40 residential high-rises and 2 management facilities, and moved forward with phase II of comprehensive improvements that focuses on apartment rehabilitation. Currently, there is a great deal of emphasis in dealing with critical system needs such as building facades and infrastructure. According to the most recent needs assessment, these items have moved to the top of the priority scale.

MPHA has been awarded a \$14.2 million HOPE VI grant that will provide funding for a 102 one-bedroom apartment seniors housing facility in a service enriched environment that includes an assisted living program. This facility is to replace the 188 units lost in 1997 through the demolition of the distressed Bryant Avenue high-rises in the area. This facility is planned to be a part of the 900-unit Heritage Park development now under construction on the city's near northside. The new facility will include 102 one-bedroom apartments (40 reserved for assisted living) and community spaces for activities, services and possibly small retail such as a hair salon or coffee shop. The grant will also provide funding for supportive services for residents and needed infrastructure in the immediate area. The breakdown of earmarked purposes for this grant is:

- \$10.2 million for seniors housing/assisted living facility
- \$1 million for supportive services for residents
- \$3 million for site preparation and infrastructure

In 2004, MPHA acquired a building site from the Metropolitan Council and secured a \$1 million grant from Minneapolis CPED to construct a new five-unit town home building in Linden Hills neighborhood. This new family development is expected to be under construction this summer with an expected completion of late fall 2005.

The MPHA continues to make the revitalization and lead-based paint abatement of single family houses a high priority. Revitalization and restoration of scattered site units include extensive rehabilitation and lead-based paint (LBP) abatement.

Generally, this work is scheduled as units are vacated. MPHA has now completed LBP abatement and rehab at all its townhouses at Glendale and at all but a handful of scattered site houses.

MPHA requires attendance in maintenance training for all scattered site and townhouse residents as well as an orientation and training for all high-rise residents. This training covers proper utilization of equipment and appliances as well as minor maintenance requirements, such as replacing furnace filters and correcting leaky faucets.

Section 504 Needs Assessment

During 1991, in compliance with Section 504 of the Rehabilitation Act of 1973, MPHA conducted its first comprehensive "needs analysis". Once completed, a comprehensive effort was begun to make MPHA housing stock barrier-free. To date, 138 high-rise apartments have been made fully accessible to persons in wheelchairs. All common areas including public restrooms, building entrances, and site amenities have also been made barrier-free. Currently, 21 single-family houses are fully accessible. As a part of the ongoing program, five percent of all units renovated or constructed are made barrier-free for persons in wheelchairs.

Additionally, for each year MPHA receives Capital Fund program funding, a portion of the allocation is designated for special accommodations for residents who become disabled while residing in MPHA apartments or for new residents that come into MPHA with disabilities.

Improving the Management and Operations of Public Housing

Since 1997, MPHA has been designated as a "High Performer" through HUD's Public Housing Assessment System (PHAS). MPHA has steadily improved its scoring since a grading system was implemented in 1991. This assessment reviews several management areas including: percentage of rents collected and units occupied, vacant unit preparation and re-rental time, completion of maintenance service requests, modernization, financial soundness, security, and resident involvement. An independent contractor conducts a physical inspection of all sites.

As MPHA continues to improve its computer systems, it also improves service to MPHA residents. With computers in place at all buildings, Property Managers are able to access critical tenant information on-site, track tenant maintenance service requests and receive information via e-mail. More recently, management staff has gained access to the Internet, allowing not only for timely receipt of HUD documents but also for broader access to information on property management in general.

MPHA considers providing career paths for its employees a high priority. The American Federation of State, County and Municipal Employees (AFSCME) labor contract includes a provision for resident preference in hiring for certain entry level positions. While training for all staff is a priority for MPHA, diversity, “right to know” and other specialized training is offered on an ongoing basis.

Improving the Living Environment of Public Housing Residents

Since its inception in 1988, the Highrise Livability Program has provided funding for MPHA’s onsite security. This unit, six officers, works exclusively in and around public housing properties performing both crime prevention and community policing.

In 1996, MPHA initiated a Resident Peace Officer Program. Under this program, sworn law enforcement officers reside in public housing apartments rent free in exchange for their police presence. This is an effort to deter crime in MPHA communities. Officers provide eight hours (8) per month of police patrol service for MPHA. They also check buildings during evening hours and assist their Property Manager with specific security related issues in the buildings in which they live.

In November 1993, MPHA submitted a plan to HUD to allow designation of certain high-rise for occupancy by people who are 50 or more years old. HUD approved the plan in November 1994. Since then MPHA has designated ten buildings, including approximately 1,768 units, as Elderly Only. Residents of these buildings enjoy enhanced services tailored to the needs of the elderly, including the provision of on-site social services.

MPHA also offers six assisted living programs within our high-rise communities, providing a continuum of care as MPHA residents age. These programs offer assistance with the daily needs of participants, including meals, on-site nursing, housekeeping and bathing assistance. These programs are offered through Volunteers of America/Senior Resources, Ebenezer Social Ministries, through the Korean Center and Best Care.

MPHA first introduced its Home Ownership Made Easy (HOME) Program in January 1993. Working in collaboration with the Family Housing Fund, the HOME Program provides educational counseling and support services to low income families. Since its inception, over 145 families have become first-time, and in some instances, first-generation, home owners.

During 2004, MPHA accepted more than 3,113 new applications for housing and signed 915 new leases. Future marketing efforts will focus on the elderly and near elderly populations to assure success of the high-rise designation program.

MPHA has an aggressive applicant screening process that includes the use of FBI National Crime Information Center (NCIC) data to check for criminal history. MPHA, with the cooperation of the Minneapolis Police Department, checks the records of all applicants. Where there is evidence of a criminal history, the applicant's fingerprints are sent directly to the FBI for verification.

b. Privately Owned Subsidized Housing (Section 8 Rental Assistance Programs)

The MPHA administers several Section 8 Rental Assistance Programs in addition to its public housing responsibilities. These programs provide rent subsidies to very low-income persons and to owners of rental property who rent units to very low-income persons. Over 8,500 units are privately owned and rental assistance is provided to the lower income households occupying them. Approximately 75 percent of these units provide family housing options and one fourth serve elderly and special needs adults. Over 4,000 units are provided through rent vouchers allowing families a metropolitan wide choice in their housing selection. Not less than 75 percent of new admissions to the Section 8 Tenant Based Programs must have incomes at or below 30% of the area median income. Not less than 40 percent of new admissions to Project Based and Mod Rehab projects must have incomes at or below 30 percent of the area median income. HUD establishes the Area Median Income levels. Currently 30 percent of Area Median Income levels are:

<u>Family Size</u>	<u>Maximum Income</u>
1	\$ 16,170
2	\$ 18,480
3	\$ 20,790
4	\$ 23,100
5	\$ 24,948
6	\$ 26,796
7	\$ 28,644
8 or more	\$ 30,492

Section 8 Tenant Based Assistance

Section 8 Housing Choice Voucher Program

The Housing Choice Voucher Program assists very low-income families, the elderly and the disabled to afford decent, safe, and sanitary housing in the private market. This tenant-based assistance program places the choice of housing in the hands of the participant family. Participants may choose single-family homes, town-homes or apartments as long as it meets requirements of the Housing Choice Voucher Program. Housing assistance is provided to property owners on behalf of the participant family.

MPHA adopted a payment standard for each unit within HUD’s Fair Market Rent (FMR) area. The Payment Standard, established between 90% and 110% of the FMR, is the amount generally needed to rent a moderately priced unit in the local housing market. It is also used to calculate the amount of housing assistance a family will receive. The Housing Choice Voucher family pays 30 percent of adjusted income for rent, or if the family rents a unit above the payment standard, the family pays 30 percent of adjusted income *plus* the amount of rent that exceeds the payment standard.

The MPHA may not reject a unit because it is “too expensive” for the family; however, the family may not pay more than 40 percent of monthly adjusted income when it initially occupies – or moves to - a new unit. Selected housing units must meet Section 8 Housing Quality Standards and MPHA performs rent reasonableness tests on all units proposed for assistance. The following, adopted on October 1, 2002, are MPHA’s Payment Standards for the Housing Choice Voucher Program:

<u>Bedroom Size</u>	<u>Payment Standard</u>
0	\$ 586
1	\$ 743
2	\$ 951
3	\$ 1,286
4	\$ 1,457
5	\$ 1,647
6	\$ 1,769

Section 8 Project-Based Assistance

Section 8 Moderate Rehabilitation Program

The Moderate Rehabilitation Program also helps low-income families rent privately owned housing units. This program was designed in 1978 to upgrade and preserve the nation’s housing stock. The program provides rent subsidies that cover the difference between 30 percent of a family’s income and the approved rent for the unit. Rental assistance is tied to the property rather than to the tenant family. When projects were authorized for participation, owners committed to rehabilitate their properties in return for a federal guarantee of rent subsidies for units rented to income-eligible families.

The program was repealed in 1991, and though no new projects are authorized for participation, expiring HAP contracts covering units in multifamily housing projects are eligible for renewal on a yearly basis. MPHA administers 137 Section 8 Moderate Rehabilitation units.

Section 8 Moderate Rehabilitation Single-Room Occupancy (SRO)

HUD makes Section 8 SRO rental assistance available through an annual competition that includes the Supportive Housing and Shelter Plus Care Programs. HUD enters into annual contracts with eligible providers, including public housing agencies and private nonprofit organizations, for ten years. The SRO program provides Section 8 rental assistance for moderate rehabilitation of buildings with single room dwellings. The assistance payments cover the difference between 30 percent of the tenant's adjusted income and a unit's rent, which must not exceed the fair market rent for the area. The program gives priority to individuals suffering homelessness. MPHA administers 184 SRO units.

Project Based Vouchers

Project Based Vouchers are part of a housing authority's Housing Choice Voucher Program. HUD does not allocate funding for project-based assistance; funding for project-based vouchers comes from funds already obligated by HUD to a public housing authority (PHA) under its annual contributions contract. A PHA can use up to 20 percent of its housing choice vouchers for project-based vouchers. PHAs refer interested families, who have already applied for housing choice vouchers and are on the PHA's waiting list, to properties that have project-based assistance when units become vacant.

The PHA pays the owner the difference between 30 percent of a family's income and the gross rent for the unit. Rents are set based upon market comparables and many not exceed 110 percent of the published existing Fair Market Rents.

Through MPHA's three year "round" selection process, approximately 600 units were approved for project based assistance. MPHA advertised the project-based opportunity with the Minnesota Housing Finance (MHFA) Super RFP process and through CPED's Multi-family Rental Assistance Program. Almost all of the applications approved and awarded have supportive services tied to the units, and all are a mix between new construction units and rehabilitation of existing buildings and units. Over 400 project-based units are presently in service and close to 200 are ready for occupancy in spring and fall of 2005.

Section 8 Preservation

During the past few years, communities across the country experienced the loss of thousands of affordable housing units when Project-Based Section 8 contracts expired and owners opted out of the program. In June 1997 MPHA worked closely with the City of Minneapolis and with HUD to find a solution to preserve some of Minneapolis' Section 8 project-based units that were under threat of conversion to market-rate rents. HUD provided funding for approximately 400

preservation vouchers. This initiative helped to ensure that nearly 400 residents, mostly elderly, were able to retain affordable housing.

Section 8 Home Ownership

Announced in the fall of 1998, with implementation starting in the spring of 2000, MPHA's Moving to Work, Section 8 homeownership demonstration program, called Moving Home redirects Section 8 Housing Assistance Payments (HAP) from property owner to the mortgage lender, allowing up to 50 eligible families to own – rather than rent – their homes. To develop this program, MPHA partnered with the Family Housing Fund and Thompson Associates, a HUD-approved first time homebuyer counseling firm. Implementation of the program began in 2000 with Wells Fargo Bank offering eligible program participants its Community Housing Mortgage Program (CHOP). Over 176 families have received first-time homebuyer education, and mortgage readiness counseling through the Family Housing Fund Revolving Loan Program, twenty-one families have successfully purchased homes in the city of Minneapolis through this Section 8 homeownership demonstration program. The MTW Section 8 homeownership program ended in September 2004.

c. Hollman vs. Cisneros Consent Decree

MPHA has successfully implemented a Consent Decree (*Hollman, et al vs. Cisneros, et al*) which resulted in the demolition and/or disposition of 770 family public housing units in the City of Minneapolis. Approximately 722 of these units were located in the Sumner Field, Glenwood, Lyndale, and Olson developments on the near-northside of Minneapolis. MPHA also disposed of 64 scattered site units located in concentrated areas. The Olson units (66) were demolished in September 1997. The 350 Sumner Field units were demolished in 1999. Relocation of the remaining residents from Glenwood and Lyndale began in the summer of 1998, and was completed by December 1999. Demolition began on these units in October 1999 and was completed April 2000. The Consent Decree provided \$74,000,000 for replacement of these 770 units. These units were to be replaced in non-concentrated (non-impacted) areas (as to race and poverty) of Minneapolis as well as suburbs of the Twin Cities. As of March 2005, all 770 replacement units have been built or replaced. 722 units are completed and available for occupancy. The remaining 48 units are under construction or in the planning and acquisition phases. In addition, the Consent Decree provided an additional \$43,000,000 to fund 900 new Section 8 Certificates and vouchers that are used for relocation and mobility resources for families who were relocated from the family public housing units on the northside of Minneapolis. These vouchers were also available to those on MPHA's Public Housing and Section 8 Waiting Lists who are moving from concentrated to non-concentrated areas. The relocation program was completed in the spring of 2000. The Housing Mobility Counseling program ended December 31, 2004. As of November 2004, the Hollman Consent decree was officially closed by the federal district court.

Heritage Park, the former site of the 770 demolished units, is now a thriving mixed income community of rental and homeownership units.

d. Public Housing Resident Initiatives

The MPHA encourages resident participation in all aspects of public housing. The MPHA works in conjunction with 40 resident councils consisting of 37 high-rise resident councils and one city-wide high-rise resident organization as well as two family councils (Glendale Row houses and Scattered Sites). MPHA is also involved with working with other residents who are not represented by councils. Residents serve on a variety of MPHA committees including: resident advisory board, tenant advisory committee, a security advisory committee, a city wide capital improvement comprehensive grant committee, and a maintenance and modernization committee. On the building level, residents take an active part in the development of the modernization plans for their respective buildings.

MPHA works with a number of Resident Councils in assisting them with identifying and responding to grant proposals. MPHA serves as the fiscal agent for the Minneapolis High rise Resident Council's State Crime Prevention grant. This entails the joint efforts of staff of the Resident Initiatives and Finance Departments in reviewing and monitoring this grant that provides funding for the High rise Resident Council's administration of the Project Lookout Program (a voluntary tenant patrol program). Resident Initiatives staff has assisted the Glendale Resident Organization to write proposals and secure funding. In the past, MPHA has worked with other resident councils as well to develop top tag grants to support resident empowerment initiatives. Through these efforts, two resident councils were funded \$100,000 each.

The Resident Initiatives Department oversees two resident employment and training programs that are through two separate collaborations, one with the Corporation for National Service Americorp VISTA Program and the other with the Local Initiative Support Corporation (LISC) and Metropolitan State University. Five residents participate in the VISTA program working directly with residents in community building efforts and coordinating dissemination of housing information to the public. The VISTA workers receive a stipend and gain meaningful work experience to help them obtain other employment opportunities. One resident is working as an intern through the LISC/MSU's Careership program that permits them to work with MPHA residents as well as attend college.

The MPHA strives to provide other housing and self-sufficiency opportunities for residents through encouraging their participation in the home ownership program. On a collaborative effort with the Family Housing Fund, the City of Minneapolis funded a portion of the costs associated with this program through Community Development Block Grant Funds.

e. MPHA Special Programs

MPHA Step-Up Apprentices Program

Step Up is a two-year, building trades apprenticeship program sponsored by the MPHA and the Minneapolis Building and Construction Trades Council for the benefit of its residents. Offering excellent career opportunities, it allows residents to be employed on MPHA construction sites, whereby participants are learning trades that provide invaluable employment experience, and helps MPHA contractors achieve their Section 3 requirements.

Family Self-Sufficiency (FSS)

MPHA operates Family Self Sufficiency (FSS) programs in both its Low Rent and Section 8 programs. These programs provide an opportunity for participating families to develop a self-sufficiency strategy and incorporate it into goals that become part of the FSS contract. FSS goals must include finding suitable employment and becoming welfare free. Incentives for participating families include the development of an escrow account where increase in rent during the five year contract period that are attributable to earned income are deposited into the escrow account. Once a family successfully completes its goals under the contract the escrow funds become the property of the participating family.

FSS participants' goals often include homeownership and participants work closely with MPHA's two home ownership programs: Home Ownership Made Easy and Moving Home, a pilot Section 8 home ownership program.

HUD Section 3 Program

MPHA has developed a Section 3 Program whereby ten percent of construction dollars are awarded to certified section 3 businesses. Three percent non-construction dollars awarded to certified Section 3 businesses and 30% new hires should be Section 3 residents. This requirement must be adhered to by not only MPHA but also those who enter into contracts with MPHA. Contractors awarded contracts can meet Section 3 employment requirements by utilizing the Step-Up Apprenticeship program.

Contracted Employment Program

MPHA has in place a number of service contracts related specifically to providing employment services for its residents, one targeted at the high-rise population, as well as one focusing on public housing and Section 8 families. In addition, MPHA has adopted policies encouraging those who contract with MPHA to hire residents for positions within their companies. MPHA monitors the number of residents who are hired by these contractors.

Resident Self-Help Program

PHA residents are paid a stipend, not used as income in calculating rent, for performing tasks that enhance the living environment of their building/community. Each month more than 90 residents participate in this program.

D. Housing Market Analysis (91.210)

1. Housing Supply

In addition to quantifying the number of structures and units, housing supply can also be understood by examining the age and condition of the housing structures. Additionally, it is assumed that an owner occupied unit is a stabilizing factor and is usually positively correlated with the condition of the structure. Therefore, homestead status is also included as a factor affecting the housing supply.

Number of Units and Structures – Minneapolis Inventory (2003)

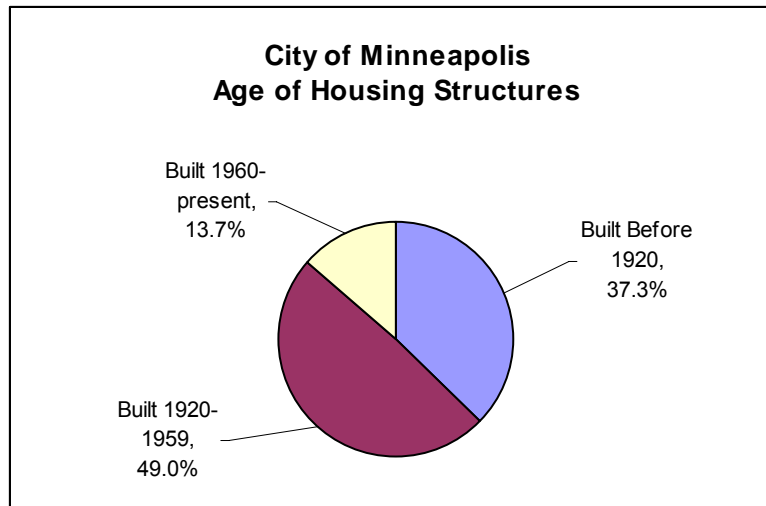
As the table shows, single-family homes dominate the city housing landscape in terms of numbers. Most city neighborhoods contain predominately single-family and duplex structures. However, nearly a third of all housing units are sited in developments of greater than five units. Six percent of all housing units are owner-occupied multifamily units. The building of buildings with six or more units has shown the largest recent growth in number and share of total housing stock. Geographically, this type of growth has been occurring in downtown and University areas. However, there has been growth in the development of single-family housing in the Near North community of the city.

Community Housing Profiles

	Calhoun-Isles	Camden	Central	Longfellow	Near North	Nokomis	Northeast	Phillips	Powderhorn	Southwest	University
Total Residential Properties	7,278	10,446	3,956	9,400	7,529	14,985	11,436	2,600	12,428	17,135	4,394
Homestead Properties	5,737	8,861	2,836	8,358	5,098	13,766	9,602	1,628	9,564	15,554	2,916
% Properties Homestead	78.8	84.8	71.7	88.9	67.7	91.9	84	62.6	77	90.8	66.4
% Units Homestead	32.7	74.8	16.9	62.6	45.1	83.1	55.7	22.7	40.4	71.9	21.4
% Structures Built Before 1920	50.2	24.8	22.5	42.2	50.5	10	44	68.1	59.2	30.2	51.8
% Structures Built 1920-1959	29	66.9	4.5	47.5	33.3	83.4	43	9.8	29.4	65.1	21.2
% Structures Built 1960-Current	20.8	8.2	73	10.3	16.2	6.7	13	22.1	11.4	4.7	27
% Structures Above Average Condition	15.7	3.6	33	1.6	9.7	5.4	6.6	10.1	3.7	3.7	9.6
% Structures Average Condition	81.1	94.7	66.4	94.8	79.2	92.7	90.4	78	90.8	94.7	87.6
% Structures Below Average Condition	3.2	1.7	0.7	3.6	11.1	1.9	3.0	11.9	5.4	1.6	2.8

Age of Housing Structures

Approximately 86 percent of the city's housing structures were built before 1960. However, the average year of construction varies by housing type. About 66 percent of duplexes and triplexes, and 56 percent of four- and five-unit buildings were built prior to 1920. Three-quarters of condominium/townhouse units and almost half of all large multifamily apartment buildings were built after 1959. The majority of single-family homes were built between 1920 and 1960.



The city was generally built from the center outward. The associated pattern is that the older housing is generally near the core and the newer housing is generally near the periphery. The exceptions are areas that have been through an urban renewal process or have experienced a significant amount of newer infill housing. This is being found in areas such as the downtown riverfront, along commercial corridors and in communities such as Near North and Phillips.

Condition of Housing

As a building ages, it requires maintenance. If that maintenance is deferred, this leads to a decline in the city's housing stock. Maintenance is generally sound investment for property owners. However, major rehabilitation sometimes costs more than it adds to property value. This creates an economic disincentive for property owners to make substantial repairs to older properties. Another concern is that some maintenance is very expensive and may not be affordable to the current residents.

The City Assessor's Office is responsible for maintaining property descriptions on all parcels in the city as a basis for estimating their market values for tax purposes. A condition rating is a qualitative factor utilized as one of the variables used in valuing properties. The condition rating describes the status of the

property's overall general physical condition. This includes the foundation, framing, siding, roof, windows and doors, mechanical equipment, electric and plumbing, cabinets, trim, plaster, floor cover, finishes, and any attachments such as porches and decks. The rating measures physical deterioration due to settling and damage, as well as wear and tear. The condition is often dependent on the age of improvements, (i.e. a new roof is in much better condition than an old one), but the condition rating is not based on physical image alone. It is also distinct from functional utility or external obsolescence. However, properties in poor locations or with poor room layout may not get the repairs and maintenance required and thus, may tend to be lower in physical condition than homes without these problems.

The condition does not reflect nor should it be confused with or blended with the quality or class of construction. The quality/class of a structure may indirectly influence condition as better quality improvements tend to last longer (i.e. slate roofs have a longer life than asphalt) and the quality may influence an owner's willingness to invest in maintenance.

The condition rating intent is to rate the overall condition of the property relative to citywide standards, and not neighborhood standards alone. The ratings are to be based on the observable condition of the property and what can be reasonably imputed from information such as the age, known improvements to older structures, building inspector's records, or MLS notes. It reflects only the physical condition of the subject property and is not influenced by location, functional utility, or external obsolescence such as the condition of adjacent or surrounding properties.

Condition rating guidelines are as follows:

1 EXCELLENT	This rating represents a property in new, or near new condition. There are no observable construction defects, and no observable maintenance requirements. This condition rating is appropriate for older properties that recently have been completely rehabbed. This means all mechanical systems; plumbing and wiring have been replaced, new floor cover throughout, new doors, windows, siding, roof, etc. It should not be used for older properties with more modest remodeling.
2 GOOD	This rating represents properties in significantly better condition than average. If they are more than 20 years old the roof and interior short-lived items such as floor cover have been replaced. There is no evidence of settling problems; siding, doors, and windows show only modest wear and tear. The plumbing, heating, and mechanical systems are in good operation condition. There will be few minor maintenance items.
3 AVERAGE PLUS	This rating represents properties that are in better condition than average. They may be properties of any age that are well maintained. Short-lived items have probably been replaced recently. There is no evidence of settling problems. The siding, windows and doors show modest wear and tear. The plumbing, heating and other mechanical systems are in good operating condition. This condition rating would be appropriate for a property that is otherwise in average condition but has had significant remodeling to a portion of the house or recent addition.
4 AVERAGE	This is the midway range in the condition category and represents the largest grouping. The basis is that the average structure in Minneapolis is in satisfactory condition and is a desirable property as living or working quarters. The maintenance requirements are being satisfactorily covered and the building is saleable, or would be with minor repair. No major defects are observable; a number of minor items may be seen. Many items such as roof, plumbing, heating, windows, cabinet work, and exterior are showing some deterioration, but are still reliable and do not require immediate repair.
5 AVERAGE MINUS	This condition is modestly below that of average. It represents a property that is for the most part in

	satisfactory condition with no list of major deferred maintenance. There are no significant foundation problems, siding, roofing, and mechanical systems are working and serviceable. Paint, trim, cabinets, floor cover, etc. are mostly in satisfactory condition. Some short-lived items appear tired or in need of replacement.
6 FAIR	The condition is significantly below average. It represents a property that is structurally sound but has a significant amount of deferred maintenance. There should be no significant foundation problems however, siding, roofing, mechanical systems, etc. are old and show signs of significant wear. If not in need of immediate replacement, they are definitely at the end of their useful life. Paint, trim, cabinets, floor cover, etc. are tired or in need of replacement.
7 LOW	These properties have numerous problems. The property foundation may have large cracks or substantial settling. Most of the building components are in need of repair or replacement such as; rotting wood, holes in the plaster or sheetrock, carpets worn through to the backing, tiles are broken or missing in the kitchen or bath. Heating and plumbing systems may be unreliable. The house is still inhabitable, but bringing the house up to average condition would require major expenditures. The cost to cure may out weigh the entire value of the home.
8 UNINHABITABLE	This represents properties at the end of their economic life. The property is uninhabitable, beyond repair, probably condemned and likely to be wrecked in the near future.

Housing condition ratings 1-5 are considered standard condition housing. Condition ratings 6-7 are considered as substandard but suitable for rehabilitation while a housing unit with a condition rating of 7 or 8 is considered substandard and not suited for rehabilitation.

Housing Profile by Housing Type 2003

	Single-family Units	Condo/Townhouse Units	Duplex/Triplex Units	Four/Five Units	Six or more Units	Total
All Residential Properties	75,571	10,526	12,050	1,358	2,084	101,589
Homesteaded Properties	68,058	8,670	6,840	301	51	83,920
% Properties Homesteaded	90.1	82.4	56.8	22.2	2.4	82.6
% Units Homesteaded	90.1	82.4	27.3	5.3	0.1	49.1
% Structures Built Before 1920	35.3	18.2	65.9	56.4	23.3	37.3
% Structures Built 1920-1959	58.4	7.8	28.3	35	28.6	49
% Structures Built 1960-Current	6.2	74	5.7	8.6	48.1	13.7
% Structures Above Average Condition	4.9	29.8	1.4	1.9	4.2	6.9
% Structures Average Condition	92.1	69.9	89.9	86.2	92.1	89.5
% Structures Below Average Condition	3.1	0.3	8.7	11.9	3.8	3.6

Homestead Status

The 2003 citywide homestead rate is 82 percent of properties. Neighborhoods in the Southwest, Nokomis, and Longfellow communities have the highest property homestead rates.

Homestead status for detached single-family homes is 90 percent of properties while attached rate for single-family homes such as condominiums and townhouses is 82 percent. Only 57 percent of duplex/triplex properties and 22 percent of four- and five-unit buildings are homesteaded.

2. Housing Demand

Demographic Trends

Area-wide housing demand is highly dependent on demographic trends. In the long run, the Metropolitan Council projects a growth of population in Minneapolis of 0.3 percent per year between 2000 and 2030, with total household additions of 25,000 approximately in the same period⁴. However, in the short and medium run, population and households are more or less flat in the City after a population upsurge in the last decade. Nevertheless, the city is increasingly becoming younger and more diverse.

- New immigrants from Latin America (especially Mexico), Africa, Eastern Europe and Asia are finding and creating new economic opportunities in Minneapolis, but at the same time generating new demands for housing, education, health and infrastructure. The proportion of foreign-born increased from 6 percent in 1990 to 16.5 percent in 2003.
- Several institutions of higher education continue to attract a young, college bound population, which live in the city for a few years before leaving for the suburbs.
- The number of older people (over 60 year-old) is decreasing. Since people are living longer, this segment of the population is increasingly able and willing to move away.

Meanwhile, the trend toward suburbanization goes on unabated. For people with a middle-class income starting new families or with young children, the preference is to move out of the City. This seems to be the preference for older people as well, moving to other states with warmer weather or to the suburbs to be near their close relatives.

However, the population increasing faster in the City is the group between 40 and 59 years old – the population born after WWII known as the “baby boomers”. They grew by 38 percent in the 90’s: a middle-age population with more than average income levels, already established, many of them with grown-up children in college, with other kind of social demands such as needs for culture and entertainment, travel, amenities and accommodation other than standard single-family housing.

In the near future these demographic trends are expected to continue, albeit at a lower pace. “Baby boomers” would age and may move away, the next generation is smaller, and after September 2001, immigrants from abroad may face more legal restrictions to enter the country.

⁴ Metropolitan Council, *Blueprint 2030*

Another factor affecting the impact of demographic changes upon the supply and type of housing stock is the changes in family size and composition. The proportion of families living in the city is declining, while the proportion of people living alone is increasing. The proportion of families declined from 48.3 percent in 1990 to 45.5 percent in 2000. In 2003 they were 44.9 percent of the total number of households. Meanwhile, the proportion of individuals living alone increased from 38.5 percent in 1990 to 40.3 percent in 2000 and to 41.4 percent in 2003. Mobility and turnover tend to be high. In 2000 more than 57 percent of the population lived in a different house in 1995. About 30 percent of those who moved came from other states within the US. In 2002 and 2003, 2.8 and 2 percent of the population respectively lived in different state a year before. People moving from abroad were 1.4 percent in 2002 and 1 percent in 2003, showing that the movement of people from outside the State has slowed in comparison with the 90's.

Family composition is also changing. The percentage of families with children that are not headed by married couples is increasing relative to the total number of families from 20.9 percent in 1990 to 23.2 percent in 2003 and the Census Bureau expects this trend to continue through 2010 (Census Bureau, 1996). It is assumed that the housing needs of single parent families may require rental units over owner units and at a more affordable level relative to household income.

Housing Type

In addition to the actual number of units demanded, the type of housing is also undergoing a shift in demand. Increasingly, empty nesters and seniors desire "lifecycle" housing. The house that met their needs while raising a family is not necessarily the type of housing that is desirable later in life. However, these people have attachments to their neighborhoods and want housing choices to be made available in their neighborhood. This calls for new designs in housing stock to be available throughout the city.

Income and Poverty

One measure of demand is the purchasing power of households. The best source of income and poverty data is the U.S. Census, most recently completed in 2000, and followed by American Community Survey (ACS) in 2002 and 2003.

In the 1990 decade a well-educated labor force attracted knowledge-based industries that expanded rapidly and helped sustain other economic sectors as well. As a result, the unemployment rate dropped from almost 6.7 percent in 1990 to 5.8 percent in 2000. Median household income increased by 12 percent in real terms and income per capita increased by 14.3 percent. Median Household Income grew for the minority population sometimes even faster than for the white population in the city. For example, Native American and Asian

households although starting from a very low base, increased their income by more than 50 percent in the last period between censuses. All minorities still had much lower income than the majority of the population in 2000. Blacks for example, even when they increased their income levels, still trailed behind the white population by \$17,000. At the same time, poverty levels decreased from 18.5 percent for individuals below poverty level in 1990 to 16.9 percent in 2000. But by 2003, according

ACS, the percent of individuals below the poverty level had increased to almost 18 percent again.

Income tends to concentrate in some areas. The geographic distribution of median household income reveals that, generally, areas along the border of the city continue to experience much higher levels of household income (and income gain) than most areas located near the City core. The lowest income levels are concentrated in the Near North communities, Phillips and Powderhorn. In contrast, high-income households are concentrated within the Calhoun-Isles, and Southwest communities and smaller parts of the Nokomis, Longfellow, Central and Northeast communities.

The geographical area of persons below poverty has expanded over the past three decades. Poverty has expanded both northward and southward. The areas of over-concentration of people in poverty are in the Near North and Near South communities.

Additional data shows the poverty rate for families dropped from 14 percent in 1989 to 11.9 percent in 1999. Children are more likely to live in poverty than adults are; and, as in previous decades, the poverty rate for children increased at a greater rate than poverty rate for adults. In 2003 children in poverty were 6.3 percent of all persons and almost 36 percent of all persons in poverty in the City. Individual and family poverty rates for city residents are more than that of the comparable rates for the metropolitan area.

In the last decade more people became homeowners, and increasing demand for housing pushed up housing values and prices. The proportion of the city's population that is renters diminished from about 50 percent to 45 percent in 2003. Strong demand in the housing market was fueled by higher incomes and low interest rates. Following a national trend toward increasing housing value, median housing value after adjusting for inflation, increased by 20 percent in the last decade, ahead of median household income, which only grew by 12 percent. Rents kept pace with income levels, rising only by 11.9 percent. Median sale housing prices grew spectacularly from 1990 to 2002: from \$70,000 in 1989-90 to \$188,000 per unit in 2002-2003.⁵ After 2000 however, rising unemployment kept the housing market in check. Most recently, slow rising interest rates are beginning to have an effect, and the overall vacancy rate rose fast to more than 8

⁵ State Demographic Center, *Minnesota Housing Prices Continue to Rise in 2003*

percent in 2003 after reaching its lowest point in 2000. Although housing prices continued to climb, for the greatest majority of householders, housing is still relatively affordable in Minneapolis in comparison to other cities in the country. Affordability may be an issue for 32 percent of renters who pay 35 percent or more of their income in rent. As interest rates start climbing and housing prices continue to increase, home ownership for many people is out of reach and renting is the only alternative.

Relative to income and poverty are the changes in the economic structure that took place during the 90's. During this period, the City became a place for professionals, many of them with no children and high mobility. At the same time, a low-pay service sector fueled by recent immigrants and low-skilled workers also developed, creating a two-tier social system. More than 37 percent of the population 25 year-old and over are college graduates and 85 percent hold high school degrees. It is not a surprise, therefore, that the fastest growing industries in the city in the last decade were information technology, arts, entertainment, accommodation, food services, and professional and managerial services. All are service sector activities of two kinds: knowledge based industries, such as information technology, and traditional service industries, such as food services and accommodations- mostly labor-intensive. The first group would make use of the supply of college graduates; the second group would attract immigrant labor and those with low skill levels. As a result, the housing market is becoming more segmented than before with a need for a supply of housing that is not the traditional single-family detached house.

However, Minneapolis housing is still mostly intended for single-families, with 45 percent of the total units being single-family detached dwellings. About 51 percent of the housing stock was built before World War II and is well preserved. Although there was an upsurge of construction in the last decade, a large proportion of it was and is devoted to remodel, addition and renovation of the existing stock. Rehabilitation is particularly strong in high income neighborhoods, while new construction is taking place in relatively modest neighborhoods and in downtown near the riverfront. New construction took place in these locations because demolitions for urban renewal projects made land available (i.e. Northside community), and the riverfront with its proximity to downtown was attractive to "baby boomers" and young professionals with relatively high incomes.

Demographic Trends

Area-wide housing demand is highly dependent on demographic trends. When the Baby Boom generation entered the housing market during the 1970s, the demand for housing increased. When the smaller cohort of Baby Bust or Generation X came of age to enter the housing market, this smaller cohort had less demand on housing which caused the high vacancy rates in the early 1990s. This cohort is followed by the Echo Boom or Generation Y, which are the children of the Baby Boomers and are a larger cohort than the Baby Bust. This Echo

Boomer group was born between 1946 and 1964. They began influencing the housing market in the mid-1990s and will continue to drive up demand for housing over the next decade as they leave their parents to form new households. Further, with the increasing aging of society, it is expected that many households will opt to move from larger housing units to smaller-sized bedroom units.

The Metropolitan Council estimates that between 2000 and 2030 the City of Minneapolis will need to add 25,000 new households.⁶ This is a shift from the relatively stable level of households the city has had over many decades. To accommodate this many households in a fully built city requires efficient use of existing land and may drive redevelopment to occur at higher densities than the current average city density.

Another factor affecting the impact of demographic changes upon the supply and type of housing stock is the changes in family composition. The U.S. Census Bureau projects that the percentage of families with children that are not headed by married couples will increase relative to the total number of married families through 2010 (Census Bureau, 1996). It is assumed that the housing needs of single parent families may require rental units over owner units and at a more affordable level relative to household income. As well, family unit size is expected to increase as well with the recent influx of immigrant families. This should drive demand for housing with more bedrooms.

Housing Type

In addition to the actual number of units demanded, the type of housing is also undergoing a shift in demand. Increasingly, empty nesters and seniors desire “lifecycle” housing. The house that met their needs while raising a family is not necessarily the type of housing that is desirable later in life. However, these people have attachments to their neighborhoods and want housing choices to be made available in their neighborhood. This calls for new designs in housing stock to be available throughout the city.

Income and Poverty

One measure of demand is the purchasing power of households. The best source of income and poverty data is the U.S. Census, most recently completed in 2000. The measure of purchasing power will be better ascertained as the U.S. Census Bureau performs more analysis of the 2000 Census.

The geographic distribution of median household income reveals that, generally, areas along the border of the city continue to experience much higher levels of household income (and income gain) than most areas concentrated near the core area of the city. The lowest income levels are concentrated in the Phillips,

⁶ Metropolitan Council, *Blueprint 2030*

Powder horn and Near North communities. In contrast, high-income households are concentrated within the Calhoun-Isles, and Southwest communities and smaller parts of the Nokomis, Longfellow, Central and Northeast communities.

Between 1989 and 1999 the poverty rate for all city residents decreased from 18.5 percent to 16.9 percent. The geographical area of persons below poverty has expanded over the past three decades. Poverty has expanded both northward and southward. The areas of over-concentration of people in poverty are in the Near North and Near South communities.

Additional data shows the poverty rate for families dropped from 14 percent in 1989 to 11.9 percent in 1999. Children are more likely to live in poverty than adults are; and, as in previous decades, the poverty rate for children increased at a greater rate than poverty rate for adults. Individual and family poverty rates for city residents are more than that of the comparable rates for the metropolitan area.

It should be noted that average rent levels rose more than 40 percent from 1998 to 2003. As well, housing prices rapidly inflated during the same period. Household incomes did not come close to the same increase. Though historically low interest rates have allowed ownership levels to increase, the fact that household incomes have not matched the pace of housing costs, means that many still cannot afford housing.

3. Combination of Supply and Demand

The combination of housing supply and demand is evidenced in the housing vacancy rate, the sale price of housing, and the rental prices. By all indicators, the Minneapolis housing market is a tight market with a high demand competing for a low supply of available units.

4. Vacancy Rates and Rent Levels

The housing market has recently experienced extremely low vacancy rates for all rental housing, however this situation has eased in the past couple of years. When the market is tight, many people compete for each rental unit that becomes available. This allows property owners to be more selective. This can make the portion of the population that may have poor rental history or low incomes difficult to house in the private market. Another impact of an extremely low vacancy rate is that housing prices and rental prices are driven up, making many units unaffordable. While vacancy rates have risen, vacancy rates for subsidized or affordable rental housing remains tight.

Average Rent and Vacancy for Minneapolis (all rental housing)

	Average Rent	Vacancy Rate
2000	\$762	1.7%
2001	\$789	3.7%
2002	\$799	6.1%
2003	\$815	6.5%

Source: GVA Marquette Advisors (source data is a non-random sample)

The following table shows 2003 average rents for different unit sizes against the equivalent HUD fair market rent. Where the HUD rate is less than the market rate, that type of rental unit size would be difficult for someone holding a HUD voucher to obtain.

Average Rents by Unit Size

	2003	HUD Fair Market Rate	Percentage Difference
Studio	\$550	\$554	+ 1%
1 BR	\$766	\$713	- 7%
2 BR	\$1,075	\$912	-15%
3+ BR	\$1,304	\$1,233 (3 BR only)	- 5%
Total	\$815		

Source: GVA Marquette Advisors (market rates); HUD

5. Housing Prices

Since 1998 the median sale price for a Minneapolis home has doubled. The housing market for single-family homes continues to be strong due to a combination of low interest rates and relatively affordable prices for entry market purchasers.

The median sale price of a Minneapolis single-family detached home sold during the first quarter of 2001 was \$137,000. By 2004 the median sale price rose to \$190,000. The number of sales (represented through the Multiple Listing Service (MLS)) has declined 30%, with most of the decline represented in 2004.

Single-family Home Sales 2001-2004*

	2001	2002	2003	2004	2001-2004 Change
1 st Qtr Median Price	\$137,000	\$152,000	\$175,000	\$190,000	39%
1 st Qtr # Reported Sales	890	999	1,025	635	-29%
Full Yr Median Price	\$150,000	\$168,000	\$184,000	\$207,500	38%
Full Yr # Reported Sales	5,212	5,023	5,133	3,467	-33%

*All figures reflect current dollars unadjusted for inflation.

Median single-family home sale price for 2004 ranged from \$149,900 for the Near North Community to \$420,000 in the Calhoun-Isles Community. Between 2001 and 2004 the incidence of strongest sales-price growth occurred in the communities with the lowest home values – in Near North and Phillips Communities single-family home sales prices rose 46% and 56% respectively.

Annual Single-Family Home Median Sale Prices by Community

Community	2001	2002	2003	2004	2001-2004 Change
Calhoun Isles	\$341,125	\$349,500	\$409,950	\$420,000	23%
Camden	\$118,900	\$131,000	\$145,000	\$158,650	33%
Longfellow	\$150,000	\$169,900	\$180,147	\$200,800	34%
Near North	\$103,000	\$115,000	\$135,000	\$149,900	46%
Nokomis	\$164,900	\$183,000	\$200,000	\$213,000	29%
Northeast	\$145,900	\$159,900	\$178,250	\$196,000	34%
Phillips	\$108,950	\$130,000	\$155,000	\$170,000	56%
Powderhorn	\$139,900	\$159,900	\$172,000	\$189,950	36%
Southwest	\$209,500	\$235,000	\$261,000	\$279,000	33%
University	\$164,825	\$186,000	\$207,000	\$223,500	36%

*Central Community did not have enough sales to include

E. Barriers to Affordable Housing (91.210 (e); 91.215 (f))

Minneapolis is sensitive to the effects that public policies have on the cost of housing, or serve to dissuade development, maintenance or improvement of affordable housing. Although some of the barriers to the cost of producing affordable housing are beyond the control of local government, it is hoped that city policies do not create more barriers. The city works to establish positive marketing strategies and program criteria increasing housing choices for households with limited incomes, to provide geographical choice in assisted housing units, and to improve the physical quality of existing affordable housing units.

Several policies and factors add to the cost of producing affordable housing. Some of these policies are generally beyond the city’s control. However, some local policies may hinder the development or increase the costs to produce affordable housing. These include zoning regulations, building inspection codes and housing codes. All of these policies tend to increase housing costs to some degree.

At a local level, the city has a responsibility, through its regulatory controls and inspections of code compliance, to protect health and safety of its property owners and renters. It is recognized through, that these standards may increase the cost of operating, rehabilitating or developing affordable housing rental properties.

Transportation, and public policies relating to it, can also prove to be a barrier to affordable housing. Lack of public transportation routes to specific parts of the city and suburbs serves as a barrier in its affecting demand for affordable housing in these areas. The metropolitan area suffers from a documented spatial mismatch between where affordable housing is located, where low wage jobs are located and the inadequacy of public transportation links between locations.

Finally, financing of affordable housing is a significant barrier to being able to provide for affordable housing. Since 2000, the city's receipt of entitlement federal funding for affordable housing has decreased. In spite of this decrease at the entitlement level, the city has worked to increase its local commitment to funding affordable housing efforts.

F. Lead-based Paint Hazards

Lead-based paint hazards pose a particular threat to children under the age of six. HUD requires that HUD-assisted housing built prior to 1978 be tested and treated if necessary to mitigate the adverse effects of lead-based paint upon this population.

Two estimates have been performed to estimate the number of housing units in the city that contain lead-based paint. In the first of these, the Healthy Homes/Lead Hazard Control section estimated in 2004 that approximately 86 percent of the city's housing stock was built before 1960. According to the 2003 State of the City report, there are 170,788 housing units citywide. Using the 1960 date as a reasonable cut-off for the use of lead paint, 146,876 units contain some lead paint. Of these units, 71,969 are rental units and 28,001 are occupied by very low-income persons.

Estimated Incidence of Lead-Based Pain (LBP) in Minneapolis Residential Housing Units for 2004

Income Level	Rental Units with LBP	Owner Units with LBP	Total Units w/ LBP 86%	Total Units
0-30% MFI	-	-	23,500	27,326
31-50%* MFI	28,001	17,977	45,978	48,674
51-80% MFI	15,260	12,734	27,994	29,034
81%+ MFI	19,131	44,195	63,326	65,754
Total Occupied Units				155,531
Total Units	62,392	74,906	160,798	170,788**

Source: Minneapolis Planning Department, Healthy Homes/Lead Hazard control *Includes very-low income

The second estimate is based on a nation-wide HUD survey of residential units undertaken to measure the likelihood of lead-based paint poisoning in housing units built before 1978. According to this study, the percentage chance of lead paint being found in a residential unit is dependent on the unit's age. The percentages of lead paint incidence by age are:

Lead-based Paint Incidence by Age	
Housing built before 1940:	90%
1940-1969:	80%
1970-1979:	62%

The study found no significant differences in lead-based paint problems when factoring household income, home values, rent levels or housing structure type. According to this second estimate approximately 74 percent of all Minneapolis residential units contain lead-based paint. Of these 118,181 occupied residential units, 36,927 were occupied by persons with incomes below 50 percent of the area's median family income. The incidence of lead-based paint falls disproportionately on renters.

HUD Estimate of Incidence of Lead-Based Paint (LBP) in Minneapolis Residential Housing Units for 1990

Income Level	Rental Units with LBP	Owner Units with LBP	Total Units with LBP	Total Units	% of Units with LBP
0-30% MFI	12,602	3,385	16,987	25,361	67%
31-50%* MFI	21,194	9,015	30,974	45,380	68%
51-80% MFI	10,883	10,474	20,982	26,694	79%
81%+ MFI	12,602	36,578	47,960	61,398	78%
Total Occupied Units	57,281	59,452	116,903	158,833	74%
Vacant Units	4,312	4,488	8,799	11,955	74%
Total All Units	61,593	63,940	125,702	170,788	74%

Source: Estimate of lead-based paint incidence based on national HUD study: *Comprehensive Workable Plan for the Abatement of Lead-Based Paint in Privately Owned Structures*. Units numbers from 1994 CHAS Table 1C, updated per Minneapolis State of the City, 2003

*0-50% MFI, includes Very Low-Income

Chapter 3 Homelessness and Those Threatened with Homelessness (91.205(b); 91.215 (c)

A. General

The purpose of this chapter is to:

- Summarize the Continuum of Care process addressing the nature, extent and needs of homelessness in the City of Minneapolis*.
- Describe the existing services and facilities, including prevention and outreach.
- Provide the strategic plan for addressing homelessness in the city.

* Note: For purposes of the Hennepin County Continuum of Care for the Homeless, the 'jurisdiction' includes all of Hennepin County, including the city of Minneapolis. All data and information in this section is for the Continuum, including city of Minneapolis unless otherwise noted.

B. Nature & Extent of Homelessness

The most recent comprehensive analysis of homelessness in Hennepin County was done in 1999-2000. At that time the Hennepin County Board of Commissioners and the Minneapolis City Council established a task force on homeless single adults, families and youth.

The task force was created to:

- Analyze the causes of and potential solutions to homelessness for single adults, families and unaccompanied youth;
- Gather information on local and national models of service delivery;
- Meet with organizations in both the public and private sectors to explore the idea of a metropolitan-wide partnership to respond to homelessness; and
- Prepare short- and long-term recommendations to achieve positive outcomes, including a continuum of housing options leading to greater levels of self-sufficiency.

Two reports were issued by the task force. The first report on homeless single adults and youth was issued in April 2000. The report on homeless families was issued in May 2001. Both reports identified the nature and extent of homeless and identified an extensive list of recommendations to address the housing and services needs of the homeless as well as system issues. The recommendations were adopted by the Minneapolis City Council and the Hennepin County Board; and an advisory board was established to help implement the recommendations. Since then the Community Advisory Board on Homelessness (CABoH) has been meeting monthly to facilitate implementation

of the recommendations, including work to address barriers to their implementation. A full description of CABoH and its role is located in the section on Institutional Structure in this chapter.

Following are excerpts from the task force reports:

Single Adults & Youth-

“The task force found that, on average, an estimated 2,500 people stay in shelters, secure waiting facilities, abandoned buildings and outdoor camps each night in Hennepin County. Some are teens and young adults who are estranged from their families. Others are single adults, more than half of whom are working. Despite this, many do not move on to permanent housing. Many of our recommendations relate to the goal of moving people toward stable housing, full employment and greater self-sufficiency.”

Families-

“As the family shelter population soared, the county and private shelters worked hard to provide enough shelter capacity. With people backed up in shelters with no place to go, the average length of stay in shelters almost doubled. Our main conclusion is that the single most important cause of homelessness in our area is the inadequate supply of housing affordable to low-income families.”

It should be noted that at the time of this report, the average nightly number of family members had increased from less than 500 in the early 1990's to over 1,000 by year 2000 in county-funded and privately funded shelters. By 2003 the number of family members in county-funded shelters had declined significantly. In large part the decline can be attributed to new county policies that strengthened existing services directed to homeless prevention and rapid-exit from shelter.

The most recent survey of homelessness was done in 2003. Hennepin County was included in this ‘point-in-time’ statewide survey of homeless persons conducted on October 23, 2003 by the Wilder Research Center. Survey results are detailed in the May 2004 report, “Homeless Adults and their Children in Minnesota and Homeless Youth in Minnesota.” The full report and data tables for Hennepin County are available on the website for Amherst H. Wilder Foundation at- <http://www.wilder.org/research/index.html>. Selected survey results from the data tables for Hennepin County include:

- Over one-half of all homeless respondents reported Minneapolis (45.1 percent) or St. Paul (6.7 percent) as their last “regular or permanent housing.” Of homeless individuals from Minnesota, but not from Minneapolis or St. Paul, 148 (41 percent) were from suburban Hennepin County. Nearly one-half (49.2 percent) cite their inability to afford housing as the reason for their homelessness.

- Of those who are homeless, 10 percent have been “without a regular or permanent place to live” for less than one month, but 48 percent have been homeless for one or more years and 19.5 percent have been homeless for more than three years.
- The average monthly income reported by respondents was \$488.
- Over one-third (34 percent) of Hennepin County homeless adults met the HUD definition of **chronically homeless**, which is defined as a single individual (not living with children), who has either a mental health, chemical dependency, or physical disability and has been homeless for more than one year or more than four times in the last three years.
- Almost half (47 percent) of all **chronically homeless** individuals in Minnesota lived in Hennepin County

Selected Demographic Characteristic from the data tables for Hennepin County include:

- 2,143 adults/youth age 18 and older were homeless and sheltered or unsheltered as follows-
 - 805 were in emergency shelter (male- 585 or 72.7% and female- 220 or 27.3%.)
 - 67 were in a domestic abuse shelter.
 - 1,053 were in transitional housing (male- 469 or 44.5 % and female-584 or 55.5%.)
 - 218 were unsheltered or on the street (male- 149 or 68.3% and female- 69 or 31.7%.)
 - 112 were age 18-20 (youth.)
 - 1,081 or 51.1% were African American, 673 or 31.8% were White, 154 or 7.3% were American Indian, the balance of 206 or 8.8% identified themselves as multi-racial, African Native, Asian or Pacific Islander or other.
 - 1,383 or 64.8% were high school graduates or more.
 - 1,317 or 61.5% had lived in Minnesota for 6 or more years. Of this group, more than one-half had lived in Minnesota over 20 years.
 - 801 or 37.5% were currently on a waiting list for Section 8 housing or other type of rental assistance program.
 - \$312 was the average amount people reported they could pay for housing each month, including rent and utilities.
 - 1,106 or 51% reported their last regular housing was in Hennepin County. 958 or 87% last lived in Minneapolis and 148 or 13% last lived in suburban Hennepin County.
 - 362 or 17% reported their last regular housing was in Minnesota but outside Hennepin County.
- Top four reasons people reported as preventing them from getting housing now:
 - ‘There was no housing one could afford’ (54%),

- 'Credit problems' (36%),
- 'Court eviction or bad rental history' (25%),
- 'Cost of application fees' (18%).

C. Need for Facilities and Services

A comprehensive assessment of the need for facilities and services for homeless individuals, including unaccompanied youth, homeless and special needs subpopulations of these groups was the purpose and focus of the work done by Homeless Task Force referred to above. This work involved the comprehensive collection of data on housing and service needs of the homeless as well as housing and services currently available. Information collected was analyzed to identify gaps in the continuum of care by task force members and other community members through a series of meetings and public testimony spanning more than 18 months. This process involved representatives of organizations providing housing and services to the homeless, persons who were homeless or had been homeless, faith communities, government, private foundations, elected officials, public schools and many others.

The outcome of their work culminated in a comprehensive set of recommendations contained in the task force report referred to above. Housing needs and their relative priority are identified in Table 1A and in the statement of goals and priorities in the following section- Priority Homeless Needs.

D. Low-Income Individuals & Children At-Risk for Homelessness

Households with income up to 30 percent of median family income paying more than 50% of their income for housing are considered to be the most vulnerable, and at greatest risk for becoming homeless.

According to the 2000 CHAS data, Minneapolis had 23,948 renter households with household income at or below 30 percent of median family income, which is considered extremely low-income. Forty-nine percent (49%) or 11,758 households were paying more than 50 percent of their income for housing. Of these households, 6,435 or 55% were unrelated individuals, 3,945 or 34% were families and 1,379 or 12% were elderly.

For owner households, 6,431 had household income at or below 30 percent of median family income. Fifty-four percent (54%) or 3,576 households were paying more than 50 percent of their income for housing. Of these households, 1,134 or 32 % were unrelated individuals, 1,419 or 40 % were families and 1,020 or 29% were elderly.

An extensive set of programs, services and strategies designed to prevent homelessness are described in the Housing Inventory section of this chapter.

E. Priority Homeless Needs

Priorities were developed from the Continuum of Care planning process and Table 1A- Homeless and Special Needs Populations Charts (below). Consistent with the National priorities, the highest priority in the Continuum of Care is to end chronic homelessness. Detail on all goals and priorities are contained in the 2004 Hennepin County Continuum of Care. Current copies of the Continuum of Care are available on Hennepin County's website at <http://www.co.hennepin.mn.us>, or can be obtained by contacting the Minneapolis Office of Grants & Special Projects at (612) 673-2188.

Current unmet needs/gaps identified in Table 1A are based on the updated 2001 inventory plus the related goal, adjusted annually for units/beds added or lost to arrive at the 2004 unmet need/gap. Housing goals were initially established by the Hennepin County/City of Minneapolis Homeless Task Force. Housing production goals and support services goals are being implemented by the Community Advisory Board on Homelessness (CABoH).

Priorities identified in this section come from directly from the Hennepin County Continuum of Care and reflect HUD requirements for describing goals and actions. Accordingly, the first goal/priority is to end chronic homelessness. Other goals/priorities are identified by the following categories- Information Collection, Consumer Choices/Resource Development, Outreach & Engagement, Program Evaluation and, Discharge Planning.

NOTE: *The City's portion of the county goal is determined to be 87 percent. This is based on information in the 2003 Wilder Homelessness Survey. Data showed 13 percent of respondents living in Hennepin County prior to becoming homeless previously lived in suburban Hennepin County. Based on this percentage, the City's share of the Unmet Need/Gap in Table 1A would be the difference, 87 percent, as follows: Note; goal is expressed as 'beds' vs. housing 'unit'. For emergency shelter 1 bed = 1 unit. For transitional and supportive housing for families 3 beds = 1 unit*

Emergency Shelter- 104 beds for individuals, including unaccompanied youth. -0- beds for families.

Transitional Housing- 196 beds for individuals, including unaccompanied youth. 867 beds for families

Supportive Housing- 477 beds for individuals, including unaccompanied youth. 295 beds for families

Table 1A
Homeless and Special Needs Populations
Continuum of Care: Housing Gap Analysis Chart (all figures are for Hennepin County,
including Minneapolis)

		Current Inventory in 2004	Under Development in 2004	Unmet Need/Gap
Individuals (includes unaccompanied youth)				
Beds	Emergency Shelter	778	-0-	120*
	Transitional Housing	1,570	-0-	225**
	Permanent Supportive Housing	1,918	52	548***
	Total	4,266	52	845
		Current Inventory in 2004	Under Development in 2004	Unmet Need/Gap
Persons in Families With Children				
Beds	Emergency Shelter	1,111	-0-	-0-
	Transitional Housing	924	-0-	996****
	Permanent Supportive Housing	1,446	30	339****
	Total	3,481	30	1,335

*Balance of CABoH five-year unit/bed goal 2000-05 for emergency shelter for single adults (75) and youth(45).

**Balance of CABoH five-year unit/bed goal 2000-05 for transitional housing for youth (225)

***Balance of CABoH five-year goal unit/bed 2000-05 for supportive housing for single adults (448) and youth (100) (52 single units added in 2003)

****Balance of CABoH five-year goal 2000-05 for transitional housing and supportive housing for families. Note: goal was expressed as 665 living units, not beds. For purpose of this table, the unit goal of 665 was multiplied by 3 to get a 'bed' goal of 1,995. The remaining goal (unmet need) was determined by taking the balance of the unit goal times 3. (31 units with 89 family beds added in 2003)

Table 1A- continued
Continuum of Care: Homeless Population and Subpopulations Chart (all figures are for Hennepin County, including Minneapolis)

Part 1: Homeless Population	Sheltered (bed capacity) *		Unsheltered **	Total
<i>(based on statistically reliable, unduplicated counts or estimates at a one-day point in time)</i>	<i>((A) Administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates.)</i>		<i>((A) Administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates.)</i>	
	Emergency	Transitional		
1. Homeless Individuals (includes youth)	720 (N)	652 (N)	224 (N)	1,596 (N)
2. Homeless Families with Children	154 (N)	356 (N)	7 (N)	517 (N)
2a. Persons in Homeless Families with Children	465 (N)	1,253 (N)	8 (N)	1,726 (N)
Total (lines 1 + 2a)	1,185	1,905	232	3,322

Part 2: Homeless Subpopulations ***	Sheltered	Unsheltered	Total
1. Chronically Homeless	646 (S)	91 (S)	737 (S)
2. Seriously Mentally Ill	861 (S)	93 (S)	954 (S)
3. Chronic Substance Abuse	488 (S)	71 (S)	559 (S)
4. Veterans	265 (S)	16 (S)	281 (S)
5. Persons with HIV/AIDS	82 (S)	4 (S)	86 (S)
6. Victims of Domestic Violence	206 (S)	18 (S)	224 (S)
7. Youth (under 18 years of age)	17 (S)	15 (S)	32 (N)

*Numbers are based on the actual number of homeless persons receiving services on October 23, 2003 as reported by service providers.

**Numbers are based on the actual interviews conducted with homeless persons in non-shelter locations on October 23, 2003.

***Numbers are based on the selected item responses from surveys completed with homeless persons in shelter and non-shelter locations on October 23, 2003.

F. Priority/Goals:

Following is a description of specific future oriented goals and action steps to be undertaken in carrying out the strategy to end chronic homelessness.

Priority #1 End Chronic Homelessness	Action Steps	Responsible Person/Organization	Target Dates (Month/Year will be accomplished)
Information Collection			
Goal 1: Coordinate outside street count of unsheltered individuals per HUD guidelines.	A. Establish biannual count of unsheltered homeless persons.	MESH, People, Inc. and Streetworks Collaborative	January 2005
Goal 2: Gather more complete baseline data on chronically homeless individuals.	A. Find sources that will fund the implementation. B. Train and implement HMIS system with 10 shelter and supportive housing providers.	Wilder Research Center	July 2005
Outreach and Engagement			
Goal 3: Every unsheltered person will have regular contact with a homeless outreach worker and will be offered access to housing, healthcare, benefits, social services or shelter.	A. Coordinate Outreach and Engagement Efforts. Outreach and Engagement Staff (Metro. Outreach Project, PATH, Health Care for the Homeless, KOLA, County Operated and	CABoH to coordinate	July 2005

Priority #1 End Chronic Homelessness	Action Steps	Responsible Person/Organization	Target Dates (Month/Year will be accomplished)
	Contracted Staff).		
Goal 4: Create plans to develop a Safe Haven (entry tolerant housing).	A. Establish proposal. B. Solicit for a proposal.	CABoH	February 2005
Program Evaluation			
Goal 5: Develop a prototype data system that collects client housing barrier information and outcomes on the variety of housing models.	A. Utilize current Annual Progress Reports (APR) as initial data sources. B. Define key elements Housing barriers Outcomes	CABoH and Hennepin County	February 2005
Consumer Choices/Resource Development			
Goal 6: 20% of Homeless Task Force production goals identified for chronic homeless.	A. Bring on line 72 units of housing targeting chronic homeless population.	CABoH	July 2005
Goal 7: Maximize use of supplemental and mainstream resources.	A. Expand the use of Medicaid (MA) waived services to chronically homeless population in clustered and scattered site settings. B. Solicit current MA providers and recruit new providers.	Hennepin County Human Services Department	July 2005
Discharge Planning			
Goal 8: Develop and implement a Discharge Policy.	A. Explore to what extent discharge is happening to homelessness from institutions. B. Develop recommendations to improve communication between discharging institutions and shelter/homeless service providers.	CABoH and Hennepin County	July 2005
Statewide Plan			
Goal 9: Implement the Hennepin County portion of the Minnesota Business Plan to End Long-Term Homelessness.	A. Develop local targets proportionate to chronic homeless in Hennepin County. B. Implement strategy to reach targets.	CABoH	July 2005

Other Homeless Priorities/Goals

Other Homelessness	Action Steps	Responsible Person/Organization	Target Dates
Information Collection			
Goal 1: Inform Shelter Policy Work.	A. Analyze information from 2003 Wilder Survey for Hennepin County. B. Separate out information on sub-population for individual/family/youth.	CABoH	September 2005
Goal 2: Facilitate collection of one-night count of homeless required by HUD.	A. To be determined	CABoH	January 2005
Consumer Choices/Resource Development			
Goal 3: Increase shelter capacity for single adults by 100 full service overnight beds located throughout the county.	A. Fund full-service shelter beds at two or more sites. B. Continue pilot triage system and create a central entry point for staff to assess housing, service and financial needs.	CABoH, in cooperation with Hennepin County and city of Minneapolis	December 2005.
Goal 4: Commit to finding financing and sites for new SRO-type units for homeless single adults. Note: This five-year goal began in 2001. It translates into 360 units/year.	A. Half the units would have support services for persons with special needs and one-half would be for persons whose problems are primarily economic.	CABoH and Funders Council	2006 for all units
Goal 6: Develop 665 new supportive housing units for families, including short-term (transitional housing) and long-term (permanent) housing.	A. Continue to give priority to housing for households with income below 30 percent of area median income in the allocation of resources, through the Consolidated Plan and other state and local resources.	CABoH and Funders Council	Ongoing through 2005
Goal 7: Develop 665 additional new housing units targeted to families below 30 percent of area median income.	A. Create opportunities for community organizations, including faith-based groups, and employers to develop housing and provide support services. B. Create incentives for	CABoH and Funders Council	Ongoing through 2005

Other Homelessness	Action Steps	Responsible Person/Organization	Target Dates
	businesses to build affordable housing near jobs, for neighborhood acceptance of supportive housing and communities to develop affordable housing.		
Outreach and Engagement			
Goal 8: Implement the SSA Outreach Grant that Salvation Army received.	A. Monitor implementation	CABoH	July 2005
Goal 9: Reduce inappropriate referrals to emergency shelter by hospital/emergency, chemical dependency, corrections, and foster care systems	A. Improve system coordination and discharge planning.	Hennepin County, Shelter Provider Action Association Service Providers (SPAA).	Ongoing
Goal 10: Implement recommendations from County Report on Homeless and Runaway Youth.	A. Form the Homeless Youth Action Group to: <ul style="list-style-type: none"> • Improve access to services; • Improve Program coordination; • Identify contract and funding models; • Develop new ways of communicating between county and providers; • Implement information systems and data sharing. 	Hennepin County Human Services Dept. and CABoH	December 2005
Program Evaluation			
Goal 11: Hennepin County and Hennepin service providers were key participants in developing the local HMIS system to track service access and utilization by homeless adults, families and youth.	A. Apply for HUD Continuum of Care funding for a “dedicated” HMIS project.	Wilder Research	December 2004

Other Homelessness	Action Steps	Responsible Person/Organization	Target Dates
Goal 12: Every unsheltered person will have regular contact with a homeless outreach worker and will be offered access to housing, healthcare, benefits, social services or shelter	A. Coordinate Outreach and Engagement Efforts; Outreach and Engagement Staff (Metro. Outreach Project, PATH, Health Care for the Homeless, KOLA, County Operated and Contracted Staff).	CABoH coordinates.	July 2005
Goal 13: Support efforts of CoC Project Evaluation Committee.	A. Continue effort started in 2003 to develop guidelines for program evaluation and outcomes to be used by CoC grantees. This will enhance value of information currently provided in HUD APR.	CABoH coordinates.	January 2005
Discharge Planning			
Goal 14: Develop and implement a Discharge Policy.	A. Explore to what extent discharge is happening to homelessness from institutions. B. Develop recommendations to improve communication between discharging institutions and shelter/homeless service providers.	CABoH and Hennepin County	July 2005

G. Homeless Inventory

The Continuum of Care provides pathways for people to move through the support service system and find stable housing. Homeless individuals and families may enter the shelter system through referral from the county, referral by other agency, or walk-in. Once at a shelter, numerous support services are available to assess needs and to refer to the most appropriate source of help. Services through the Rapid Exit Program include short/long-term case management, housing application fees and deposits, co-signing leases, tenant/landlord training, volunteer assistance, moving assistance, obtaining furniture and household set-up items, location of suitable housing, landlord advocacy, etc. Persons with mental health or substance abuse issues are guided by shelter support staff toward supportive housing programs and primary health

care. When appropriate, some people are guided into permanent housing with on-going support services.

1. Existing Facilities

The following is derived from information in Table 1A and the Housing Activity Chart in the 2004 Hennepin County Continuum of Care.

Emergency Shelter:

- 1,889 year-round and secure waiting beds Includes 1,111 family beds and 778 beds for single individuals, including 39 beds specifically for youth

Transitional Housing:

- 2,494 beds, includes 924 family beds and 1,570 beds for single individuals, including 386 specifically for youth.

Permanent Supportive Housing:

- 3,364 beds, includes 1,446 family beds and 1,918 beds for single individuals, including 29 specifically for youth.
- An additional 82 beds are underdevelopment in Minneapolis, including 30 family beds and 52 beds for single individuals, including 34 beds specifically for youth.

New units are added to the inventory each year. To track housing development against goals, the Funders Council maintains a database of new housing projects from their earliest pre-development stage through completion and occupancy. The Funders Council is made up housing and service funders and technical assistance providers. The Funders Council works in collaboration with CABoH. Information they provide is a critical part in maintaining accurate information on housing units and beds for the housing inventory. The database is used to produce a quarterly “pipeline” report. The report is used to monitor progress against goals as well as track sources and uses of public and private investment in projects with units specifically for the homeless. It is also used to track development of housing affordable to low and extremely low income households.

2. Existing Services

The following information is derived from the Services Activity Chart in the 2004 Hennepin County Continuum of Care.

Prevention Services:

The Family Homeless Prevention and Assistance Program (FHPAP) serves as the primary prevention services system in Hennepin County for single adults and families. In addition, FHPAP partners with other funding sources to provide a comprehensive package of services under one “Umbrella” system. Cooperation, collaboration and coordination are key principles that the FHPAP Umbrella

Service Program actively operates under and which have led to a very successful and cost effective program. The program targets low-income persons who are homeless or at imminent risk of homelessness. Since program inception in 1993, the primary target population has been people in housing crisis. The primary goal is to keep them out of publicly paid shelter through stabilization of their housing. The services and program model are 'outcome' based. If a service does not perform up to expectations, the program does not continue to fund it.

The following range of homeless prevention services are offered in the Hennepin County Continuum of Care:

Short-Term Financial Assistance: Rent/Utilities/Other Emergencies Which Threaten the Loss of Housing	
Provider	Program
Elim	Homeless Families Prevention - Financial Assistance
Person to Person	Homeless Prevention Program
Community Emergency Assistance Program (CEAP)	Limited Financial Assistance for Rent
People Reaching Out to Other People (PROP)	Financial Assistance
Intercongregation Communities Association (ICA)	Financial Assistance
Western Community Actions Network (WeCAN)	Emergency Financial Assistance
Christians Reaching Out in Social Service (CROSS)	Limited Financial Assistance
Volunteers Enlisted to Assist People (VEAP)	Financial Assistance - Special Needs
St. Louis Park Emergency Program (STEP)	Financial Assistance
Hopkins Area Family Resource Center	Financial Assistance
Interfaith Outreach and Community Partners (IOCP)	Emergency Services
North Suburban Emergency Assistance Response (NEAR)	Limited Financial Assistance
People Responding in Social Ministry (PRISM)	Financial Assistance
St. Stephen's Human Services, Inc.	South Minneapolis Rental Prevention Assistance Program
Hennepin County Human Services Department Eligibility Supports	Emergency General Assistance (EGA) Emergency Assistance
Community Action for Suburban Hennepin County	Mortgage Foreclosure Prevention
Community Emergency Services (CES)	Financial Assistance
Jewish Family and Childrens' Services (JFCS)	FAIR Program
Minnesota Housing Partnership	Crisis Housing
Northside Residents Redevelopment Council	Mortgage Foreclosure Prevention Program
Pilot City Neighborhood Center	Financial and Housing Counseling and Assistance
Salvation Army Twin Cities Social Services	Minneapolis Citadel Corporation
Twin Cities Habitat for Humanity	Mortgage Foreclosure Prevention Program
Twin Cities United Way	Emergency Rental Assistance
Lutheran Social Services	Housing Resource Center
Hennepin County Medical Center	Adult Psychiatric Services Behavioral Emergency Outreach Program
Hennepin County Human Services Dept. Behavioral Health	Stabilization and Assessment
Minnesota AIDS Project	Emergency housing assistance
Northwest Hennepin Human Services Council	Emergency Services Program
Love Lines Crisis Center, Inc.	Love Lines

Landlord Tenant Mediation	
MN Tenants Union	Tenant Rights Information
Project 504	Tenant Advocacy and Information
STEP	Tenant Advocacy
HOME Line	Tenant Hotline
Legal Aid	Legal Services
Reuben Lindh	Housing Resource Center
Salvation Army Twin Cities Social Services	Minneapolis Citadel Corporation
Northwest Hennepin Human Services Council	Apartment Plus
Legal Services	
HOME Line	Tenant Hotline
Minneapolis Department of Health and Family Support	Housing Services - Tenant/Landlord Information and Advice
Minnesota Multi Housing Association	Tenant-Landlord Hotline
Elim	Homeless Families Prevention - Financial Assistance
St. Louis Park Emergency Program - STEP	Legal Advocacy, Housing Law
Legal Aid Society of MN	Housing Discrimination Law Project Housing Law Minnesota Disability Law Center
Legal Aid Society/Northwest Mediation Services	Court Mediation Diversionary Program
Communication Services	
Twin Cities Community Voice Mail	Voice Messaging Services
First Call for Help – 211	211 Minnesota Information and Referral
Housing Link	Service Agency Services
MinnesotaHelp.Info	Need Help Finding Help
Metropolitan Engagement on Shelter and Housing (MESH) and Twin Cities Community Voice Mail (TCCVM)	Shelter Hotline
Wilder Foundation - Wilder Research Center	Homeless Management Information System (HMIS)
Alliance of the Streets	Handbook of the Streets

Outreach Services:

Outreach to homeless persons living on the streets:

Hennepin County has a full array of outreach services provided by organizations that are publicly funded through local government, nonprofit and for-profit agencies and faith-based organizations. The bulk of outreach services to the unsheltered homeless populations are provided by: People Incorporated - Metro Homeless Outreach Program, Hennepin County - PATH/Access, Hennepin County - Street Case Management, American Indian Development Corporation - KOLA, Minnesota AIDS Project (MAP) - Injection Drug Use Outreach, and Streetworks Collaborative for Youth.

Outreach to Chronically Homeless:

The Hennepin County Continuum of Care has aggressive outreach services targeted to sheltered and unsheltered individuals. The Metro Homeless Outreach Program provides services to people living in camps, caves, under bridges, in cars, abandoned buildings, etc.

Outreach to other homeless people:

Outreach activities are provided by a wide variety of organizations in Minneapolis as well as suburban Hennepin County. Most of the agencies that provide prevention services also provide outreach services to the homeless populations. Many of these agencies provide outreach services to persons with special needs including, mental illness, chemical dependency, HIV/AIDS, domestic abuse, and unaccompanied youth. In addition to the agencies listed above, outreach is also provided by organizations identified in table below.

Bridge for Runaway Youth Inc.	Plymouth Congregational Drop-In
Freeport West	Alliance of the Streets
Homeless and Refugee Children, Inc.	Education Liaisons
Nystrom and Associates Limited	Lutheran Social Services – Families first
Teens Alone	Lutheran Social Services – Housing Resource Center
U.S. Dept.of Veterans Affairs- Health Care for the Homeless	Community Support Program- drop-in centers
YouthLink	Hennepin County Economic Assistance Staff
Catholic Charities Branch and III	Hennepin County - 1800 Chicago Access Unit
Sharing and Caring Hands	Hennepin County - Front Door
Minnesota Assistance Council on Veterans	Hennepin County - Satellite offices
Hennepin County Street Case Management	Hennepin County - Crisis Stabilization
Metro Homeless Outreach Program	American Indian Development Corp.- KOLA
PATH – Access Unit	Hennepin County Medical Center- Psychiatric Services
PATH – Hennepin County Mental Health Coalition	Make Old Things New
Hennepin County- Health Care for the Homeless	Health Care for Homeless Veterans
HOPE Ministries	Chamberlin Edmonds Consultants
Dignity Center – Hennepin Avenue Methodist Church	Craig Barron, Ph.D., L.P.
Central Lutheran Drop-In Center	Access Works –needle exchange program - Nicollet 11th
Hennepin County Street Case Management	

Homeless Single Adults: The Hennepin County Shelter Team includes a Day Team and an After Hours Team. The Day Team works 7:00 a.m. - 5:30 p.m., Monday through Friday. The After Hours Team works 5:00 p.m. - 3:00 a.m. seven days per week, including holidays. They provide shelter to those eligible clients who are homeless and require assistance after normal county office hours. They take applications for all economic assistance and health insurance programs. They also work closely with the Family Homeless Prevention and Assistance Program (FHPAP) providers who are able to facilitate rapid-exit from shelter. Health Care for the Homeless clinics are located in community sites in Minneapolis that serve homeless people, such as the shelters.

Families with Children: Almost all of the FHPAP homeless outreach services also provide prevention services. All families must apply for financial assistance

in order to receive a voucher into a county-funded shelter. A FHPAP Rapid-Exit Coordinator is located at the main county-funded shelter. In addition, outreach workers, particularly targeting families experiencing domestic abuse, regularly visit all family shelters. The Health Care for the Homeless Project and PATH/Access also have sites at all family shelters. Public Health Nurses provide street outreach and travel to sites that homeless people frequent, including sites where the Hennepin County Health Department currently has on-site clinical services.

Veterans: Minnesota Assistance Council on Veterans provides for and coordinates chemical dependency treatment, mental health treatment, day-care, life skills training, educational services, family support, gambling addiction treatment, transportation, money management training and/or counseling, reestablishment of socialization skills, training to increase basic living skills and/or income to prepare for obtaining and retaining permanent housing. The Department of Veterans Affairs Health Care for the Homeless provides aggressive outreach. Service outreach workers visit shelters and drop-ins to provide linkage to health care and chemical dependency treatment. Special help is provided for elderly or vulnerable Veterans, including placement in the Vets Transitional Housing, Minnesota Veterans Home or Vinland Center (funded by state Veterans Assistance) for brain injured persons and veterans recovering from treatment, access to employment services, Legal Aid, and the Minnesota Veterans Stand Down Event held every August.

Seriously Mentally Ill: PATH/Access and PATH/Hennepin County Mental Health Care (HCMHC) workers have regularly scheduled outreach at Minneapolis shelters and drop-in centers where homeless people congregate. They also provide linkage to financial services by helping with qualification for General Assistance and referrals for assistance in obtaining Supplemental Security Income (SSI) benefits. In addition, there are seven Community Support Program drop-in centers with housing support specialists. One of these programs specializes in outreach to homeless persons living in camps and other non-sheltered homeless. Access to assistance from Minneapolis Legal Aid Society is also provided.

Substance Abuse: Street case management programs provide outreach and case management to chronic public inebriates. Two “wet/dry” permanent supportive housing residences are available for this population. PATH/Access Unit outreach staff refers people for Rule 25 chemical dependency assessments, as do Health Care for the Homeless Project outreach staff. Access to assistance from Minneapolis Legal Aid Society is also provided.

HIV/AIDS: Minnesota Department of Health HIV Prevention Unit contracts with 13 programs to provide street outreach to people in need of housing, including residents of emergency shelters, intravenous drug users, and youth. Access to assistance from Minneapolis Legal Aid Society is also provided.

Domestic Violence: Cornerstone, Home Free, Sojourner in suburban Hennepin and the Tubman Family Alliance in Minneapolis offer a 24-hour help line, outreach and advocacy services on-site, at the county's main family homeless shelter. Access to assistance from Minneapolis Legal Aid Society is also provided.

Youth: The StreetWorks Collaborative coordinates efforts of 13 youth-serving agencies that offer an array of housing options and services, including emergency shelter, transitional housing, drop-in centers, meal sites, clothing, HIV/STD prevention, medical care, mental health counseling, alcohol and chemical dependency treatment, employment opportunities, educational programs, and life skills programs.

Other Support Services: The County Continuum of Care is fortunate to have a mature network of homeless service providers. This network has strong formal and informal referral processes. The Community Advisory Board on Homelessness (CABoH) and the Shelter Providers Action Association serves as venues for information dissemination as well as identifying gaps in the service delivery system. Although the formal network is sound, the real strength is in the informal network that has developed over the years between the various disability groups, housing providers, advocates and service providers.

The Continuum is invested in creating a standardized approach to information delivery in support of the "No Wrong Door" service delivery model. Hennepin County has been working closely with information systems in order to facilitate this "No Wrong Door" approach.

Support services are provided on-site at the county's two largest homeless shelters (Harbor Lights for single adults, and People Serving People for families). Smaller shelters also provide support services, as well, and are visited regularly by outreach staff who provide assessment and referral services. The Hennepin County Economic Assistance Shelter Unit, in providing a single entry point for families, is also able to assess service needs and make appropriate referrals. Much of the information on services, as well as the services themselves, are accessed directly through the providers who offer drop-in services, health services, economic assistance, employment assistance etc.

Hennepin County Human Services Department has developed a "Front Door" approach to accessing services. This approach provides efficient connections to services that are suited to the requester's needs, preferences and resources. Along with providing broad-based screening, assessment and consultation, the Front Door works immediately to address urgent issues causing destabilization, establish a client's eligibility and link clients to appropriate operated or contracted services based on the type and level of ongoing services needed. Hennepin

County Human Services strives to provide access to operated, contracted or community-based resources in a timely, respectful, and consistent manner.

Hennepin County's Continuum of Care provides extensive services for the homeless in the following categories- case management, life skills training, alcohol and drug abuse treatment, mental health treatment, HIV/AIDS-related services, education programs, employment assistance, childcare, transportation, health care, and linkage to mainstream resources. The 2004 Continuum of Care provides a full description of these services.

H. Strategic Plan for Homelessness

For information on overall strategies refer to Priority Homeless Needs section. This section identifies goals for implementing various strategies in the ongoing development of the continuum of care in Hennepin County. Strategies reflect needs and priorities identified by the Hennepin County/City of Minneapolis Task Force on Homelessness referred to throughout Chapter 3 as well as the ongoing work of the county's Human Service Department and Housing Department. Task Force recommendations are currently being implemented by the CABoH.

1. Homelessness

A coordinated strategy for developing a system to address homelessness and the priority needs of homeless persons and families, including subpopulation has been underway in the City in partnership with Hennepin County for nearly 20 years. The current system and future plans are fully reflected in the Chapter 3 sections on Priority Homeless Needs and Homeless Inventory.

The strategy reflects housing and support services needed in each stage of the continuum of care including prevention, outreach/assessment, emergency shelters, transitional housing, supportive housing and independent living. Special emphasis was given to persons meeting the HUD definition of 'chronically homeless.' Homeless prevention services and non-homeless housing goals are the primary strategies targeted to helping extremely low and low-income individuals and families who are at imminent risk of becoming homeless.

2. Chronic Homelessness

First, at the clinical level, the Hennepin County strategy focuses on learning more about the housing and service needs, preferences of individual adults who are chronically homeless, and the combination of housing and services that are most effective in helping them achieve stable housing. Second, at the systems level, Hennepin County is examining how our current policies, procedures and resources impact the chronically homeless as a distinct sub-population of homeless adults. Third, Hennepin County will facilitate access to housing and services that effectively meet the needs and preferences of adults who are

chronically homeless. Finally, Hennepin County is actively pursuing strategies for preventing additional at-risk populations of homeless adults from becoming chronically homeless. This includes looking at institutional discharge policies.

A description of specific future oriented strategies, goals and actions to end chronic homelessness is provided in the Priority Homeless Needs section of this chapter.

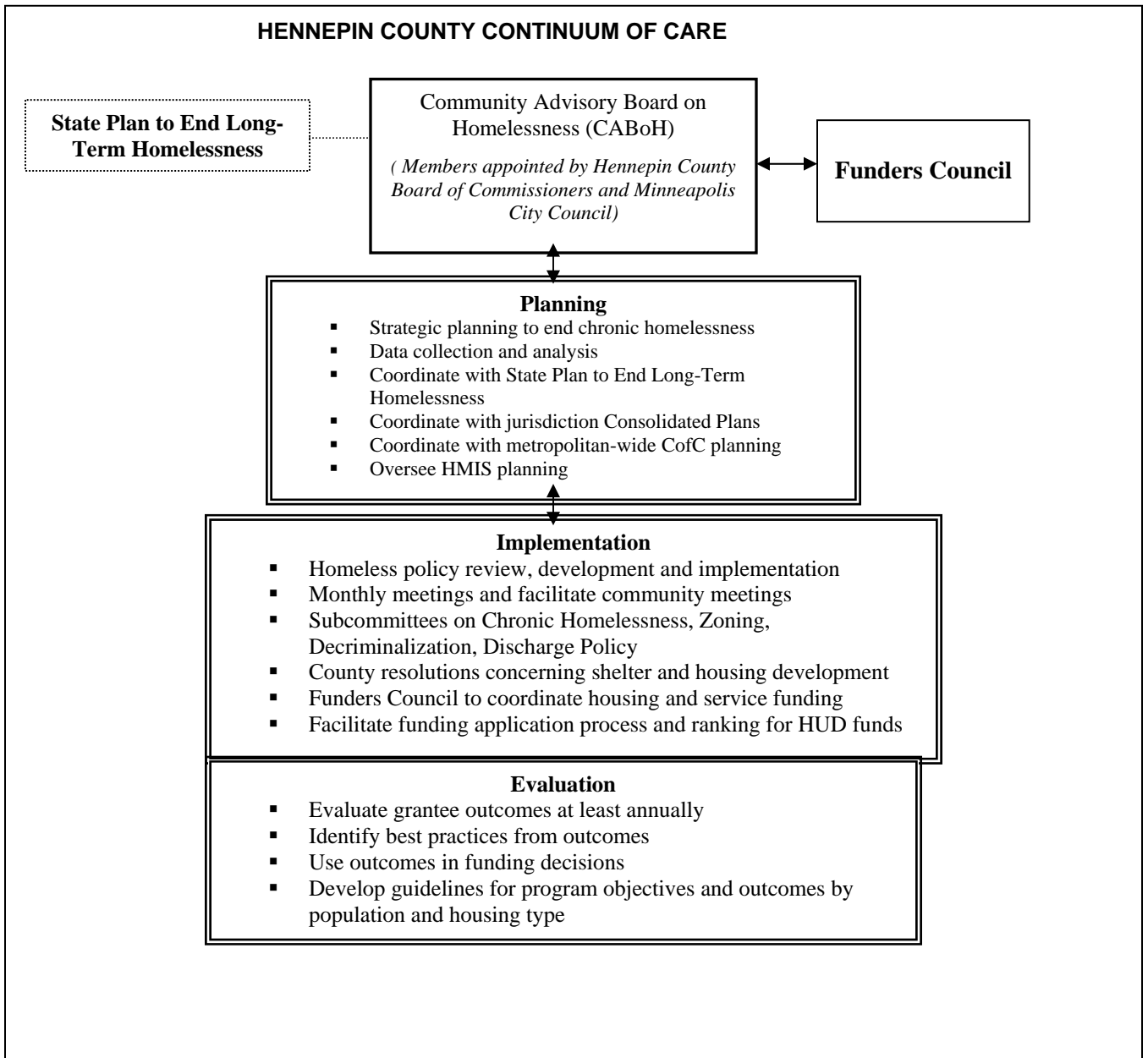
3. Homelessness Prevention

(Refer to description of prevention services in the Homeless Inventory section).

4. Institutional Structure

The lead administrative entity for the Continuum of Care in Hennepin County is the Hennepin County Housing Department in collaboration with the county's Human Service Department. The CABoH is responsible for planning and implementing the Continuum of Care in the county. The following chart represents the general structure for Continuum of Care planning and strategy implementation in Hennepin County. The county's Housing and Human Services Departments provide staff support to the CABoH for the overall Continuum of Care; soliciting, reviewing and recommending applications for HUD funding; providing certifications of consistency with other HUD and state funding programs and development of Exhibit 1 required for applicants for HUD homeless program funding.

The CABoH is an official advisory board to the Minneapolis City Council and Hennepin County Board of Commissioners. It provides ongoing input to county and city policy makers on issues of homelessness and report annually on accomplishments in implementing goals in the plan. The CABoH is composed of 22 persons appointed by the Hennepin County Board and the Minneapolis City Council. Board members are appointed for staggered two-year terms and represent homeless single adults, families and youth and include service providers, advocates, formerly homeless persons, faith-based organizations, neighborhood groups, community members and representatives from the Funders Council.



5. Discharge Coordination Policy

In August 2004 the Hennepin County Board of Commissioners established a Discharge Planning Group to evaluate discharge-planning models and make recommendations that increase the stability of people leaving county institutions and reduce the number of people cycling through costly public systems. The planning group will be composed of Directors, and/or their appointees, from the Hennepin County Departments of Community Corrections, Human Services, the Medical Center and Housing, Community Works and Transit. The group will

report their findings and recommendations to the Hennepin County Board of Commissioners.

In addition, a subgroup of CABoH was established in 2004 to facilitate discharge planning within Hennepin County and to coordinate with discharge planning activity at the regional and state level.

Chapter 4 Community Development

A. Introduction

The City will pursue a variety of strategies in non-housing community development areas such as economic development, infrastructure improvements, public services, and public facility improvements. These strategies are designed to create a vibrant, diversified living experience for its citizens. They will support the city's anti-poverty strategy and work to produce a sustainable community.

High priorities are assigned by the city to commercial/industrial building rehabilitation, economic development assistance to businesses, a variety of public facilities catering to the city's seniors, youth and working low and moderate income persons, and the provision of health services and senior services.

Priorities are listed in HUD Table 2B- Non-Housing Community Development found in the Appendix.

1. Public Facilities

The City has traditionally used its CDBG funding to support the development and sustainability of several public facilities. Public facilities serve low and moderate income city residents by providing space for a variety of community-based services and programming. High priority needs are for childcare facilities, Section 504 compliance, senior centers and youth centers.

2. Public Improvements

City public improvements needs are identified and prioritized by the city's Capital Long-Range Improvement Committee (CLIC). The Capital Long-Range Improvement Committee is a citizen advisory committee to the Mayor and City Council. Citizen appointees are either a ward or at-large representative. In developing a five-year forecast plan, members rate city staff proposed capital proposals and create a numerical ranking of projects. High-ranking projects are then balanced against available resources by year to arrive at recommendations for the Mayor and City Council. For the 2005-09 five-year capital plan, 119 capital requests were made, totaling \$ 569 million.

The following table details the 2005-09 capital budget by eligible HUD CDBG category.

Public Facility/Improvement	2005-2009 Adopted Capital Budget
Flood Drain Improvements (Minneapolis capital plan sewer projects)	\$40,967,000
Water/Sewer Improvements	\$165,591
Streets (paving, streetscapes, lighting, bridges)	\$ 142,844
Sidewalks	\$10,645,000
Privately Owned Utilities	
Parks/Recreation Facilities	\$27,481,000
Parking	\$180,000
Fire Stations/Equipment	\$1,055,000
Public Facilities-General	\$33,975,000

The following approved capital projects are located within the new CDBG target area.

2005-09 CLIC Projects in CDBG Target Areas

CLIC Plan Reference	Project Type	Project Name	Funded Year				
			2005	2006	2007	2008	2009
PV003	Paving	Stevens Ave. S. Renovation Phase 2				X	
PV003	Paving	Johnson St. NE Renovation					X
PV004	Paving	CSAH Cooperative (Park Ave. Bridge)		X	X	X	
PV005	Paving	Snelling Ave. Ext.		X	X		
PV006	Paving	Alley Renovation (various locations)	X				
PV007	Paving	SEMI	X	X	X		
PV008	Paving	35W/Lake St. Interchange	X	X			
PV017	Paving	Como Ave SE	X				
PV022	Paving	Lyndale Ave N.		X			
PV025	Paving	Fremont Ave. N.	X				
PV029	Paving	Chicago Ave. (14th-28th St.)				X	

PV031	Paving	27th Ave. NE RR Crossing			X		
SW005	Sewer	Combined Sewer Overflow Improvements (various locations)	X				
SW015	Sewer	Flood Area 27 (Standish neighborhood)	X				
BIK04	Bike Trails	18th Ave. NE Parkway			X		X
BIK11	Bike Trails	Plymouth Ave. N.	X				
BIK12	Bike Trails	2nd St. NE	X				
BIK13	Bike Trails	Riverlake Greenway				X	
BIK16	Bike Trails	Northside Bikeway Connections	X				
CDA01	Heritage Park Infrastructure	Heritage Park	X	X	X		
BR110	Bridges	St. Anthony Parkway/California St. NE	X				
BR112	Bridges	Nicollet Ave. Bridge (Lyndale neighborhood)					X
BR115	Bridges	Broadway/Central Ave. NE Railings	X				
MPL05	Libraries	East Lake Capital	X				
MPL10	Libraries	North Regional Remodel & Restoration	X	X	X		
MPL13	Libraries	Hosmer Library Capital	X				
PRK01-PRKDT	Park Board	Various locations throughout the city	X	X	X	X	X

3. Public Services

For purposes of the 2005 CDBG funding cycle, the city determined to use its Public Health Advisory Committee (PHAC) to inventory community public service needs, develop priorities and recommend activities for funding.

Beginning in December 2003, the PHAC met to review public services needs, options and community expert testimony. Out of this work two crucial elements of the community public service safety net emerged and were recommended by the PHAC as requiring continued city funding. The first was support for subsidizing quality childcare services. The second element was to continue support for health care services to the uninsured.

At the conclusion of these meetings, the PHAC approached the City Council in June 2004 with a set of guiding principles and priorities. Upon adoption, these principles and priorities would be taken out to the community for further refinement in anticipation of issuing a Request for Proposal for 2005 CDBG funding.

Guiding principles developed were:

Prevention: Activities should support healthy communities through proactive measures. Prevention activities should consist of a broad range of actions that enhance well-being of the community including addressing the underlying social conditions that may be present.

Eliminate Health Disparities: Activities should address inequities in services, behaviors, access to resources, or other conditions that affect communities or individuals.

Resident-Community Engagement: Activities must reflect consultation with communities or populations to be served.

In August 2004, two community meetings were held to obtain further input. The meetings raised the following community needs:

- Culturally sensitive services
- Living wage jobs
- Health prevention
- Mental health services
- Child care services
- Early childhood development; school readiness
- Affordable health care
- Healthy youth development
- Infrastructure issues (housing, transportation, affordable housing, economic development)
- Transportation
- Wellness programming
- Senior support services
- Family violence

Based on the development of these public service priorities, the city issued a Request for Proposals in December 2004 to fund public service activities. In response to the City's request for proposal (RFP) to distribute CDBG Public Service funds community-wide, 59 community based organizations submitted applications. Through an appointed-committee process, all applications were ranked and funding awards were made available totaling \$650,000 from a pool of community-based applicants with a total funding request of \$4,447,053. CDBG

Program Services guidelines and national objective requirements were followed. Most of the applications (71%) proposed health and social service programs, including mental health, childhood and family services; educational programs made up 14%, and the remaining program applications targeted domestic issues, the elderly, and youth development.

Public Health Issues

A 2003 joint City-County task force examining public health in Minneapolis concluded that the following public health issues faced Minneapolis residents.⁷ The City is involved in addressing these needs to a certain extent in partnership with Hennepin County.

- Health Disparities Among At-risk Populations- Due to a substantial increase in immigrants and refugees, the population of those at-risk for health issues has risen and increased disparities between communities of color and American Indians and the white population.
- Concentrated Areas of Poverty- One in six Minneapolis residents live in persistent poverty, a leading risk factor for health.
- Student Educational Performance- The graduation rate of Minneapolis public school students is over half that of the statewide average. The task force referenced research that a more educated person tends to be healthier.
- Bioterrorism Risk- Emergency planning and preparation for bioterrorism incidents is more important since September 11, 2001.
- Growing Risk of Infectious Diseases- With fifteen percent of Minneapolis residents being foreign-born, preparation for infectious diseases is more important than had been the case in the past.
- Growing Number of Uninsured Persons- The task force stated that one in nine residents lack health insurance, double the state rate. Lack of adequate health care and the costs of obtaining such lead to other socio-economic issues.

Other Health Indicators

Birth Rates- Several birth rate data indicators illustrate factors that may lead to a child growing up in poverty, or facing health problems. The City's resident infant mortality rate has been cut in half since the mid Nineties, however, it still exceeds the national goal of 5 deaths per 1,000 live births with a rate of 6.4 deaths.

⁷ Recommendations from the Blue Ribbon Panel on Public Health in Minneapolis February 2004.

2002 Minneapolis Resident Birth Data

	Percentage
Births to Women < 18 years old	4.5%
Births to Unmarried Women	44.1%
Births to Mothers with Less than High School Education	26.1%
Births to Mothers with First Trimester Prenatal Care	75.3%
Births to Mothers with 3 rd Trimester Prenatal Care or No Care	4.7%
Low Weight Births	8%

Behavioral Risk Factors

Behavioral Risk Factors of Minneapolis & Hennepin County Adults, 2002

% at Risk of Premature Death Due to:	Minneapolis	Hennepin County
Non-use of seatbelts	10.1	10.2
Hypertension	16.5	18.2
Smoking (current smoker)	20.7	18.5
Obesity	16.6	16.8
Inadequate Physical Activity	39.1	40.4
Binge Drinking	8.1	7.2

Source: 2003 State of the City, referencing Hennepin County Health Department SHAPE survey. The definitions of the above risks are contained in the SHAPE survey.

Crime

Offense Classification	1998	1999	2000	2001	2002	2003	% Change 2002-03
UCR Part I	35,487	31,460	28,138	27,202	27,200	25,427	-7
UCR Part II	45,542	44,937	45,497	45,329	42,363	38,922	-8
Total All Crimes	81,029	76,397	73,635	72,583	69,563	64,349	-8

Source: Minneapolis Police Department as reported in 2003 State of the City. Uniform Crime Reports (UCR) Part I crimes are Major Offenses, UCR Other Offenses are reported as Part II.

Child Care

In order to support employment strategies and the ability of parents with children to participate in the job market and support their children with enrichment programming, the City places a high priority on community-based childcare services.

Childcare in the city needs to be affordable and high quality. Lack of affordable quality child care services have the effect of suppressing labor force participation rates, lowering earnings for families who don't work, puts financial pressures on families to meet other costs such as housing and transportation, and can inhibit high quality early child development leading to greater social costs when in school. Recently, the state has reduced its support for subsidized childcare assistance putting a greater stress on families needing quality childcare.

The following statistics illustrate the childcare market in the city. Sixty percent (60%) of children under the age of six have both parents in the labor force. There are 36,698 families with children in the city.⁸

Studies of the cost of childcare services conclude that 10 percent of a household's income is the affordability threshold. For a very low income of family of four, this would translate into an annual childcare cost of \$2,310. As the following table shows, childcare costs exceed this affordability measure. A Wilder Research statewide survey in 2001 showed that families with income less than \$20,000 spent at least one-third of income on childcare. Twenty-four percent (24%) of childcare centers are affordable in the Twin Cities.⁹

Average Weekly Child Care Rates by Age (February – April 2004)

Type of Care	Infant	Toddler	Preschool	School Age
Family Child Care Center	\$158	\$149	\$138	\$129
Child Care Center	\$281	\$229	\$199	\$183

Source: Greater Minneapolis Day Care Association 2005 Fact Sheet

Complementing the cost of childcare services is the availability of quality childcare options as measured by licensure, teacher training and experience, curriculum use, attentive care giving, cultural responsiveness, and a healthy and safe childcare environment. The Greater Minneapolis Day Care Association (GMDCA) inventories the number and capacity (slots) of childcare programs. The following table illustrates the number and capacity of childcare providers by programming type in March 2005. The current vacancy rate is around 20 percent. Several reasons are provided by GMDCA for why vacancies exist:

⁸ Greater Minneapolis Day Care Association 2005 Minneapolis Fact Sheet

⁹ Davis, Elizabeth E., NaiChia Li; "Affordable Childcare: Is There A Crisis?", University of Minnesota Center for Urban and Regional Affairs Summer 2004

- Some centers may purposely not use all of its capacity to preserve low child to teachers ratios
- Capacity may be hard to fill with a depressed labor market
- With funding cuts to childcare subsidies, capacity may exist because of affordability issues

In the summer of 2004 the waiting list in Hennepin County fell to zero. Statewide, 11 percent of families participating in Basic Sliding Fee became ineligible for Child Care Assistance (CCA) at the start of state fiscal year 2004. Other programmatic changes, such as increased copays, contributed to an additional 16 percent drop from the rolls, which represents a portion of the total drop in the take up rate. A recent report found that the actual CCA participation rate is only 34 percent, which can be used as an alternative to the waiting list as a measure of unmet need (University of Minnesota).

Minneapolis Licensed Child Care Providers, December 2005

Type of Care	Number	Capacity	Vacancy Rate
Family Child Care	450	4,968	27%
Child Care Center	93	5,830	25%
Preschool/Nursery School	23	1,039	10%
Before/After School Program	40	1,543	27%
Head Start/Early Head Start	8	2,012	0%
Total	614	15,392	21%

Source: Greater Minneapolis Day Care Association

4. Economic Development

Economic development in the city is focused on business retention, expansion, creation and attraction. To promote a healthy business climate, the city works to build the necessary infrastructure, community amenities and cultural resources. City economic development activities involve installation or rehabilitation of infrastructure, environmental stewardship, historic preservation, capital and development of partnerships.

Between 2003 and 2004 the city saw declines in manufacturing, transportation, information, and public employment jobs at a greater rate than the metropolitan area.

The following table shows the share of Minneapolis residents employed in various industries compared with the seven-county metropolitan area. The last three columns show actual Minneapolis employment numbers, what the number would be if equivalent to Minneapolis' total employment share percentage and the corresponding gap/advantage.

Percentage of Employment by Selected NAICS Industrial Classification, 2000 Census

Industry Classification	Metropolitan Area %	Minneapolis %	Minneapolis Employment	Mpls Equivalent Share Employment Number	(Gap)/Advantage
Total Employment Share	100%	14.4%	207,890		
Construction	5.13	3.29	6,844	10,662	(3,818)
Manufacturing	15.26	10.79	22,439	31,729	(9,290)
Wholesale Trade	4.02	2.59	5,393	8,366	(2,973)
Retail Trade	11.66	10.62	22,076	24,241	(2,165)
Transportation, warehousing and utilities	5.41	4.69	9,758	11,248	(1,490)
Information	3.02	3.56	7,402	6,285	1,117
Finance, Insurance, Real Estate, Rental, Leasing	9.34	8.62	17,929	19,414	(1,485)
Professional	11.73	13.68	28,446	24,391	4,055
Educational, health and Social Services	19.17	22.82	47,442	39,839	7,603
Arts, Entertainment, Recreation	7.04	11.00	22,867	14,638	8,229
Other Services	4.56	5.13	10,672	9,469	1,203
Public Administration	3.27	2.98	6,187	6,787	(600)

Source: Minnesota DEED, Grants & Special Projects Calculations

Unemployment Statistics

Unemployment statistics show that Minneapolis residents have a consistently higher rate of unemployment than the metropolitan area.

		2000	2001	2002	2003
Minneapolis	Labor Force	214,846	220,968	220,055	220,430
	Employment	208,034	212,551	209,169	208,376
	Unemployment Rate	3.2%	3.8%	4.9%	5.5%
Metro MSA	Labor Force	1,755,267	1,819,616	1,832,816	1,833,763
	Employment	1,709,340	1,760,658	1,754,904	1,746,234
	Unemployment Rate	2.6%	3.2%	4.3%	4.8%

- Source: Minnesota DEED, annual average, numbers are not seasonally adjusted

5. Anti-Poverty Issues (91.215 (h))

The city seeks to reduce the number of poverty-level families by supporting human development and employment programs that facilitate the creation and retention of job opportunities, especially living wage job opportunities.

The following table illustrates that city residents account for a large share of the public assistance caseload in Hennepin County.

Minneapolis Public Assistance Caseload – October 2002

Program	Hennepin County	Minneapolis	Minneapolis Share
Total Unduplicated Caseloads	73,092	46,779	64%
Cash Programs- MFIP	13,883	9,926	72%
General Assistance	4,921	3,848	78%
MN Supplemental Aid	7,863	5,213	66%
Health Support- MA, GA	72,139	46,025	64%
Food Support	36,376	25,826	71%

Source: 2003 State of the City

The following table shows the percentage of Minneapolis households in poverty for the 2000 Census. Particularly notable is that 1 in 4 children in families live in poverty. One-third of female-headed households are in poverty.

Poverty Status, Persons and Families, 1999

	Persons in Poverty	Percentage (%)
All persons	62,092	17
Related children < 5 years	5,888	23
Related children 5-17 years	13,963	25
Related children < 18 years	19,851	25
Persons 18 and over	41,615	15
All families	8,868	12
Families with related children under 18 years	7,614	19
Female headed families with related children under 18	4,876	34

B. Non-Homeless Special Needs

In 2000 Minneapolis had 76 community residential facilities licensed by the state to provide non-residential care and treatment. These types of facilities include child caring institutions, group homes for children and facilities for the mentally challenged, chemically dependent, and those suffering mental illness.

There are five programs in Minneapolis termed correctional programs. These facilities are group foster homes, and juvenile and adult halfway houses.

There are 97 supportive housing facilities in Minneapolis, of which 33 are nursing homes. The zoning code defines a supportive housing facility as providing housing 24 hours per day with programs and services to assist residents with improving daily living skills, securing employment or obtaining permanent housing. Supportive housing does not include elderly housing with congregate dining, inebriate housing, any facility licensed by the state departments of Human Services, Health or Corrections, any other governmental correctional facility, fraternities, sororities or student housing, or any facility owned or operated by the MPHA.

In 2000 Minneapolis had 27 board and lodging programs contracted by Hennepin County.

Chapter 5 Five-Year Strategy (2005-2009)

A. General

Development of the five-year Consolidated Plan Strategy includes several existing city planning processes. These planning efforts provide the context for the needs, priorities, and strategies listed in this five-year strategy. The Consolidated Plan is designed to inform HUD of the city's priorities, goals and activities in the areas of providing housing and community development improvements benefiting the city's low- and moderate-income residents. Existing city planning processes feed into this strategy for use of HUD funding. They are summarized below.

Minneapolis Plan

The Minneapolis Plan is a comprehensive plan setting forth recommendations about how future growth, development and sustainability in the city should occur. It establishes a framework to reference city plans against and assists in the evaluation of those planning efforts. The Minneapolis Plan also responds to the Metropolitan Council's Regional Blueprint, a growth strategy for the metropolitan area.

Zoning Code

The Minneapolis Zoning Code translates the Minneapolis Plan into land-use controls.

Capital Long-Range Improvement Plan (CLIC)

CLIC is the five-year capital improvement plan for the city updated annually through a citizen panel process.

City Goals

This is the outcome of an annual planning process that provides the framework for city budgeting decisions. The purpose of the goal-setting process is to:

- ◆ Assist the policymakers in setting priorities, defining city services and strengthening policy decision-making;
- ◆ Utilize the expertise, skills and experience of department heads and city staff to prepare priority service options across city government for the Mayor and Council;
- ◆ Create a unified vision for city government and provide annual budget direction.

The City Goals are:

- 1) Build communities where all people feel safe and trust the City's public safety professionals and systems;
- 2) Maintain the physical infrastructure to ensure a healthy, vital and safe City;

- 3) Deliver consistently high quality City services at a good value to taxpayers;
- 4) Create an environment that maximizes economic development opportunities within Minneapolis by focusing on the City's physical and human assets;
- 5) Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth;
- 6) Preserve and enhance our natural and historic environment and promote a clean, sustainable Minneapolis;
- 7) Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities;
- 8) Strengthen City government management and enhance community engagement.

Affordable Housing Task Force

In 1999, the City Council adopted several provisions of the work done by the Affordable Housing Task Force, updated in 2001. The Task Force was convened to address the city's shortage of affordable housing by examining its causes and needs, determining the cost of alleviating the affordable housing shortage, recommending funding levels, and identifying possible funding sources. CPED developed a set of implementation measures to meet City Council priority mandates. The directions are summarized in the affordable housing strategy discussed below.

City/County Homeless Continuum of Care

The Continuum of Care is a planning effort of officials and staff of Hennepin County and the City of Minneapolis, local funders and service providers to shape a housing and service development plan for families, youth and single adults suffering homelessness. The annual Hennepin County Continuum of Care process examines gaps in support services and beds/units available for homeless populations. Priorities are assigned to all eligible services and activities that are available in a Continuum of Care. Local project selections are based on these priorities.

Neighborhood Revitalization Program

The Neighborhood Revitalization Program (NRP) is a housing and community development planning process designed to make residential neighborhoods better places to live, work and play through neighborhood-level planning and delivery of public services in partnership with public agencies and community interests. NRP seeks to build neighborhood capacity, redesign public service delivery, create a sense of community and increase intergovernmental collaboration. Phase 2 of NRP is underway and the City is seeking increased alignment between NRP and City housing goals in this phase of the program.

Heritage Park (formerly Near Northside Redevelopment Project)

Heritage Park is a major renewal of a former public housing site on the city's Near North side. Heritage Park is a redevelopment of a 73 acre, former public

housing site into a vibrant mixed-use community. The project directly benefits low- and moderate-income persons by relocating concentrated public housing units to scattered sites around the metropolitan area. Home ownership, rental assistance and counseling will assist in the transition of public housing residents. Some residents will return to the Near Northside in new homes. Housing in the redevelopment area will consist of 200 public housing units, 100 senior housing rental units, 90 affordable rental units, 55 affordable for-sale units, 55 Habitat for Humanity units, 250 market sale units and 150 market rental units. Fifty-five percent of units are reserved for low- and moderate-income households.

Further community development initiatives around the project include park amenities, community supportive services, transportation links, pollution remediation and major infrastructure changes. The neighborhood will be linked to downtown Minneapolis through new boulevard and transportation enhancements. Jobs will also be targeted along Glenwood Avenue through commercial corridor redevelopment strategies. Counseling and family services will be offered to all Northside residents to ensure successful outcomes. This holistic approach to redevelopment will transform a once blighted and neglected community into a healthy and thriving mixed-income, multi-use area.

Consolidated Plan priorities are derived from all of the above planning processes. Expanding housing choice, focusing commercial development in city corridors, increasing human development capacities, and positioning the city as a positive place to live are all key elements of the city's vision of where it wants to be.

1. Assumptions

In reading the needs, priorities and strategies for the Consolidated Plan Five-Year Strategic Plan, the following assumptions provide guidance on how to interpret the Five-Year Strategic Plan. The Five-Year Consolidated Plan is an attempt to reflect city priorities used in determining eligible projects to be funded with Consolidated Plan resources. Competing priorities for limited Consolidated Plan resources prevent the city from funding all of the following areas of need to the degree they deserve to be.

- ◆ Estimated funding resources are derived from either known approved plans (as in the case of capital improvement plan), or historic funding resources.
- ◆ Needs and strategies are procured from an array of planning documents produced by the city and outside agencies. Grants and Special Projects staff welcome any planning documents from outside agencies that can contribute to the comprehensiveness of the Consolidated Plan. City staff will consider submitted materials for the Consolidated Plan.
- ◆ Strategies noted do not necessarily correspond to a specific project.

◆ Estimated units are derived from any known projections developed by the city, general references to a measure that could be translated into a unit, or a review of units produced historically.

◆ The HUD Consolidated Plan requests that housing and community development needs be assigned a priority, though it is not required. For purposes of the Consolidated Plan, the city assigns priorities to the extent possible. Citizens can expect that the annual budget is a statement on those priorities by the City Council. Where Consolidated Plan budgets do not reflect assigned priorities, annual Consolidated Plan updates in the future will consider changing the priorities. Priorities are relative and follow these classifications:

High: The city plans to use available Consolidated Plan funds for activities to meet the need during the Five-Year Strategic Plan.

Medium: The city plans to use any available funds, including Consolidated Plan funds, for activities to meet the need during the Five-Year Strategic Plan, and can assist organizations in seeking funds to meet the need.

Low: The city does not envision using any available Consolidated Plan funds for activities to meet the need during the Five-Year Strategic Plan. The city will consider certifications of consistency for other organizations' applications for federal assistance.

No Such Need: The city finds that there exists no such need, that the need is of a nature not requiring Consolidated Plan assistance, or the need is already substantially addressed.

2. Accountability for Results - Performance Measurement

Over the past year, the city has intensified its planning efforts to align city departments and programming within a performance measurement framework. This effort will be developed further over the next year and in future years to inform business-planning initiatives supporting the city's budget processes. Further developments will include identifying appropriate measurable outcomes and data to measure against. These measures will assist citizens in assessing city performance; and this effort will be fine-tuned as city performance measure initiatives continue to move forward. At this time, city departments have completed business plans utilizing performance measurements, to some extent, to support 2005 budget setting; this, as well, supports the five-year business plans. It is anticipated that with regard to Consolidated Plan issues, these business plans will underwrite many of the increasing number of performance measures to be found in this 2005-09 Consolidated Plan Five-Year Strategy and subsequent annual action plans. HUD Table 3- Proposed Projects includes

outcome measures were developed and these measures may be referenced in strategy sections to follow.

3. New CDBG Target Area Map

Recently the city updated its CDBG target area map. The previous CDBG Target area map had been adopted by the City Council in December 1993. It is being updated for the 2005-09 Five Year Strategy per HUD requirements that the City’s annual CDBG priorities be based upon the most recent decennial census information on household income, as well as the most current information on other local data indicators. The adopted map will take effect for the 2005 CDBG program year (beginning June 1, 2005).

The City has historically defined its CDBG target area as neighborhoods which have BOTH a *majority* of low-mod income households (Section 8 limits, pegged to HUD set limit for year U.S. Census was undertaken- 1999) and a *higher than city average percentage* of substandard housing. This philosophical basis stems from the two CDBG national objectives applicable to the city—benefit to low and moderate income persons and the elimination of slum and blight. Measuring the number of low and moderate income households and the percentage of substandard housing stock provides two relatively static data indicators to measure city CDBG investments over time.

In October of 2004, the City obtained detailed 2000 census income information, sorted by current neighborhood boundaries. Minneapolis bases its housing condition information on surveys done by the City Assessor, which are updated annually.

To use CDBG funds, the city must annually certify that at least 70% of its expenditures are of direct benefit to low/moderate income persons. In order to qualify this requirement, most city CDBG programs rely on income calculations or other means-based testing to determine if their assisted beneficiaries are low/mod income. However, for city programs that may have trouble determining assisted beneficiaries, the CDBG target area map allows for the city to demonstrate to HUD how a particular program does indeed benefit those residents most likely to be of low/mod income.

The updated CDBG target area map is located in the Appendix.

4. Consolidated Plan General Support for 5-Year Strategy – Goals and Objectives

Goal CP-1	Encourage Citizen Participation in the Consolidated Plan
Objective CP-1a	Support citizen participation processes that facilitate community input into all phases of Consolidated Plan development and implementation

Objective CP-1b	Provide timely data and analysis to inform citizens
-----------------	---

Goal AD-1	Manage HUD Resources for Accountability
Objective AD-1a	Design, implement and monitor Consolidated Plan programs to achieve compliance
Objective AD-1b	Encourage citizen feedback for Consolidated Plan performance

The above goals and objectives are a statement of the importance the city places upon the Consolidated Plan and its regulatory requirements. The city continually strives to make its Consolidated Plan Five Year strategies and annual Action Plans and implementation of such relevant to citizens and policymakers; informative for policy direction; responsible to federal mandates; accessible for its primary clients, low and moderate-income citizens; and a model of good governance. The city will continue to pursue these goals over the course of the 2005-09 Five Year Strategy.

B. Housing

1. General – The Unified Housing Policy

In 2004, the city adopted a unified housing policy. The policy clarifies and consolidates previous housing policies that had been developed over time in a disaggregated manner. The Unified Housing Policy is referenced as appropriate in the following five-year strategic plan housing discussion.

It states in part:

Minneapolis housing policy shall be consistent with The Minneapolis Plan goals 4.9.1 through 4.19 as follows.

- 4.9.1 Minneapolis will grow by increasing its supply of housing
- 4.10 Minneapolis will increase its housing that is affordable to low and moderate income households.
- 4.11 Minneapolis will improve the availability of housing options for its residents.
- 4.12 Minneapolis will reasonably accommodate the housing needs of all its citizens.

- 4.14 Minneapolis will maintain the quality and unique character of the city’s housing stock, thus maintaining the character of the vast majority of residential blocks in the city.
- 4.15 Minneapolis will carefully identify project sites where housing redevelopment and/or housing revitalization are the appropriate response to neighborhood conditions and market demand.
- 4.16 Minneapolis will work closely with Neighborhood Revitalization Program planning and implementation to ensure that NRP plans are consistent with the City’s Housing Policy.
- 4.17 Minneapolis will promote housing development that supports a variety of housing types at designated Major Housing Sites throughout the city.
- 4.18 Minneapolis will encourage both a density and a mix of land uses in TSAs that both support rider-ship for transit as well as benefit from its users.
- 4.19 Minneapolis will require design standards for TSAs that are oriented to the pedestrian and bicyclist and that enforce traditional urban form.

The City will foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth.

2. Affirmatively Furthering Fair Housing

Goal H-5	Affirmatively Further Fair Housing
Objective H-5a	Enforce the City’s fair housing ordinance
Objective H-5b	Provide resources to the metro Fair Housing Implementation Committee

The City works to ensure that to the greatest extent possible, its housing programs affirmatively further fair housing. The lead city agency in educating and enforcing fair housing laws is the Department of Civil Rights. The Department of Civil Rights works with community groups such as the Minnesota Fair Housing Center and Legal Aid Society of Minneapolis to research fair housing issues, publicize affirmative practices and enforce federal, state and local fair housing laws.

In May 2001, the Regional Analysis of Impediments to Fair Housing was written by the Legal Services Advocacy Project under a contract with the Metropolitan Council acting on behalf of HUD Consolidated Plan entitlement jurisdictions in

the Twin Cities. This action was completed because of the close proximity of the cities in the metro area and the nature of fair housing issues being metro wide and not concentrated to one city. Since the report, the Fair Housing Implementation Council (FHIC) has been formed. This council consists of the metropolitan Consolidated Plan jurisdictions along with fair housing advocates, stakeholders and housing industry representatives.

The FHIC is implementing several action recommendations for the jurisdictions. The FHIC input will provide the City with a clearer understanding of the issues that are in need of the greatest attention and what the City can proactively provide to those issues. The City intends to continue observing the 2001 Analysis of Impediments and recommending actions consistent with eliminating those identified barriers over the five year strategy.

3. Affordable Housing Policy

The city's Unified Housing Policy contains the following language regarding affordable housing issues.

Affordable Housing

The City of Minneapolis has launched an "Affordable Housing Initiative". The City of Minneapolis shall have as a clearly stated goal, consistent with The Minneapolis Plan, to grow the population and to have no net loss of housing across all income levels. The city policy will be positive gain on affordable housing units.

Each year the city will create more units affordable at 30-50% of MFI through new construction/positive conversion than the number of habitable units affordable to 30-50% of MFI that are demolished as a result of city sponsored projects.

Funding for housing programs serving those above 50% of MFI shall continue and those programs will remain a vital part of the City's housing policy.

Twenty percent (20%) of the units of each city assisted housing project of ten or more units will be affordable to households earning 50% or less of MFI. It is understood that these affordable units may include any mix of rental and/or homeownership, and can be located on the project site or anywhere within the City of Minneapolis. For the purposes of this provision, financial assistance shall include tax increment financing, pollution remediation, condemnation, land buydowns, issuance of bonds to finance the project, and direct subsidy. Any specific projects requesting exemptions to this requirement must seek City Council approval on the basis of alternative public purpose.

The City will have a coordinated housing and economic development strategy. New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.

The city will focus on linking incentives to housing opportunities in proximity to jobs and transit.

No City funds or resources shall be used for operating subsidies and/or rental assistance for any units or projects initiated or created under this policy.

Single Room Occupancy Housing (SRO)

That the City of Minneapolis prohibits the demolition/condemnation/elimination of SRO-type housing for any project receiving City assistance in the City of Minneapolis as defined above, unless the demolition/condemnation is unavoidable, in which case replacement of such units will be required as part of the project finance plan.

Preservation/Stabilization of Federally Subsidized Low Income Housing

The preservation and stabilization of federally (HUD) subsidized rental housing that is in danger of converting to market-rate housing, having subsidies expire, or is deteriorating due to poor management, is a priority for the City. The highest priority is the preservation of subsidized housing for families with children (2+ bedroom units). Federally subsidized housing for singles (efficiency and 1-bedroom units) should only be preserved to the extent that there are federal funds available, with the exception of special needs populations.

4. Affordable Housing

The Housing Priority Needs Table (HUD Table 2A) shows the projected priorities and goals for various housing subpopulations. The City will be committing its Consolidated Plan funds of CDBG, HOME, ESG and HOPWA to support these priorities. In support of these goals, the city has established an Affordable Housing Trust Fund (AHTF) to support a level of sustained city financial commitment to the housing needs of those at or below 50 percent of metro median income.

The five-year goals are based on examining the local housing market for the following conditions:

- Housing costs
- Cost to develop new housing/preserve existing housing
- Production efficiencies
- Housing availability
- Resource leveraging
- Available public resources

Table 2A - Priority Housing Needs (2005-2009)					
Capital			Income	Priority	5-Year Goals
Renters	Small Related (0-2 BR)	Rehabbed	0-30% MFI	H	540
			31-50% MFI	H	450
			51-80% MFI	H	200
		New/Conversion	0-30% MFI	H	380
			31-50% MFI	H	330
			51-80% MFI	H	150
	Large Related (3+ BR)	Rehabbed	0-30% MFI	H	200
			31-50% MFI	H	150
			51-80% MFI	H	150
		New/Conversion	0-30% MFI	H	140
			31-50% MFI	H	110
			51-80% MFI	H	100
	Elderly	Rehabbed	0-30% MFI	L	-
			31-50% MFI	L	-
			51-80% MFI	L	-
		New/Conversion	0-30% MFI	H	140
			31-50% MFI	H	150
			51-80% MFI	H	50
All Other	Rehabbed	0-30% MFI	H	Included in Related Numbers Above	
		31-50% MFI	H		
		51-80% MFI	H		
	New/Conversion	0-30% MFI	H		
		31-50% MFI	H		
		51-80% MFI	H		
Owner	Rehabbed	0-30% MFI	L	-	
		31-50% MFI	H	30	
		51-80% MFI	H	60	
	New/Conversion	0-30% MFI	L	-	
		31-50% MFI	H	110	
		51-80% MFI	H	150	
Special Needs	Rehabbed	0-80% MFI	H	180 (Included in Numbers Above)	
	New/Conversion			210 (Included in Numbers Above)	
Section 215 Goal	Renter				2590
	Owner				260

a. Rental

Goal H-1	Foster and Maintain Affordable Rental Housing
Objective H-1a	Provide financing and administer programs for the development of affordable and mixed-income housing

Funds need to be directed to stabilizing existing, and adding affordable housing units to preserve/add them in the city's housing inventory. Creation of new units should be focused on meeting housing needs not being met by the market such as supportive transitional housing developments. Equally important is the need to combine supportive services with stabilized housing.

The City anticipates receiving the following estimates of funding to support its affordable rental housing strategies.

Resource	Projected Amount 2005-2009
Federal:	
CDBG	\$ 25 million
HOME	\$ 14 million
LIHTC	\$ 5 million <i>credit</i>
EZ (Empowerment Zone)	\$ 3 million
State:	
MHFA Rental Production	\$ 26 million
MHFA LIHTC	\$ 2 million <i>credit</i>
Met Council LCDA	\$ 12 million
Met Council LHIA	\$ 1 million
Local:	
NRP	\$ 4 million
Housing Revenue Bonds	\$ 180 million
Hennepin AHIF	\$ 15 million
Hennepin TOD	\$ 5 million
Hennepin Pollution Remediation	\$ 600,000

The City will seek to meet the following five-year numerical goals with respect to affordable rental housing.

Type	Priority	0-30%	31-50%	51-80%
Rehabilitated	H	740	600	350
New/Positive Conversion	H	520	440	250
Total		1,260	1,040	600

In order to meet these rental goals, the city will pursue the following strategies over the next five years.

- ◆ Preserve and improve the physical condition of existing subsidized housing, both publicly and privately owned.
- ◆ Support development of new three or more bedroom rental units for large families. The City’s goal is that 70% of affordable housing funds be allocated to larger family units.
- ◆ A minimum of 20% of all city-assisted rental projects of 10+ units be affordable at 50%MFI.
- ◆ Create additional transitional housing units with appropriate supportive services as an alternative to extended shelter use.
- ◆ Identify opportunities for placing new higher density housing on transportation corridors to take advantage of transit opportunities and job markets and promote housing growth.
- ◆ Encourage development of mixed-income housing serving a broad and continuous range of incomes.
- ◆ Emphasize affordable housing development outside impacted areas. The City’s goal is that at least 50% of new city-produced affordable housing be located in non-impacted areas.
- ◆ Use the affordable housing trust fund to guarantee a minimum level of sustained financial commitment toward the housing needs of those at the low income level. The annual funding goal is \$10 million.
- ◆ Link housing programs to supportive service programs, income assistance programs and public housing initiatives to facilitate affordability.
- ◆ Fifty percent (50%) of city affordable housing funds will be used for capital production of units affordable at 30%MFI.

The CPED website has a resource guide updated regularly containing the latest inventory of city housing programs providing specific detail on implementation of the above strategies (www.ci.minneapolis.mn.us/cped).

b. Ownership

Goal H-2	Foster and Maintain Affordable Ownership Housing
Objective H-2a	Provide financing and administer programs for the development and preservation affordable ownership housing

The City will undertake the following strategies to make home ownership opportunities more available for low income households. The aim is to keep existing low income homeowners in their homes with strategic home improvement investments and to allow for new low income homeowners through creative, leveraged homeowner financing programs. An emphasis of city homeownership programs will be increasing the number of minority homeowners. The City will design its homeownership programs to attract minority homeowners.

The City anticipates receiving the following sources of funding to support its affordable ownership housing strategies: CDBG, HOME, ADDI, MHFA SF housing, Metropolitan Council LHIA, TIF, NRP.

The City will seek to meet the following five-year numerical goals with respect to affordable ownership housing.

Type	Priority	0-30%	31-50%	51-80%
Rehabilitated	H (low for <30%)	0	30	60
New/Positive Conversion	H (low for <30%)	0	110	150
Total		0	140	210

In order to meet these goals, the city will pursue the following strategies over the next five years.

- ◆ Preserve and improve the physical condition of existing ownership housing through home improvement offerings.
- ◆ Support in-fill development of new three or more bedroom housing for large families.
- ◆ A minimum of 20% of all city-assisted ownership projects of 10+ units be affordable at 50%MF1.
- ◆ Identify opportunities for placing new higher density housing on transportation corridors to take advantage of transit opportunities, job markets and promote housing growth.
- ◆ Encourage development of mixed-income ownership housing options serving a broad and continuous range of incomes.
- ◆ Promote and support first-time homeownership opportunities for traditionally underserved populations.
- ◆ Streamline city development review, permitting and licensing to make it easier to develop property in the City of Minneapolis.
- ◆ Develop a close dialog with community participants about appropriate locations and design standards for new housing.
- ◆ Foster community dialog about housing growth in and adjacent to city neighborhoods.
- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.

The CPED website has a resource guide updated regularly containing the latest inventory of city housing programs providing specific detail on implementation of the above strategies (www.ci.minneapolis.mn.us/cped).

c. Public Housing

Goal H-4	Foster and Maintain City’s Public Housing Supply
Objective H-4a	Support rehabilitation needs of MPHA housing stock
Objective H-4b	Assist in locating financial resources to prevent subsidized housing “opt-outs”
Objective H-4c	Assist in development of Heritage Park

The city recognizes the important role that public housing plays in the provision of affordable housing. Traditionally, the city has provided CDBG assistance to the MPHA to support their housing rehabilitation program as well as supporting their resident initiatives. The city has supported the Heritage Park development through provision of resources for the development of housing on the site. This includes extensive infrastructure work. As noted in the following section, the city is also aware of the importance of subsidized housing in the city and stands ready to assist the local market in preserving and stabilizing subsidized housing as needed. The city will continue to partner with MPHA in joint housing developments that need project-based housing vouchers to finance low income units. The city will also work with MPHA in siting new public housing in the city in non-impacted areas.

The Minneapolis Public Housing Authority has the following goals and objectives.

Goal: Promote self-sufficiency and asset development of families and individuals
Objectives: <ul style="list-style-type: none"> • Provide or attract supportive services to improve assistance recipients’ employability • Provide or attract supportive services to increase independence for the elderly or families with disabilities • Support Volunteers of America (VOA) Senior Resources, Family Self- Sufficiency Program, Assisted Living Programs, Moving Home Demonstration Project, Section 3 Employment and Contracting Program

Goal: Expand the supply of assisted housing
Objectives: <ul style="list-style-type: none"> • Apply for additional rental vouchers • Acquire or build units/developments

Goal: Increase assisted housing choice
Objectives: <ul style="list-style-type: none"> • Provide voucher mobility counseling • Conduct outreach to potential voucher landlords • Increase voucher payment standards • Implement two voucher homeownership programs (Moving to Work, and Section 8 Homeownership) • Implement public housing or other homeownership programs

Goal: Provide an improved living environment

Objectives:

- Implement measures to de-concentrate poverty by bringing higher income public housing households into lower income developments
- Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments
- Implement public housing security improvements
- Designate developments/buildings for particular resident groups (elderly, persons with disabilities)

Goal: Improve the quality of assisted housing

Objectives:

- Improve public housing management
- Improve voucher management
- Increase customer satisfaction
- Focus improvement efforts on voucher unit inspections, rent calculations for public housing and Section 8
- Renovate or modernize public housing units
- Provide replacement public housing

Goal: Ensure equal opportunity and affirmatively further fair housing

Objectives:

- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, family status, and disability
- Undertake affirmative measures to provide a suitable living environment for families living in disability
- Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required

d. Federally Subsidized Housing

The preservation of federally subsidized housing in the city is key in maintaining the city's affordable housing inventory. The city's highest priority is to retain the stock of family-sized housing units as well as special needs units that may be smaller. The city will work with HUD, MPHA and the private market to ensure that federal subsidies do not expire while allowing for market strengthening incentives through either city Consolidated Plan funding, tax credits or other measures. The following table illustrates known housing developments scheduled to have their federal subsidies expire during 2005-09.

EXPIRING FEDERAL SUBSIDY PROJECTS									
Affordability Period Expires	Project Name	Project Address	Assisted Funding Source	# Assisted Units	Housing Unit Size				
					0BR	1BR	2BR	3BR	4BR
2008	3100 4 th Ave	3100-05-20 4 th Ave S	HOME	10			8	2	
2008	Echo Flats/E Flats	315 W 25 th St; 2800 Pillsbury Ave; 2612-16 3 rd Ave S	HOME	20			4	12	4
2008	Mid-River Coop	107,109,111,113, 183-190 Island Ave; 15-17 Maple Place; 167 Nicollet Ave	HOME	22		7	15		
2006	St. Joseph Hope	2011 & 2101 Portland Ave *	HOME	7		1	1		1*
2009	HOPE III	2113, 2115 Portland Ave	HOME	5	1	1	2	1	
2005	B Flats/City Flats	2633 1 st Ave S	HOME	9				9	
2005	Phillips Place Ltd Ptnr	1900-12 14 th Ave S; 1305-19 E 19 St 1901-1915 13 Ave S	HOME	23			9	14	
2005	3100 Clinton	3104-3145 Clinton Ave. S.	HTC	12			6	6	
2005	Balmoral	1005 Portland Ave. S.	HTC	58	45	13			
2005	Calypso Flats	2620/2626 Pillsbury	HTC	18				18	
2005	Linden Place Coop	3200-3205 Bloomington Ave. S.	HTC	8			4	4	
2005	Portland Place	2430 Portland Ave. S.	HTC	17		2	6	4	5
2006	Barrington	911 Park Ave. S.	HTC	18	13	13			
2006	Castle Apartments	300 N. 26 th St.	HTC	11				10	1
2006	Elliot Park IV	900 block Portland Ave. S.; 601-609 E. 14 th St.	HTC	220	183	37			
2006	Lovell Square	1042, 1012,1205, Irving Ave. N; 1115, 1205 Humboldt Ave. N.; 1413, 1425 11 th Ave.; 1216 James Ave. N.	HTC	25		1	8	12	4
2007	Dovetail Coop	3400 block Chicago Ave. S.	HTC	10				10	
2008	Exodus Redeemer	106-108 32 nd St., 3133-3145 First Ave. S.	HTC	12			9	3	
2008	Plymouth Ave. Townhomes	1300-1825 Plymouth Ave.	HTC	140		49	67	24	
2009	East Village (Powderhorn)	2733-2737 Portland Ave. S.	HTC	7		1	2	4	
Totals:				652	242	125	141	133	15

* 2101 Portland Ave. S. is a 5-BR group home.

e. Quality Housing

Goal H-3	Provide for Safe Affordable Housing
Objective H-3b	Mitigate housing conditions that present life and safety issues

The city will continue to work through its inspections and CPED departments to ensure that the city’s affordable housing supply is safe. The city proposes to set aside CDBG funding, annually, to assist in this endeavor. Over the next five years, all rental-housing units in the city are planned for inspections.

Currently, the city has instituted a problem properties task force. This group is a cross-departmental group that works with housing properties in targeted areas that consume many city resources in the areas of inspections and public safety. The Problem Properties Unit (PPU) identifies the worst properties in the city and develops strategies to reduce or eliminate problems. Solutions can include up to securing buildings with boards or demolish buildings under the provisions of Chapter 249 on the city's code of ordinances.

5. Special Needs Housing

a. General

Goal SPH-1	Foster and Maintain Housing for Those with Special Needs
Objective SPH-1a	Provide financing for the development and preservation of housing opportunities for persons with special needs

The City supports the creation of housing units for special needs populations. When possible these units should be in the form of supportive housing. The city anticipates the following five-year goals for special needs housing:

The city can support these goals through the following strategies:

Anticipated 5-year Goals for Special-needs Housing		
Type	Priority	0-80%
Rehabilitated	H	180
New/Positive Conversion	H	210
Total		390

- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.

- ◆ Support the development of housing with supportive services that help households gain stability in areas such as employment, housing retention, parenting, mental health and substance challenges.
- ◆ Not use zoning ordinance or other land use regulations to exclude permanent housing for people with disabilities. Special needs housing shall be available as needed and appropriately dispersed throughout the city.

Some specific strategies to be undertaken in support of specific subpopulations of special needs households include the following.

Elderly/Frail Elderly

- ◆ Support development of affordable and mixed-income senior rental housing in all parts of the city. These developments may be independent rental, congregate, and/or assisted living projects.
- ◆ Seek available resources and partnerships to assist the development of senior housing through land acquisition, advantageous site location/improvements and other eligible appropriate ways.
- ◆ Ensure quality design and amenities of housing as well as quality management and supportive services.

Severe Mental Illness

- ◆ Seek opportunities for development of new supportive housing units for persons with mental illness as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain existing housing stock through rehabilitation activities.
- ◆ Encourage the development of practice apartments within new developments to give people the chance to learn independent living without jeopardizing their rental history and for mental health services to assess service needs realistically.
- ◆ Use available federal, state, and local resources to assist in the development of supportive housing units for persons with mental illness.

Developmentally Disabled

- ◆ Seek opportunities for development of new supportive housing units for developmentally disabled persons as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain existing housing stock through rehabilitation activities.

Physically Disabled

- ◆ Seek opportunities for development of new supportive housing units for physically disabled persons as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain and increase accessibility to existing housing stock through rehabilitation activities.
- ◆ Ensure availability of accessible units in city-assisted housing developments.

Persons with Alcohol/Other Drug Addiction

- ◆ Seek opportunities for development of new supportive housing units for persons who suffer from chemical dependency as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain existing housing stock through rehabilitation activities.

Veterans

- ◆ Finance transitional housing developments for veterans. Projects would need to serve Minneapolis veterans who were either residents of Minneapolis prior to suffering homelessness, or have been referred from a Minneapolis facility serving the homeless or near homeless.

b. Those with HIV/AIDS

Strategies for Housing for persons living with HIV and AIDS include the following:

- Provide rental housing subsidies to allow people living with HIV to access and maintain affordable housing, with choice of location
- Promote an increase of affordable housing throughout the region, and of various bedroom sizes, including affordable rental units for large families
- Seek opportunities for development of new supportive housing units for people living with HIV, as part of larger housing or redevelopment initiatives
- Seek to retain and increase accessibility to existing housing stock through rehabilitation initiatives
- Ensure quality, accessible design and amenities of housing as well as quality management and supportive services.

6. Addressing and Removing Affordable Housing Barriers

Minneapolis is sensitive to the effects that public policies have on the cost of housing, or serve to dissuade development, maintenance or improvement of affordable housing. Although some of the barriers to the cost of producing affordable housing are beyond the control of local government, it is hoped that city policies do not create more barriers. The city works to establish positive marketing strategies and program criteria increasing housing choices for households with limited incomes, to provide geographical choice in assisted housing units, and to improve the physical quality of existing affordable housing units. The city has identified regulatory, transportation and financing issues as barriers to affordable housing.

Goal H-6	Remove or ameliorate any barriers to affordable housing
Objective H-6a	Mitigate barriers to the development, maintenance, and improvement of affordable housing

Regulatory/Program Strategies

- In the area of regulatory controls, the city has administratively reformed its licensing and examining boards to ensure objectivity and eliminate unnecessary regulation in housing development.
- In 2002, the city amended its zoning code to increase flexibility and provide an affordable housing density bonus for developers. The maximum floor area ratio and number of dwelling units for new cluster and multifamily dwellings of five or more units may be increased by 20 percent if at least 20 percent of the dwelling units are affordable housing (50 percent of MFI).
- In response to other regulatory controls and life safety issues that may affect the cost of affordable housing, the city housing agency continues to work with various regulatory departments to cancel special assessments and outstanding water charges on properties during the acquisition process.
- Minneapolis has had a very active stabilization/preservation program for many years and participates in the Interagency Stabilization Group (ISG), a multi-jurisdictional group of affordable housing funders. The group considers the stabilization needs of existing housing units in a comprehensive and coordinated manner, working directly with owners to accomplish goals. This approach deals directly with the problems of existing units to make sure that they remain affordable. Comprehensive funding solutions are provided for the physical and financial stabilization of distressed and at-risk affordable rental properties.
- Since lead-based paint can serve as a barrier to the preservation of safe and affordable housing, the city will continue multi-faceted efforts with county and community partners to address this issue. These efforts include training contractors to mitigate lead-based paint hazards on rehabilitation projects. Work supports the city's formally adopted 2010 goal of eliminating lead-based paint hazards in the community.
- Minneapolis has reinstated a joint city and county Vacant and Boarded Housing Task Force. The task force has the responsibility of coordinating city and county efforts to bring vacant residential property back on the market as soon as possible.

Transportation Strategies

- Concerning addressing transportation barriers for low-income residents and its impact on accessing job opportunities that promote economic self-sufficiency, the city actively seeks to link its affordable housing and commercial corridor development strategies.
- The city is also seeking to amend its comprehensive plan to allow for denser housing development along sections of its light rail corridor. The city also strives to locate affordable housing units with access to public transportation through offering developers density bonuses. The city's primary multifamily funding programs have established priority points in their respective ranking systems for "proximity to jobs and transit".

Financing Strategies

- The Minneapolis city council adopted a preservation policy in 1991 and since then, the city has preserved 2,660 units of federally subsidized housing through proactive efforts. In addition, the city has worked closely with the public housing authority to place new Section 8 Project-based assistance in hundreds of rental units.
- Along the line of keeping private housing affordable, the city has recently provided funding for programs preventing mortgage foreclosures. The city expects to assist 35 families in this manner.
- The City will continue to lobby and advocate for full federal and state financial participation in its affordable housing efforts. This includes full financing of the Section 8 Housing Voucher program.

C. Homelessness

For detailed information on overall strategies refer the chapter on Homelessness Needs section (Chapter 3). That section identified goals for implementing various strategies in the ongoing development of the local continuum of care in Hennepin County. Strategies reflect needs and priorities identified by the Hennepin County/City of Minneapolis Task Force on Homelessness referred to throughout Chapter 3 as well as the ongoing work of the county’s Human Services Department. Task Force recommendations are currently being implemented by the CABoH, which is the advisory board to the City Council on homelessness issues.

The following strategies are ones exclusively within the City’s purview to implement.

Goal HM-1	Support Persons Suffering from Homelessness
Objective HM-1a	Support movement of homeless families and individuals toward permanent housing
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with strategies of Continuum of Care and the Community Advisory Board on Homelessness

Target Goals (Units) Identified in Current Continuum of Care*

	Individuals (includes unaccompanied youth)	Families with Children
Emergency Shelter	120	0
Transitional Housing	75	332
Permanent Supportive Housing	183	116
Total	378	448

*Unit numbers are the unmet 2000-05 CABoH goals as of 2004 Continuum of Care. Non-shelter unit equals 3 beds for purposes of determining bed count goal of Continuum.

To support Continuum of Care and Community Advisory Board on Homelessness goals, the City will provide its HOME, CDBG and ESG capital funds to support the development and preservation of housing for those who suffer homelessness or are threatened with homelessness.

These activities may include providing capital funds to develop new or renovate existing emergency and transitional housing shelters. The City will also fund the development and rehabilitation of supportive housing options across the entire continuum of care.

The Continuum of Care is a planning process which city staff uses to identify the needs facing those suffering homelessness and proposed strategies. The city also relies on the work performed in the past by the City/County Homeless Task Forces, as well as the current efforts of the Community Advisory Board on Homelessness, and the Minnesota HIV Housing Coalition. Service providers use the Continuum of Care planning process to apply for a series of competitive homeless assistance grants provided by HUD.

Strategies for addressing the service needs of the homeless are found in the current Hennepin County Continuum of Care for the Homeless described in Chapter 3. The Continuum sets forth the relative priority of the various needs facing the homeless. These priorities are revisited annually by the Community Advisory Board on Homelessness in preparation for the annual HUD SuperNOFA process. A community process involving service providers, county and city staff and interested constituent groups set the priorities found in the Continuum through a series of community meetings and focus groups.

The city intends to pursue the following strategies with its Consolidated Plan funds to meet the needs of the homeless. The strategies encompass a variety of approaches to address needs of the homeless and those threatened with homelessness.

CDBG: The city will apply CDBG funds to support multifamily unit development (including transitional/supportive housing) for those up to 50 percent of metro median income with at least 50 percent of designated funds supporting those at or below 30 percent. The City will also consider for CDBG support organizations providing services to homeless individuals and families.

HOME: The city will apply HOME funds to finance transitional/supportive-housing units. It will also apply these funds to support multifamily unit development for those up to 50 percent of metro median income with an emphasis on those at or below 30 percent.

ESG: The city will continue to address emergency and transitional shelter capital needs with its ESG block grant.

HOPWA: Housing assistance will be provided to families/persons with HIV/AIDS who are threatened by homelessness through the HOPWA allocation. The HOPWA funding is intended to be disbursed for projects throughout the metropolitan area. Project selection is made through the Minnesota Housing Finance Agency Housing.

D. Lead-Based Paint Hazards

Goal H-3	Provide for Safe Affordable Housing
Objective H-3a	Evaluate and remove lead-based paint hazards in City's affordable housing stock

The goal of the City of Minneapolis is to end lead poisoning within the City of Minneapolis by 2010. The city is a partner in the Minnesota Collaborative Lead Education and Assessment Network, which has also set this date as a target for ending lead poisoning and has established guidelines for achievement. The city will accomplish the goal of continued lead hazard reduction and education activities using available city, CDBG, HUD and other funding. Activities will include:

- Identification and removal of lead hazards from units occupied by children with elevated blood lead levels
- Referral to grant programs and other resources for properties where children have elevated lead levels, but below the mandated response levels
- Pursuing policies that support primary prevention without reduction in the efforts for secondary prevention response
- Education and outreach to pregnant women and families of children most impacted by lead hazards in dwellings within the city.
- Education and outreach to property owners and contractors on Lead Safe Work Practices.
- Continued reduction of lead hazards by agencies such as CPED and MPHA. The agencies have incorporated Title X (Section 1012/1013 and 1018) rules into their policies and procedures. CPED is performing lead risk assessments in affected properties and have incorporated lead safe hazard reduction practices into properties undergoing rehabilitation. MPHA is working on policies and procedures to integrate grant resources for lead hazard reduction and lead safe work practices training for properties enrolled in the non-project based Section 8 programs.

E. Community Development

Consolidated Plan resources can be used to support a variety of community development initiatives. The city uses some portion of its annual CDBG

entitlement to meet community development needs. Table 2B of the appendix provides the unit value and dollar amount estimates expected to meet the priority needs of these various programs. The city plans to fund the following strategies, which are noted as a high priority to the extent it is capable with CDBG funds.

1. Public Facilities

Goal CD-3	Meet Community Infrastructure Needs
Objective CD-3a	Use CDBG resources to address public space initiatives in CDBG target areas

High Priority Strategies:

Public Facilities (General)

Use Capital Improvement Plan to guide city investment in public facilities

Child Care Centers

Provide capital funds to maintain existing childcare opportunities, and to expand number of childcare opportunities

Neighborhood Facilities

Address capital improvements to neighborhood-based facilities that are accessible to the city’s low and moderate income residents

Medium Priority Strategies:

Senior Centers

Renovate, expand or develop public facilities appropriate for the city’s growing elderly population

Youth Centers/Handicapped Centers

Renovate, expand and develop of public facilities appropriate for the city’s youth population, including special need groups

Park and Recreational Facilities

Park and recreational sites will be made secure, attractive, and accessible through capital investments

Non-Residential Historic Preservation

Provide for historic preservation on historically, architecturally and culturally significant community institutions

2. Public Services

Goal CD-2	Support the Community Safety Net
Objective CD-2a	Provide support to the City's senior citizens

High Priority Strategies

Senior Services

Support programs that allow seniors to be self-sufficient

Goal CD-2	Support the Community Safety Net
Objective CD-2b	Promote healthy outcomes for low and moderate income individuals and families

High Priority Strategies

Health Services

Promote the healthy well being of residents through public and private service providers

Goal CD-2	Support the Community Safety Net
Objective CD-2c	Provide resources to vulnerable citizens

Medium Priority Strategies

Public Services (General)

City will decide on appropriate funding needs for public services on case-by-case basis. City will support program applications for federal assistance

Substance Abuse Services

Coordinate with county to promote culturally sensitive substance abuse programming

Mental Health Services

Work with County to provide outreach and assessment services to remedy individual mental health issues

Goal CD-2	Support the Community Safety Net
Objective CD-2d	Promote resources for the City's youth programming initiatives

Medium Priority Strategies

Youth Services

Develop and support community-based services to nurture and support young people

3. Economic Development

Goal CD-1	Expand Economic Opportunities for Low- and Moderate-Income Persons
Objective CD-1a	Link residents to permanent jobs

High Priority Strategy

Economic Development Direct Financial Assistance to For-Profits

City will work to link provision of public assistance to companies who can offer jobs appropriate to low and moderate income residents' needs. This assistance may include HUD Section 108 financing as necessary.

Goal CD-1	Expand Economic Opportunities for Low- and Moderate-Income Persons
Objective CD-1b	Provide resources to improve community access to capital

High Priority Strategies

Rehab, Publicly or Privately-Owned Commercial

Rehabilitate commercial properties to keep them marketable

Medium Priority Strategies

Commercial Industrial Land Acquisition/Disposition

Facilitate commercial/industrial investment to core areas of the city suitable for redevelopment

Commercial Industrial Infrastructure Development

Support new industry in specific industrial/business center growth areas such as SEMI-University Research Park, Biosciences Corridors.

Other Commercial Industrial Improvements

Planning, market studies, design forums, infrastructure improvements such as roadway access, capital equipment acquisition

Low Priority Strategies

Economic Development Technical Assistance

Direct technical assistance opportunities to small businesses, especially through CPED Business Assistance office.

Micro-Enterprise Assistance

Direct technical assistance opportunities to small businesses, especially through CPED Business Assistance office.

4. Anti-Poverty

The city focuses its resources and efforts on developing a skilled and employable resident workforce capable of receiving living wage jobs. The city also works to develop infrastructure to support industries that can pay a living wage. A key tool the city is using to reduce the number of poverty-level families is the implementation of its Empowerment Zone strategy.

The federal Empowerment Zone (EZ) initiative is a job creation, economic development strategy for America's inner cities. A ten-year initiative, its purpose is to create jobs and business opportunities in the most economically distressed areas of cities. It approaches urban renewal through a holistic manner focusing on activities to support people looking for work, such as job training, childcare, transportation and access to affordable, decent housing.

Minneapolis Empowerment Zone Goals

- Economic development strategies that generate living wage jobs and community sustainability
- Access to a variety of housing options that promote family and community stability
- Neighborhood-based safety strategies that help residents create safer neighborhoods
- A comprehensive education system that prepares all Minneapolis learners for participation in the economic and social fabric of the community
- Coordinated community-based services that nurture and support young people and their families

The city mandates those businesses that receive financial assistance from city agencies in excess of \$100,000 hire city residents at livable wage levels. The city defines a living wage as a worker earning 110% of the federal poverty level.

Implementing Focus Minneapolis (a 2002-03 review of how the city performs development) has led to the development of a Community Planning and Economic Development office (CPED). CPED works to assist local businesses in navigating financing and regulatory issues that they may encounter in either seeking or expanding a site in the city. CPED pursues Brownfield redevelopment initiatives to clean up old industrial sites to make them "green" again and attractive for business investment. These efforts seek to broaden the availability of business opportunities providing jobs to the city's low and moderate-income residents.

The city supports the work of various community-based employment training, human development and social service agencies. The city also reaches out to agencies that represent the city's new foreign-born populations to assure that no segment of the city's population lacks accessibility to culturally appropriate human development strategies. The Office of New Arrivals (Multicultural Services) assists in this effort.

Minneapolis continues to review issues of concentrated poverty, housing choice and the needs of its low and moderate-income residents when designing its housing and economic development programs. The city is actively working to deconcentrate poverty, increase the variety of housing options and support residential displacement and relocation policies. As a HUD recipient, the city offers Section 3 assistance through project notification procedures, bid requirements, and monitoring applicable projects. This expands economic opportunities to the city's very low- and low-income residents.

The City estimates that over the 2005-09 five-year strategy, 60,000 residents will benefit from its anti-poverty programming and initiatives.

F. Institutional Structure

The institutional structure through which the city carries out its housing and community development plan consists of public, private and nonprofit partners. The primary public entities are the city of Minneapolis, the Minneapolis Public Housing Authority, Hennepin County, and the Minnesota Housing Finance Agency. Nonprofit organizations include nonprofit developers and community housing development organizations, the Family Housing Fund, and the Interagency Stabilization Group. Private sector partners include local financial institutions, for-profit developers and the foundation community.

The city works with these partners to design programs that work to address needs present in the city. Still, program delivery gaps occur whether through funding shortfalls, differing timetables, and contrary program design. The city seeks to resolve these gaps through its commitment to its institutional relationships evidenced by its close working relations with its partners. The city will continue to meet with and inform its partners of its housing and community development needs, goals and strategies.

1. Relationship with Local Public Housing Authority

The organizational relationship between the MPHA and the city is an important component of the city's institutional structure for carrying out its housing and community development plan. The MPHA is governed by a nine member Board of Commissioners; four of these members are city council-appointed, and five members, including the chairperson, are mayoral appointees. One appointee of the council and mayor respectively must be a public housing resident.

The MPHA functions as an independent housing authority with its own personnel and purchasing systems. The city provides financial support to several MPHA initiatives. City staff sits on the Comprehensive Grant Committee of MPHA and MPHA staff contributes to the development of the city's Consolidated Plan. The city funds resident participation initiatives that encourage local resident management of public housing sites.

Chapter 6 2005 One-Year Action Plan

A. General

The city will undertake a variety of activities to address its priority needs that have been described in the Consolidated Plan. The HUD Table 3-Proposed Projects table describes the proposed programs that will be funded with 2005 Consolidated Plan funds. The table provides information on the title of the initiative, the addressed priority, program description, federal program eligibility, estimated accomplishments, budget, geographic location and the proposed program's national objective.

The following paragraphs specify goals/objectives for support of the 2005 Consolidated Plan. As further performance measurement criteria evolve, they will be included in future Consolidated Plan updates. Outcome-based performance measures are noted in HUD Table 3-Proposed Projects as known. Throughout this chapter, proposed Consolidated Plan projects that support individual goals and objectives will be listed and more detail on the projects can be found in the HUD Table 3- Proposed Projects table.

City actions for the 2005 Consolidated Plan will be in conjunction with the strategies detailed in the 2005-2009 Consolidated Plan Five-Year Strategy listed in Chapter 5. In sum, the city will undertake the following:

- ◆ Support strategies for fostering and maintaining affordable housing;
- ◆ Assist those homeless and special needs populations through the Continuum of Care strategy;
- ◆ Evaluate and treat lead-based paint hazards;
- ◆ Reduce the number of poverty level families through its anti-poverty strategy;
- ◆ Affirmatively further fair housing;
- ◆ Coordinate actions among public and private housing and social service agencies;
- ◆ Assist MPHA in its housing improvement and resident initiative programs;
- ◆ Address its non-housing community development needs; and
- ◆ Address barriers to the provision of affordable housing.

The following Goals/Objectives are referenced in HUD Table 3-Proposed Projects to assist the reader in seeing the linkage between projects and these goals.

Goal H-1	Foster and Maintain Affordable Rental Housing
Objective H-1a	Provide financing and administer programs for the development of affordable and mixed-income housing

Goal H-2	Foster and Maintain Affordable Ownership Housing
Objective H-2a	Provide financing and administer programs for the development and preservation affordable ownership housing

Goal H-3	Provide for Safe Affordable Housing
Objective H-3a	Evaluate and remove lead-based paint hazards in City’s affordable housing stock
Objective H-3b	Mitigate housing conditions that present life and safety issues

Goal H-4	Foster and Maintain City’s Public Housing Supply
Objective H-4a	Support rehabilitation needs of MPHA housing stock
Objective H-4b	Assist in locating financial resources to prevent subsidized housing “opt-outs”
Objective H-4c	Assist in development of Heritage Park – a mixed-use, mixed-income community on the near northside of Minneapolis

Goal H-5	Affirmatively Further Fair Housing
Objective H-5a	Enforce the City’s fair housing ordinance
Objective H-5b	Provide resources to the metro Fair Housing Implementation Committee

Goal H-6	Remove or ameliorate any barriers to affordable housing
Objective H-6a	Mitigate barriers to the development, maintenance, and improvement of affordable housing

Goal HM-1	Support Persons Suffering from Homelessness
Objective HM-1a	Support movement of homeless families and individuals toward permanent housing
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with strategies of Continuum of Care and the Community Advisory Board on Homelessness

Goal SPH-1	Foster and Maintain Housing for those with special needs
Objective SPH-1a	Provide financing for the development and preservation of housing opportunities for persons with special needs

Goal CD-1	Expand Economic Opportunities for Low- and Moderate-Income Persons
Objective CD-1a	Link residents to permanent jobs
Objective CD-1b	Provide resources to improve community access to capital

Goal CD-2	Support the Community Safety Net
Objective CD-	Provide support to City’s senior citizens

2a	
Objective CD-2b	Promote healthy outcomes for low- and moderate-income individuals and families
Objective CD-2c	Provide resources to vulnerable citizens
Objective CD-2d	Provide resources for City's youth programming initiatives

Goal CD-3	Meet Community Infrastructure Needs
Objective CD-3a	Use CDBG resources to address public space initiatives in CDBG target areas

Goal CP-1	Encourage Citizen Participation in the Consolidated Plan
Objective CP-1a	Support citizen participation processes that facilitate community input into all phases of Consolidated Plan development and implementation
Objective CP-1b	Provide timely data and analysis to inform citizens

Goal AD-1	Manage HUD Resources for Accountability
Objective AD-1a	Design, implement and monitor Consolidated Plan programs to achieve compliance
Objective AD-1b	Encourage citizen feedback for Consolidated Plan performance

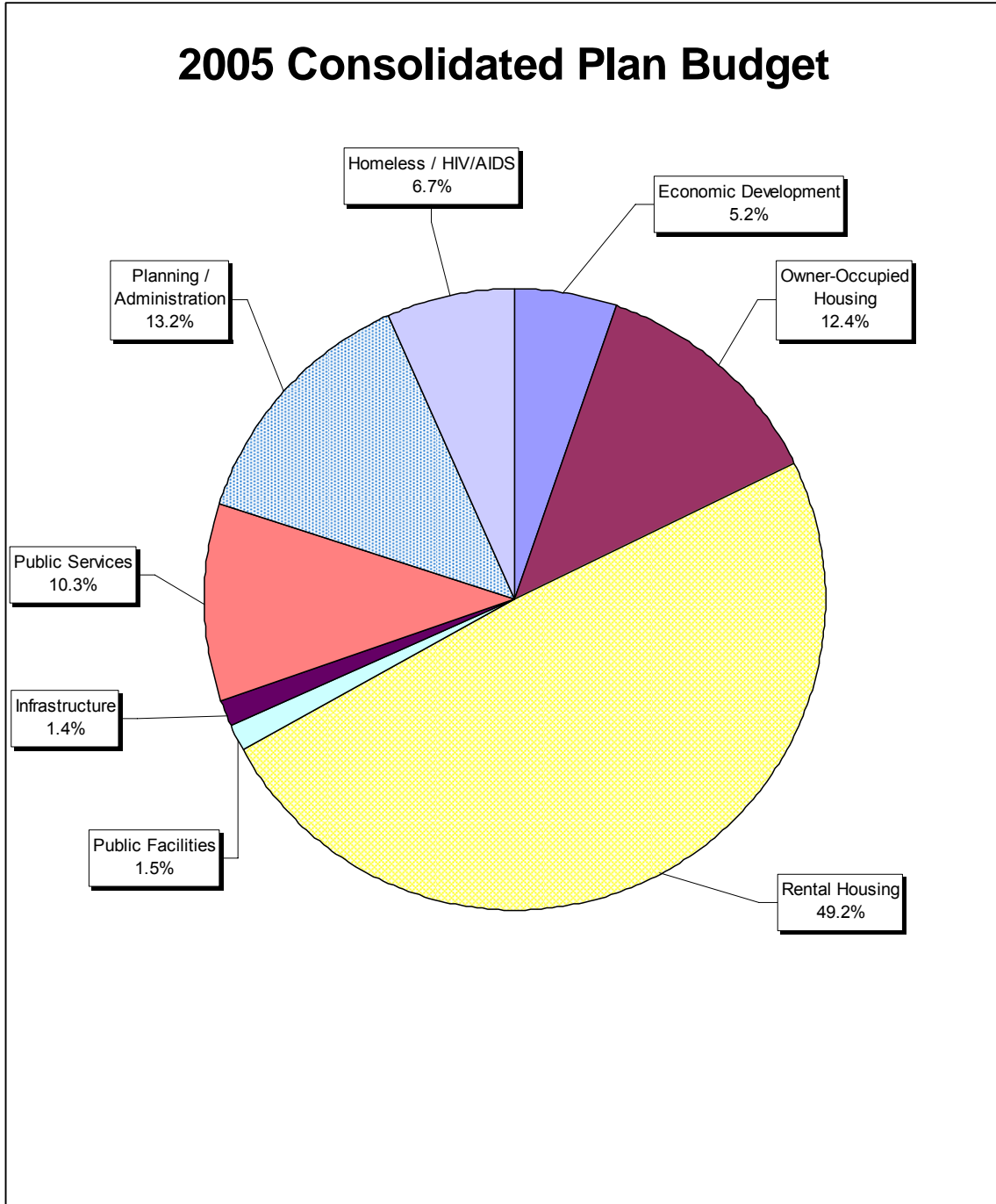
1. Federal Resources

The city expects to have the following Consolidated Plan resources available to address its priority housing and community development needs over the next year. Primarily, the city will direct approximately fifty percent of its Consolidated Plan funds toward the stabilization and development of affordable housing units.

The available federal resources include the five entitlement fund programs that HUD provides to the city covered by this Consolidated Plan. They are Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), American Dream Downpayment Initiative (ADDI), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). Other federal resources available to the city and its partners are public housing modernization and operational funding, Empowerment Zone (EZ), Section 8 rent certificates and vouchers, and any other federal entitlement or competitive funding for which the city or its partners may qualify.

The 2005 Consolidated Plan budget available to the city consists of the following awards:

CDBG	\$ 15,442,542
HOME	\$ 3,779,193
ESG	\$ 596,655
HOPWA	\$ 797,000
ADDI	\$ 130,230



2. Other Resources

Other resources from federal, private and non-federal public sources that are reasonably expected to be available to address Consolidated Plan needs are state, county and local funds and made federal applications for assistance. The state is a key funding source for rental and ownership housing projects. Local funds are available for housing and non-housing activities. Private resources from banks, foundations, and private developers continue to be valuable in assisting the city in meeting its housing and community development goals and strategies.

Other housing resources expected during the 2005 Consolidated Plan year will be NRP, MHFA, the State's Metropolitan Council, Family Housing Fund, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, and low income housing tax credits. The city will support any organization's application for state or federal assistance that is consistent with this Consolidated Plan.

B. Geographic Distribution of Consolidated Plan Assistance

Minneapolis expects to direct its assistance throughout the city during the program year (June 1 through May 31) . Certain programs may have specific boundaries or be designed to meet the needs of a specific area. These are described as known in the HUD Table 3-Proposed Projects Table.

The CDBG target areas are neighborhoods where the majority of residents are (as of 2000 Census) of low- and moderate-income and 3.3 percent or more of the housing stock is rated substandard. These areas are prioritized on an area basis for CDBG assistance. A map illustrating these areas follows in the Appendix.

The city directs other housing and community development initiatives funded through the NRP program toward neighborhoods. The neighborhoods are responsible for assessing their needs, developing strategies to address those needs, and allocating available funding toward the strategies.

The city also will continue to support and assist the MPHA in developing its public housing programs throughout the city. The city works with MPHA on siting new units in areas of the city with low numbers of assisted units in order to help the MPHA meet its de-concentration objectives.

ESG funds will be expended for eligible activities within the city and Hennepin County for projects benefiting Minneapolis residents.

HOPWA will fund programs serving site-based initiatives and providing tenant rental assistance throughout the metropolitan area.

HOME funds are spent throughout the city for income-eligible units. Projects are selected through an annual RFP process.

The city attempts to locate affordable housing projects in non-impacted areas of the city. With the Affordable Housing Policy strategies and priorities, the City will attempt to locate more publicly assisted housing units in non-impacted areas of the City.

C. Addressing Obstacles in Meeting Underserved Needs

As stated throughout Chapter 5, the Five-Year Strategy, the City will be pursuing a variety of initiatives within its funding purview to meet underserved needs identified in the Plan. Specific Consolidated Plan initiatives to be carried out for 2005 are listed in the HUD Table 3-Proposed Projects table. The extent of the city’s ability to address underserved needs will be conditioned by the amount of funding resources it has.

D. 2005 Planning Process

Development of the Five-Year Consolidated Plan strategy and annual Action Plans is a continuous process with many opportunities for feedback. Annually, the Mayor recommends a budget for Consolidated Plan funding approximately each August for City Council deliberation leading up to an approved budget in December. With a budget determined, city departments and partner agencies review implementation and program strategies to develop the annual Consolidated Plan that is submitted to HUD in April. Then the City annually collects performance data on previous program year activities during the summer before submitting an annual performance report to HUD in August. This performance data provides feedback for budget setting priorities for the following year.

E. 2005 Citizen Participation Process

City of Minneapolis Citizen Participation Plan FY 2005 Consolidated Plan	
January 5, 2004	Initial meeting of Public Health Advisory Committee (PHAC) on CDBG
May 25, 2004	Public Health Advisory Committee CDBG public service priorities recommendation
August 9-24, 2004	Public Comment period on 2003 Consolidated Annual Performance and Evaluation Report (CAPER)
August 12, 2004	Mayor’s Proposed 2005 Budget
August 24-25, 2004	Public Health Advisory Committee community

	meetings on public service needs/priorities
August 24, 2004	Public Hearing on 2003 CAPER
August 27, 2004	2003 CAPER submitted to HUD
October 19, 2004	Ways & Means Committee Public Hearing on PHAC CDBG public service budget
November 4, 2004	Mailing of 2005 Consolidated Plan Budget Executive Summary
December 6, 2004	Public Hearing on 2005 Proposed Budget including Consolidated Plan
December 13, 2004	2005 Consolidated Plan Budget Approved (based on estimated HUD awards)
February 25, 2005	City Council Approval of Official 2005 Consolidated Plan Budgets
March 11, 2005	City Council approval of PHAC public service projects
March 14-April 13, 2005	Public Comment period on Draft 2005 Consolidated Plan
April 5, 2005	Public Hearing on 2005 Consolidated Plan
April 15, 2005	City submission of 2005 Consolidated Plan to HUD
June 1, 2005-May 31, 2006	Year 31 CDBG Program Year, FY 2005 Consolidated Plan Year
August 2005	Public Hearing on FY 2004 CAPER
August 2005	Submission of FY 2004 CAPER to HUD

F. 2005 Institutional Structure

The institutional structure through which the city carries out its housing and community development plan consists of public, private and nonprofit partners. The primary public entities are the city of Minneapolis, the Minneapolis Public Housing Authority (MPHA), Hennepin County, and the Minnesota Housing Finance Agency (MHFA). Nonprofit organizations include nonprofit developers and community housing development organizations, the Family Housing Fund, and the Interagency Stabilization Group. Private sector partners include local financial institutions, for-profit developers and the foundation community.

1. Relationship with Local Public Housing Authority

The organizational relationship between the MPHA and the city is an important component of the city's institutional structure for carrying out its housing and community development plan. The MPHA is governed by a nine member Board of Commissioners; four of these members are city council-appointed, and five members, including the chairperson, are mayoral appointees. One appointee of the council and mayor respectively must be a public housing resident.

The MPHA functions as an independent housing authority with its own personnel and purchasing systems. The city provides financial support to several MPHA

initiatives. City staff sits on the Comprehensive Grant Committee of MPHA and MPHA staff contributes to the development of the city’s Consolidated Plan. The city funds resident participation initiatives that encourage local resident management of public housing sites.

G. 2005 Monitoring Objectives

Goal AD-1	Manage HUD Resources for Accountability
Objective AD-1a	Design, implement and monitor Consolidated Plan programs to achieve compliance

The City will monitor federally funded projects in accordance with the criteria and priorities detailed in Chapter 1, Introduction to Five-Year Strategic Plan.

H. 2005 Lead-based Paint Objectives

Goal H-3	Provide for Safe Affordable Housing
Objective H-3a	Evaluate and remove lead-based paint hazards in City’s affordable housing stock

Over the next year, the City will undertake the following strategies to treat lead-based paint hazards in city housing stock.

- Identification and removal of lead hazards from units occupied by children with elevated blood lead levels
- Referral to grant programs and other resources for properties where children have elevated lead levels, but below the mandated response levels
- Pursuing policies that support primary prevention without reduction in the efforts for secondary prevention response
- Education and outreach to pregnant women and families of children most impacted by lead hazards in dwellings within the city.
- Education and outreach to property owners and contractors on Lead Safe Work Practices.
- Continued reduction of lead hazards by agencies such as CPED and MPHA. The agencies have incorporated Title X (Section 1012/1013 and 1018) rules into their policies and procedures. CPED is performing lead risk assessments in affected properties and have incorporated lead safe hazard reduction practices into properties undergoing rehabilitation. MPHA is working on policies and procedures to integrate grant resources for lead hazard reduction and lead safe work practices training for properties enrolled in the non-project based Section 8 programs.

- *Lead Hazard Reduction Program*

I. Housing

The city will be addressing the following housing strategies with Consolidated Plan funding with 2005 funding. Further project level detail is found in HUD Table 3-Proposed Projects found in the Appendix.

1. 2005 Housing Goals and Objectives

Goal H-1	Foster and Maintain Affordable Rental Housing
Objective H-1a	Provide financing and administer programs for the development of affordable and mixed-income housing

Funds need to be directed to stabilizing existing, and adding affordable housing units to preserve/add them in the city's housing inventory. Creation of new units should be focused on meeting housing needs not being met by the market such as supportive transitional housing developments. Equally important is the need to combine supportive services with stabilized housing.

In order to meet these rental goals, the city will pursue the following strategies over the next year.

- ◆ Preserve and improve the physical condition of existing subsidized housing, both publicly and privately owned.
 - ◆ Support development of new three or more bedroom rental units for large families. The City's goal is that 70% of affordable housing funds be allocated to larger family units.
 - ◆ A minimum of 20% of all city-assisted rental projects of 10+ units be affordable at 50% MFI.
 - ◆ Create additional transitional housing units with appropriate supportive services as an alternative to extended shelter use.
 - ◆ Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
 - ◆ Encourage development of mixed-income housing serving a broad and continuous range of incomes.
 - ◆ Emphasize affordable housing development outside impacted areas. The City's goal is that at least 50% of new city-produced affordable housing be located in non-impacted areas.
 - ◆ Use the affordable housing trust fund to guarantee a minimum level of sustained financial commitment toward the housing needs of those at the low income level. The annual funding goal is \$10 million.
 - ◆ Link housing programs to supportive service programs, income assistance programs and public housing initiatives to facilitate affordability.
 - ◆ Fifty percent (50%) of city affordable housing funds will be used for capital production of units affordable at 30% MFI.
- *Affordable Housing Trust Fund*
 - *Housing Development Assistance*
 - *High Density Corridor Housing*

- *HOME Multifamily Rental*

Goal H-2	Foster and Maintain Affordable Ownership Housing
Objective H-2a	Provide financing and administer programs for the development and preservation affordable ownership housing

In order to meet these goals, the city will pursue the following strategies over the next five years. The aim is to keep existing low income homeowners in their homes with strategic home improvement investments and to allow for new low income homeowners through creative, leveraged homeowner financing programs. An emphasis of city homeownership programs will be increasing the number of minority homeowners. The City will design its homeownership programs to attract minority homeowners.

- ◆ Preserve and improve the physical condition of existing ownership housing through home improvement offerings.
- ◆ Support in-fill development of new three or more bedroom housing for large families.
- ◆ A minimum of 20% of all city-assisted ownership projects of 10+ units be affordable at 50% MFI.
- ◆ Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- ◆ Encourage development of mixed-income ownership housing options serving a broad and continuous range of incomes.
- ◆ Promote and support first-time homeownership opportunities for traditionally underserved populations.
- ◆ Streamline city development review, permitting and licensing to make it easier to develop property in the City of Minneapolis.
- ◆ Develop a close dialog with community participants about appropriate locations and design standards for new housing.
- ◆ Foster community dialog about housing growth in and adjacent to city neighborhoods.
- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.
 - *GMHC Homeownership Program*
 - *Residential Loan and Grant*
 - *Vacant and Boarded Housing*
 - *Foreclosure Prevention Program*
 - *American Dream Downpayment Initiative*
 - *Homeownership Works*

The CPED website has a resource guide updated regularly containing the latest inventory of city housing programs providing specific detail on implementation of the above strategies (www.ci.minneapolis.mn.us/cped).

Goal H-3	Provide for Safe Affordable Housing
Objective H-3b	Mitigate housing conditions that present life and safety issues

The city will continue to work through its inspections and CPED departments to ensure that the city’s affordable housing supply is safe. The city proposes to annually set aside CDBG funding to assist in this endeavor. Over the next five years, all rental-housing units in the city are planned for inspections.

Currently, the city has instituted a problem properties task force. This group is a cross-departmental group that works with housing properties in targeted areas that consume many city resources in the areas of inspections and public safety. The Problem Properties Unit (PPU) identifies the worst properties in the city and develops strategies to reduce or eliminate problems. Solutions can include up to securing buildings with boards or demolish buildings under the provisions of Chapter 249 on the city’s code of ordinances.

- *Problem Properties Strategy*

Goal H-4	Foster and Maintain City’s Public Housing Supply
Objective H-4a	Support rehabilitation needs of MPHA housing stock
Objective H-4b	Assist in locating financial resources to prevent subsidized housing “opt-outs”
Objective H-4c	Assist in development of Heritage Park – a mixed-use, mixed-income community on the near northside of Minneapolis

The city recognizes the important role that public housing plays in the provision of affordable housing. Traditionally, the city has provided CDBG assistance to the MPHA to support their housing rehabilitation program as well as supporting their resident initiatives. The city has supported the Heritage Park development through provision of resources for the development of housing on the site. This includes extensive infrastructure work. As noted in the following section, the city is also aware of the importance of subsidized housing in the city and stands ready to assist the local market in preserving and stabilizing subsidized housing as needed. The city will continue to partner with MPHA in joint housing developments that need project-based housing vouchers to finance low income units. The city will also work with MPHA in siting new public housing in the city in non-impacted areas.

- *MPHA Rehabilitation*
- *Affordable Housing Trust Fund*

Heritage Park units (<80%MFI) anticipated to be assisted: 55 (35 large family)

2. 2005 Actions to Address Affordable Housing Barriers

Minneapolis is sensitive to the effects that public policies have on the cost of housing, or serve to dissuade development, maintenance or improvement of affordable housing. Although some of the barriers to the cost of producing affordable housing are beyond the control of local government, it is hoped that city policies do not create more barriers. The city works to establish positive marketing strategies and program criteria increasing housing choices for households with limited incomes, to provide geographical choice in assisted housing units, and to improve the physical quality of existing affordable housing units. The city has identified regulatory, transportation and financing issues as barriers to affordable housing.

Goal H-6	Remove or ameliorate any barriers to affordable housing
Objective H-6a	Mitigate barriers to the development, maintenance, and improvement of affordable housing

The City will be continuing its efforts at removing barriers to affordable housing. The further development and implementation of the one-stop development function between the city's Regulatory and CPED agencies will assist in reducing the time and effort needed by housing developers in creating new housing.

3. 2005 HOME Single Family program

HOME funds will be available for the renovation or new construction and sale of 10 to 20 vacant, three and four bedroom, single-family dwellings, under the Home Ownership Works (HOW) program. HOME funds may be used for any of the following activities: acquisition, demolition, renovation/repairs or new construction.

Home Ownership Works (HOW)

Home Ownership Works (HOW) is designed to address the goal of providing home ownership opportunities for residents who otherwise would have difficulty in attaining home ownership. It is also designed to address the problem of abandoned and foreclosed houses. The program also will be used to treat properties in need of demolition and new construction. HOW properties will be owned by the City of Minneapolis during the renovation/construction period. All properties will meet the HOW Program Standards which exceed the minimum city code requirements. Scope of work, construction bidding and construction monitoring will be completed by non-profit housing development construction managers. Private licensed general contractors will be selected through a sealed bid process to complete the required renovation/repairs or new construction. Local funds will be used to provide interim financing. The interim financing will allow immediate fee ownership only. This approach serves the following public purpose objectives:

1) Provides home ownership opportunities and long-term, affordable and decent housing for residents who are otherwise unlikely to achieve home ownership. Affordability is defined as the maximum percentage of the purchaser's income that can be used to pay the fixed costs of owning a home, which is determined by the lender (that is, loan payments of principal and interest, taxes and insurance, the sum of which is called PITI in the lending industry).

2) Addresses the problem of vacant and deteriorated structures

3) Helps the City maintain a base of owner occupants and provides housing opportunities to people who find that it is increasingly difficult to qualify for a home mortgage.

Funding for buyer assistance programs such as closing costs and down payments may be provided by CPED and other organizations.

Target Buyers

Target buyers would be first time homebuyers or buyers who are being displaced due to public action. Their annual gross income must meet the HOME low/moderate income requirements. They are residents who are either trying to purchase a home, but are having trouble qualifying for a mortgage or locating a decent home in their price range. Properties with 4 or more bedrooms will be sold to households of three or more people who will occupy the property. All purchasers will be required to attend homebuyer counseling and Housing Maintenance seminars prior to closing.

Target Houses

It is anticipated that a large number of properties will be FHA foreclosures or REO properties in need of moderate to substantial rehabilitation. Moderate rehab properties selected would be single family or duplex homes. Duplexes will be converted to single-family dwellings, where appropriate. The program will operate citywide.

Program Mechanics

Affordability

To ensure that the property will remain affordable to low-income homebuyers, staff will implement a resale provision. The resale price of any property will not exceed HUD Section 203 (b) limits, as of the date of closing. The City has chosen to implement a 15-year affordability term no matter what the level of HOME funding.

The proposed resale restriction meets federal requirements, ensuring the initial purchaser with a fair return on their initial investment plus principal reductions, post sale capital improvements and standard closing costs. These requirements would be spelled out in a promissory note and mortgage and filed against the property. A fair return is defined as the return of the homebuyer's initial investment plus principal reductions, post sale capital improvements and standard closing costs.

Buyer Financing

First Mortgage Lending

Under the Home Ownership Works program, eligible families may be able to apply for a mortgage loan through one of the city's participating lenders, where interest rates are typically below market rates for a 30-year mortgage. If needed, down payment and closing cost loans will be available through various lenders and non-profit organizations. Purchasers will need a minimum of a 1% down payment, plus an estimated 3% for closing costs and pre-pays.

City Subordinate Financing

Many of the HOW buyers are only able to purchase with direct buyer assistance in the form of a second mortgage provided by the city using HOME funds. As real estate values continue to rise, the use of these HOW second mortgages will continue and are needed to keep the properties affordable to low and moderate income households. A deferred second mortgage may be available to households who would otherwise be unable to purchase. The recapture provision will be enforced through a second mortgage. The second mortgage will be repaid from the net sales proceeds, if any, at the time of resale. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs. Any repayments received upon sale will be placed into the Minneapolis HOME account for future production or as direct buyer assistance for affordability.

Non-profit Participation

Property selection, buyer outreach, marketing, rehabilitation, construction and counseling will be labor intensive. These are also normal functions of developers. However, since the properties will be owned by city during the development process, another arrangement is necessary. For these reasons, the HOW program will contract with the local non-profit community to perform construction management services and may participate in marketing. Buyer counseling will also be provided by the local non-profit community.

Property Selection and Purchase

Due to HUD requirements, a decision to acquire a HUD property and agree on a price would need to occur within 5 days of the time that the property became available. The city will notify the appropriate neighborhood group of its intention to acquire and either rehabilitate the existing structure or demolish and construct a new home that will be sold to an owner occupant in accordance with the program requirements.

Citizen Participation

Neighborhood groups will review this proposal for the required 45-day contractual period before proceeding to the Council for final approval. Neighborhood groups will be notified regarding the properties to be included in the program before they are acquired.

Rehabilitation

Rehabilitation standards would include the housing maintenance standards, HOW Renovation Standards, energy efficiency, lead abatement and ease of maintenance and long term maintenance issues. While the homes would be rehabilitated to be an asset to the neighborhood and to avoid high maintenance costs, some economies would be made to avoid excessive rehab costs. For example, newer roofs, furnaces, water heaters, etc., which are functioning properly and with an expected 7 to 10 year usable life expectancy, would not be replaced. The general rule would be to ensure that the owner does not experience major replacement costs for a minimum of the first seven years of ownership, and that the home would be eligible for FHA financing.

New Construction

Due to the increased costs of acquiring and renovating sub-standard housing, staff will begin the use of new construction in the HOW Program. Provided homeowners do the required general and annual maintenance, these newly constructed homes should assure first time homeowners minimal mechanical and structural problems for over twenty years. Homeowner occupancy requirements for new construction will be 15 years. Any sale or transfer of the property from its original owner will require a sharing of the net sales proceeds. Any repayments received upon sale will be placed into the Minneapolis HOME account for future production or as buyer affordability assistance.

Marketing

HOW properties will be marketed and advertised after renovation/construction through newspapers and MLS. Marketing will be established on a pay per performance basis and will be performed by realtors active in and familiar with the Minneapolis market. The sales price will be determined by a fair market

value appraisal or 203 (b) limits, whichever is less based on the completed project.

4. 2005 HOME Multifamily Guidelines

Affordable Housing Trust Fund (formerly the HOME Multi-Family Rental and Cooperative Housing Program) Administrative Guidelines

In 1982, the City of Minneapolis began a new housing program called the Multi-Family Rental and Cooperative Housing Program to finance the production of new or rehabilitated affordable rental units. Recently, the City Council changed the name of this program to the Affordable Housing Trust Fund. The primary sources of funds for this program are HOME and CDBG monies. This program provides funds to affordable rental projects that need gap financing assistance to cover the difference between total development costs and the amount that can be secured from other sources. In 2005, applications for program funds will be solicited through a Request for Proposals to be advertised in April 2005. CPED staff evaluate the projects, based upon the selection criteria outlined below, and make recommendations for funding commitments to the City Council.

Program Goals

The goal of this program is to provide assistance for rehabilitated or new multi-family units to make them affordable to households whose incomes are at or below 80 percent of the Metro Median Income as adjusted for family size. The City's Affordable Housing Policy states that all city financially assisted rental housing projects of 10 units or more shall have at least 20 percent of the units affordable at or below 50 percent of metro median income, adjusted for family size. All units developed with HOME funds, however, must be affordable to and occupied by families whose incomes are at or below 60 percent of the Metro Median Income as adjusted for family size. In addition, in rental projects with five or more HOME-assisted rental units, 20 percent of the HOME-assisted units must be occupied by families whose incomes are at or below 50 percent of the Metro Median Income as adjusted for family size. HOME income limits for 2005 will be updated by HUD in early 2005.

Affordability Periods are as follows:

Per unit dollar-amount of HOME funds for Rehab or Acquisition of Existing Housing	Minimum Period of Affordability
Under \$15,000	5 Years
\$15,000 - \$40,000	10 Years
Over \$40,000	15 Years
New Construction or Acquisition or	20 Years

newly constructed housing

Compliance with Policies and Regulations

Further details can be found in the Appendix on how the program complies with federal policies and regulations as well as project selection criteria used by CPED, or can be obtained through request to CPED. For more information please contact Matt Bower, Office of Grants & Special Projects at 612-673-2188.

Eligible Uses of Funds

HOME funds may be used for the following eligible project activities: development hard costs, acquisition costs, related soft costs, and relocation costs. CDBG funds may be used for the following eligible activities: acquisition, clearance, site improvements, rehabilitation, and related soft costs, if necessary and if done in conjunction with rehabilitation. No disbursement of funds under this program will be made until total project financing is in place and project closing has occurred.

HOME funds may be used for new construction in certain instances. Proposed sites for new construction must be approved by CPED for meeting HUD regulations relative to site and neighborhood standards. Typically, CDBG funds may not be used for new construction, however, in certain instances CDBG regulations permit funds to be used for new construction (for example, if the activity is undertaken by a neighborhood-based non-profit entity meeting HUD definitions and in compliance with City policy regarding "permissible ineligibles").

Administration

The administration of the Program is the responsibility of CPED's Affordable/Family Housing Development Department. A committee composed of the appropriate staff from CPED will evaluate funding requests.

Procedure

CPED allocates semi-annually funding from the Affordable Housing Trust Fund. Reallocated funds from prior proposals that were unable to demonstrate project viability are also be added. Staff reviews proposals and present recommendations for funding to the City Council. Developers are required to submit their proposals to the appropriate neighborhood group for review.

Repayment of Program Funds

The repayment of program funds will be structured on a project-by-project basis. Repayment may take the form of an amortized loan, distribution from annual project cash flows, repayment at time of sale, refinancing or conversion, or other

acceptable forms of repayment such as a shared loan. Repayment of program funds is required of all developers, both profit and non-profit, who use the Affordable Housing Trust Fund, however, if later in a project's history the affordability of units becomes an issue, the payback of the program funds may be restructured to maintain that affordability.

HOME Other Forms of Assistance (Match)

There are no other forms of investment in the city's HOME Program as described in 24 CFR92.205 (b.). Matches to the program include, but are not limited to the following:

- ◆ Cash contributions (e.g. housing trust funds, foundation grants, and private donations)
- ◆ Proceeds from Affordable Housing Bonds
- ◆ Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

Based on annual average over the past three years, HOME program income and match for 2005 is estimated to be \$2,830,000.

HOME Affirmative Marketing Program plus Minority and Women Business Outreach

The city's HOME Affirmative Marketing Program is described in project selection criteria. Outreach to minority- and women-owned businesses is conducted through the city's Small and Underutilized Business Program. It is the policy of the City of Minneapolis and its departments and offices, including CPED, to provide small businesses, including women or minority owned businesses, with access to city business opportunities-- including the procurement of goods, materials and services, and construction and economic development projects. Solicitation efforts include invitations to certified small businesses, and encouraging subcontractor recruitment through Request for Proposal instructions.

5. 2005 American Dream Downpayment Initiative Guidelines

The American Dream Downpayment Initiative (ADDI) grant is a program offered by HUD to provide funding to help support the down payment and closing cost needs of first-time, low and moderate income homebuyers. On May 28, 2004, the City Council approved program guidelines. These program guidelines follow and are incorporated into 2005 and subsequent Consolidated Plans.

Available funds

ADDI 2003 is \$193,542; ADDI 2004 is \$ 228,386; ADDI 2005 is \$130,230:
Estimated production goal- 55 households

Loan terms

- a) Zero percent interest
- b) No monthly payment
- c) The loan will be forgiven over a five-year period from the date of closing with forgiveness occurring at a rate of 20% each year on the anniversary date of closing
- d) The loan is due on sale, transfer-of-title, or when primary mortgage is paid in full, except that in the case of a refinance, the loan may be subordinated subject to the CPED Subordination Policy in effect at the time of the request for subordination

Maximum and minimum loan amounts

- a) The maximum loan amount is six percent of the sale price or \$10,000, whichever is greater
- b) The minimum loan amount is \$1,000.

Use of funds

The funds may be used to go toward the payment of down payment or toward payment of normal and usual closing costs.

Eligible properties

- a) The property must be located in Minneapolis and be a newly constructed or newly rehabilitated house with a maximum purchase price that is at or below the following limits.
 - i. \$221,160 single family (including condominium or town home)
 - ii. \$249,096 duplex
 - iii. \$302,640 triplex
 - iv. \$349,200 fourplex
- b) If the house is a newly renovated property, it must have been rehabilitated to a standard that eliminated any health and safety deficiencies and addressed lead abatement or containment according to federal regulations associated with Federal funding sources
- c) Existing structures that were not constructed during or after 1978 or newly renovated (including renovation of the common areas of a town home or condominium) are not eligible.

Eligible borrower

- a) Borrower must qualify under one of the following categories:
 - i. First time homebuyer - To qualify for this requirement they must not have owned a home within the three years preceding the closing of this loan.

- ii. Displaced homemaker – (a) adult, (b) has not worked full time full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and (c) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.
- iii. Single parent – an individual who (a) is unmarried or legally separated from a spouse; and (b) has one or more minor children for whom the individual has custody or joint custody, or is pregnant.

b) The maximum income is 80% of median income for Minneapolis/Saint Paul SMSA as published annually by HUD, adjusted by family size,

c) Priority access to these funds will be provided as follows:

- i. Applicants that currently reside in government subsidized public housing or recipients of Section 8 rental payment assistance.
- ii. Applicants where at least one of the applicants is from an underserved population

Home Ownership Counseling

Borrower must complete home ownership counseling through an approved organization and must provide a certificate indicating completion of the home ownership counseling prior to closing of the loan.

Combining funds

- a) Loan may only be offered in connection with the CityLiving home program.
- b) ADDI funds may be combined with other assistance programs to provide greater opportunity for the borrower to secure the purchase of a home.

Loan security

- a) The loan must be secured by a promissory note and a mortgage.
- b) The loan may be secured in a lower lien position behind other program funds.
- c) No title insurance is required.
- d) No mortgagee clause is required in the owner’s hazard insurance policy.

6. 2005 Affirmatively Furthering Fair Housing

Goal H-5	Affirmatively Further Fair Housing
Objective H-5a	Enforce the City’s fair housing ordinance
Objective H-5b	Provide resources to the metro Fair Housing Implementation Committee

The City works to ensure that to the greatest extent possible, its housing programs affirmatively further fair housing. The lead city agency in educating and enforcing fair housing laws is the Department of Civil Rights. The Department of Civil Rights works with community groups such as the Minnesota Fair Housing Center and Legal Aid Society of Minneapolis to research fair housing issues, publicize affirmative practices and enforce federal, state and local fair housing laws.

In May 2001, the Regional Analysis of Impediments to Fair Housing was written by the Legal Services Advocacy Project under a contract with the Metropolitan Council acting on behalf of HUD Consolidated Plan entitlement jurisdictions in the Twin Cities. This action was completed because of the close proximity of the cities in the metro area and the nature of fair housing issues being metro wide and not concentrated to one city. Since the report, the Fair Housing Implementation Council (FHIC) has been formed. This council consists of the metropolitan Consolidated Plan jurisdictions along with fair housing advocates, stakeholders and housing industry representatives.

The FHIC is implementing several action recommendations for the jurisdictions. The FHIC input will provide the City with a clearer understanding of the issues that are in need of the greatest attention and what the City can proactively provide to those issues. Over the next year, the City will assist in underwriting the following actions of the FHIC with CDBG funding:

1. Provide literature and training on reasonable accommodation in rental housing building on earlier effort at providing market information on available rental housing for disabled persons
2. At a metropolitan level, identify and work to methods of promoting inclusiveness in public housing program offerings.
3. Develop a progress report on implementation of current metropolitan fair housing action plan and include a sponsorship on fair housing related needs of Limited English Proficiency populations.
4. Implement a renter housing enforcement and testing program

- *Metro Fair Housing*

As well locally the City will be pursuing the following projects with CDBG funding to address aspects of fair housing impediments and enforce affirmative actions.

- *Civil Rights/CDBG Compliance/Fair Housing*
- *Neighborhood Services*
- *Northside/Southside Legal Aid*
- *Housing Discrimination Law Projects*

All activities undertaken will be consistent with addressing impediments identified in the 2001 Analysis of Impediments.

Impediment*	Action	Organization	Resources	Time Period
28/29- Refusal to rent to tenants by familial / income status disproportionate impact upon protected class members	Services including complaint intake, investigation, advocacy and litigation	Housing Discrimination Law Project	CDBG- \$76,241	2005-06
	Enforcement of city fair housing ordinance; case investigation	Minneapolis Civil Rights Department	CDBG -\$257,312 (portion)	2005-06
28/29- Refusal to rent to tenants by familial / income status disproportionate impact upon protected class members	Advice and representation with special emphasis on housing and shelter-related issues	Legal Aid Society	CDBG - \$46,697	2005-06
35/36- Lack of awareness of providing for reasonable accommodation; financing accommodative actions	Develop fact sheets, forms and training for owners & tenants on reasonable accommodations	Metropolitan FHIC Rental Subcommittee	FHIC -\$10,000	2005
26- Segregated residential patterns limit or restrict housing choice for protected class members	Fostering inclusive communities	Metropolitan FHIC Public Policy Subcommittee	FHIC -\$20,000	2005-06
	Publicize efforts of FHIC actions	Metropolitan FHIC	FHIC -\$5,000	2005
14/29-Refusal to rent to voucher/ subsidy recipients,	Rental testing and enforcement	Legal Aid Society	FHIC -\$65,173	2005
11- LEP households have unequal access to housing related programs	Public Housing document translation	Public Housing Authorities (PHAs)	FHIC, PHAs – in-kind	2005

*Impediments were identified in the 2001 Regional Analysis of Impediments to Fair Housing

J. 2005 Addressing Homelessness and Those Threatened with Homelessness

Goal HM-1	Support Persons Suffering from Homelessness
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with the strategies of Continuum of Care and the Community Advisory Board on Homelessness

To support Continuum of Care and Community Advisory Board on Homelessness goals, the City will provide its HOME, CDBG and ESG capital funds to support the development and preservation of housing for those who suffer homelessness or are threatened with homelessness.

These activities will include providing capital funds to develop new or renovate existing emergency and transitional housing shelters. The City will also fund the development and rehabilitation of supportive housing options across the entire continuum of care.

Strategies for addressing the service needs of the homeless are found in the current Hennepin County Continuum of Care for the Homeless described in Chapter 3. The Continuum sets forth the relative priority of the various needs facing the homeless. These priorities are revisited annually by the Community Advisory Board on Homelessness in preparation for the annual HUD SuperNOFA process. A community process involving service providers, county and city staff and interested constituent groups set the priorities found in the Continuum through a series of community meetings and focus groups. The City will support any applications for federal assistance that meet the priorities expressed in the annual Continuum of Care.

1. 2005 Actions to Address Homelessness

The city intends to pursue the following strategies with its Consolidated Plan funds to meet the needs of the homeless. The strategies encompass a variety of approaches to address needs of the homeless and those threatened with homelessness.

CDBG: The city will apply CDBG funds to support multifamily unit development (including transitional/supportive housing) for those up to 50 percent of metro median income with at least 50 percent of designated funds supporting those at or below 30 percent. The City will also consider for CDBG support organizations providing services to homeless individuals and families.

HOME: The city will apply HOME funds to finance transitional/supportive-housing units. It will also apply these funds to support multifamily unit development for those up to 50 percent of metro median income with an emphasis on those at or below 30 percent.

ESG: The city will continue to address emergency and transitional shelter capital needs with its ESG block grant.

HOPWA: Housing assistance will be provided to families/persons with HIV/AIDS who are threatened by homelessness through the HOPWA allocation. The HOPWA funding is intended to be disbursed for projects throughout the metropolitan area. Project selection is made through the Minnesota Housing Finance Agency Housing.

Over the course of the next year, the City will have the following number of units in some stage of completion.

New:	30
Rehab:	262

K. 2005 Community Development Objectives

Community Development Block Grant funds will be used to support several community development initiatives.

1. Public Facilities

Goal CD-3	Meet Community Infrastructure Needs
Objective CD-3a	Use CDBG resources to address public space initiatives in CDBG eligible neighborhoods

High Priority Strategies

Public Facilities (General)

Use Capital Improvement Plan to guide city investment in public facilities

- *Graffiti Removal*

Child Care Centers

Provide capital funds to maintain existing childcare opportunities, and to expand number of childcare opportunities

- *GMDCA Childcare Facility Loan and Grant*

Neighborhood Facilities

Address capital improvements to neighborhood-based facilities that are accessible to the city's low and moderate income residents

Medium Priority Strategies

Senior Centers

Renovate, expand or develop public facilities appropriate for the city’s growing elderly population

Youth Centers/Handicapped Centers

Renovate, expand and develop of public facilities appropriate for the city’s youth population, including special need groups

Park and Recreational Facilities

Park and recreational sites will be made secure, attractive, and accessible through capital investments

Non-Residential Historic Preservation

Provide for historic preservation on historically, architecturally and culturally significant community institutions

2. Public Services

Goal CD-2	Support the Community Safety Net
Objective CD-2a	Provide support to City’s senior citizens

High Priority Strategies

Senior Services

Support programs that allow seniors to be self-sufficient

- *Senior Block Nurse Program*

Goal CD-2	Support the Community Safety Net
Objective CD-2b	Promote healthy outcomes for low- and moderate-income individuals and families

High Priority Strategies

Health Services

Promote the healthy well being of residents through public and private service providers

- *Carondelet LifeCare/St. Mary’s Health Clinic*
- *Children’s Dental Services*
- *Lao Advancement Organization of America*
- *Minneapolis Medical Research Foundation HIV/AIDS Case Management*

- *New American Community Services*
- *Southside Community Health Services*
- *West Side Community Health Services*
- *Neighborhood Health Care Clinics*

Child Care Services

Support programs that subsidize child care slots for income eligible families and expand availability of child care options.

- *Early Childhood Resource and Training Center*
- *YWCA Child Care Subsidies*
- *GMDCA Child Care Subsidies*

Goal CD-2	Support the Community Safety Net
Objective CD-2c	Provide resources to vulnerable citizens

Medium Priority Strategies

Public Services (General)

City will decide on appropriate funding needs for public services on case-by-case basis. City will support program applications for federal assistance

- *Native American Community Clinic*
- *New Arrivals*

Substance Abuse Services

Coordinate with county to promote culturally sensitive substance abuse programming

Mental Health Services

Work with County to provide outreach and assessment services to remedy individual mental health issues

- *Minneapolis Urban League*

Goal CD-2	Support the Community Safety Net
Objective CD-2d	Provide resources for City’s youth programming initiatives

Medium Priority Strategies

Youth Services

Develop and support community-based services to nurture and support young people

- *Youth Employment and Training*
- *Way to Grow*
- *Curfew Truancy Center*
- *Youth Coordinating Board*
- *MPS Teenage Parenting and Pregnancy Programs*
- *Little Earth Resident’s Association Academic Enrichment*
- *MELD*

3. Economic Development

Goal CD-1	Expand Economic Opportunities for Low- and Moderate-Income Persons
Objective CD-1a	Link residents to permanent jobs

High Priority Strategy

Economic Development Direct Financial Assistance to For-Profits
 City will work to link provision of public assistance supporting companies who can offer jobs appropriate to low and moderate income residents’ needs. This assistance may include HUD Section 108 financing as necessary.

- *Industry Cluster Program*
- *Adult Training Placement and Retention*
- *Northside Jobs Partnership*
- *Close the Gap*

Goal CD-1	Expand Economic Opportunities for Low- and Moderate-Income Persons
Objective CD-1b	Provide resources to improve community access to capital

High Priority Strategies

Rehab, Publicly or Privately-Owned Commercial
 Rehabilitate commercial properties to keep them marketable

- *Commercial Economic Development Fund*

Medium Priority Strategies

Commercial Industrial Land Acquisition/Disposition

Facilitate commercial/industrial investment to core areas of the city suitable for redevelopment

Commercial Industrial Infrastructure Development

Support new industry in specific industrial/business center growth areas such as SEMI-University Research Park, Biosciences Corridors.

Other Commercial Industrial Improvements

Planning, market studies, design forums, infrastructure improvements such as roadway access, capital equipment acquisition

Low Priority Strategies

Economic Development Technical Assistance

Direct technical assistance opportunities to small businesses, especially through CPED Business Assistance office.

Micro-Enterprise Assistance

Direct technical assistance opportunities to small businesses, especially through CPED Business Assistance office.

L. 2005 Anti-Poverty Objectives

The city focuses its resources and efforts on developing a skilled and employable resident workforce capable of receiving living wage jobs. The city also works to develop infrastructure to support industries that can pay a living wage. A key tool the city is using to reduce the number of poverty-level families is the implementation of its Empowerment Zone strategy.

The federal Empowerment Zone (EZ) initiative is a job creation, economic development strategy for America’s inner cities. A ten-year initiative, its purpose is to create jobs and business opportunities in the most economically distressed areas of cities. It approaches urban renewal through a holistic manner focusing on activities to support people looking for work, such as job training, childcare, transportation and access to affordable, decent housing.

Minneapolis Empowerment Zone Goals
Economic development strategies that generate living wage jobs and community sustainability
Access to a variety of housing options that promote family and community stability
Neighborhood-based safety strategies that help residents create safer neighborhoods

A comprehensive education system that prepares all Minneapolis learners for participation in the economic and social fabric of the community
Coordinated community-based services that nurture and support young people and their families

The city mandates those businesses that receive financial assistance from city agencies in excess of \$100,000 hire city residents at livable wage levels. The city defines a living wage as a worker earning 110% of the federal poverty level.

Implementing Focus Minneapolis (a 2002-03 review of how the city performs development) has led to the development of a Community Planning and Economic Development office (CPED). CPED works to assist local businesses in navigating financing and regulatory issues that they may encounter in either seeking or expanding a site in the city. CPED pursues brownfield redevelopment initiatives to clean up old industrial sites to make them “green” again and attractive for business investment. These efforts seek to broaden the availability of business opportunities providing jobs to the city’s low and moderate-income residents.

The city supports the work of various community-based employment training, human development and social service agencies. The city also reaches out to agencies that represent the city’s new foreign-born populations to assure that no segment of the city’s population lacks accessibility to culturally appropriate human development strategies. The Office of New Arrivals assists in this effort.

Minneapolis continues to review issues of concentrated poverty, housing choice and the needs of its low and moderate-income residents when designing its housing and economic development programs. The city is actively working to deconcentrate poverty, increase the variety of housing options and support residential displacement and relocation policies. As a HUD recipient, the city offers Section 3 assistance through project notification procedures, bid requirements, and monitoring applicable projects. This expands economic opportunities to the city’s very low- and low-income residents.

The City estimates that over the 2005-09 five-year strategy, 60,000 residents will benefit from its anti-poverty programming and initiatives.

M. Non-Homeless Special Needs Housing

The City will seek to fund special needs housing through its Affordable Housing Trust Fund project funding solicitations.

1. 2005 Non-Homeless Special Needs Objectives

Goal SPH-1	Foster and Maintain Housing for those with special needs
Objective SPH-	Provide financing for the development and preservation of

1a	housing opportunities for persons with special needs
----	--

- *Affordable Housing Trust Fund*

The City supports the creation of housing units for special needs populations. When possible these units should be in the form of supportive housing. The city anticipates the following five-year goals for special needs housing. Annual goals will be determined through developer response to annual Affordable Housing Trust Fund solicitations:

Type	Priority	0-80%
Rehabilitated	H	180
New/Positive Conversion	H	210
Total		390

The city can support these goals through the following strategies:

- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.
- ◆ Support the development of housing with supportive services that help households gain stability in areas such as employment, housing retention, parenting, mental health and substance challenges.
- ◆ Not use zoning ordinance or other land use regulations to exclude permanent housing for people with disabilities. Special needs housing shall be available as needed and appropriately dispersed throughout the city.

Some specific strategies to be undertaken in support of specific subpopulations of special needs households include the following.

Elderly/Frail Elderly

- ◆ Support development of affordable and mixed-income senior rental housing in all parts of the city. These developments may be independent rental, congregate, and/or assisted living projects.
- ◆ Seek available resources and partnerships to assist the development of senior housing through land acquisition, advantageous site location/improvements and other eligible appropriate ways.
- ◆ Ensure quality design and amenities of housing as well as quality management and supportive services.

Severe Mental Illness

- ◆ Seek opportunities for development of new supportive housing units for persons with mental illness as part of larger housing or redevelopment initiatives.

- ◆ Seek to retain existing housing stock through rehabilitation activities.
- ◆ Encourage the development of practice apartments within new developments to give people the chance to learn independent living without jeopardizing their rental history and for mental health services to realistically assess service needs.
- ◆ Use available federal, state, and local resources to assist in the development of supportive housing units for persons with mental illness.

Developmentally Disabled

- ◆ Seek opportunities for development of new supportive housing units for developmentally disabled persons as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain existing housing stock through rehabilitation activities.

Physically Disabled

- ◆ Seek opportunities for development of new supportive housing units for physically disabled persons as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain and increase accessibility to existing housing stock through rehabilitation activities.
- ◆ Ensure availability of accessible units in city-assisted housing developments.

Persons with Alcohol/Other Drug Addiction

- ◆ Seek opportunities for development of new supportive housing units for persons who suffer from chemical dependency as part of larger housing or redevelopment initiatives.
- ◆ Seek to retain existing housing stock through rehabilitation activities.

Veterans

- ◆ Finance transitional housing developments for veterans. Projects would need to serve Minneapolis veterans who were either residents of Minneapolis prior to suffering homelessness, or have been referred from a Minneapolis facility serving the homeless or near homeless.

2. Housing Opportunities for Persons with AIDS (HOPWA) Objectives

Goal SPH-1	Foster and Maintain Housing for those with special needs
Objective SPH-1a	Provide financing for the development and preservation of housing opportunities for persons with special needs

HOPWA Program-Specific Requirements

The HOPWA allocation to the City of Minneapolis is for expenditure in the Metropolitan Statistical Area comprising eleven counties in Minnesota (Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright), three cities in Minnesota (Minneapolis, Saint Paul and

Bloomington) and two counties in Wisconsin (Pierce and Saint Croix.) On behalf of the metropolitan area, the City will receive a 2005 HOPWA grant of \$797,000

In order to ensure that the grant is distributed throughout the metropolitan area, the City of Minneapolis has designated the Minnesota Housing Finance Agency (MHFA), the state housing agency, to administer and monitor HOPWA projects. Collaborating with the MHFA allows the City to advertise the annual HOPWA allocation in the MHFA's Super RFP process. This coordinated approach helps an applicant to access numerous funding programs within one process, helping projects to secure the bulk of total project funding faster than through separate funding rounds. The Minnesota HIV Housing Council determines HOPWA priorities and currently recommends that current programs have their HOPWA funding renewed.

HUD Table 3-Proposed Projects table describes the projects to receive 2005 HOPWA funds awarded in this fall's MHFA funding round. It is estimated that 125 households will receive housing assistance through these programs. In addition, work continues on the Clare Apartments, which will bring on line 28 supportive housing units.

- *Minnesota AIDS Project Transitional Housing Program*
- *Metropolitan Council HRA Housing Assistance Program*

N. CDBG Program Requirements

CDBG Program Income

Estimated program income is identified separately from the budget contained in the HUD Table 3-Proposed Projects. As a matter of administrative convenience, the city recognizes program income as it is received and reports it at the end of the program year in the performance report. The City uses program income to extend program activities originating the income. Activities that may earn program income are noted in Table 3 project descriptions. The City estimates that program income will be approximately \$1,200,000.

CDBG Float-Funded Activities

The city of Minneapolis does not plan to fund any float-funded activities.

CDBG Location of Proposed Activities

The HUD Table 3-Proposed Projects table provides the location of CDBG-funded activities. The location may be address-specific. Locations may also be citywide if the services are available throughout the city. The Appendix contains the CDBG Target Area map.

CDBG Contingency Funds

The city is planning to allocate all of 2005 CDBG funds to programs in FY 2005.

CDBG Urgent Needs

HUD has three national objectives: (1) Slum and Blight, (2) Low Moderate Income Benefit and (3) Other Urgent Needs. No CDBG-funded project addresses the urgent needs national objective. At least 70 percent of the CDBG funds will be used for activities that benefit low and moderate-income persons and all other activities will meet the national objective of slum and blight elimination.

CDBG Revolving Funds

The city has several revolving fund programs; all are discussed in the program descriptions.

CDBG Statement of Objectives

The 2005 City Goals for city budgeting purposes are:

- ◆ Build communities where all people feel safe and trust the City's public safety professionals and systems;
- ◆ Maintain the physical infrastructure to ensure a healthy, vital and safe City;
- ◆ Deliver consistently high quality City services at a good value to taxpayers;
- ◆ Create an environment that maximizes economic development opportunities within Minneapolis by focusing on the City's physical and human assets;
- ◆ Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth;
- ◆ Preserve and enhance our natural and historic environment and promote a clean, sustainable Minneapolis;
- ◆ Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities;
- ◆ Strengthen City government management and enhance community engagement.

Further discussion of goals and objectives are contained in Chapter 5, the Five-Year Strategy.

CDBG Statement of Displacement Policies

In developing the CDBG program, the city considers existing city policies for the minimization of displacement. In carrying out CDBG-funded activities, the City

follows ongoing administrative policies to limit displacement through using land inventories, available vacant land and substandard vacant structures. Where displacement does occur, the city provides a full range of relocation benefits and services to those displaced according to its relocation policy.

O. ESG Program Requirements

The City of Minneapolis prioritizes the Emergency Shelter Grant (ESG) for the rehabilitation of transitional housing facilities serving homeless families and persons or emergency shelters. The properties must be located in the City of Minneapolis or Hennepin County. Awards are through an annual Request for Proposal process in conjunction with the Affordable Housing Trust Fund RFP. Matches to the program award are required and can be operating costs funds provided by Hennepin County to recipient projects. Other match sources for projects can include rehabilitation-specific contributions from the State Housing Finance Agency, foundations, and private sources. Required qualifications of proposals are:

- ◆ Organization submitting proposal is eligible to apply for ESG funding
- ◆ The project applicant demonstrates sufficient knowledge, experience and capacity to undertake and complete proposed rehabilitation project.
- ◆ The facility to be rehabilitated and the costs to be incurred are eligible for ESG funding
- ◆ The proposed project is cost effective.
- ◆ The rehabilitation must be completed by 24 months after the City's fiscal year ESG award.
- ◆ Upon completion of the renovation, the facility must be used as transitional housing or an emergency shelter for a minimum of ten years.
- ◆ The proposed project complies with local policies and funding guidelines, including the City of Minneapolis Consolidated Plan.

The following types of proposals will receive priority consideration for ESG support:

- ◆ Larger capital requests, (proposals with costs exceeding \$50,000)
- ◆ Requests with realistic, detailed scope of work and projected costs including soft costs
- ◆ Projects that can start within 6 months of project approval
- ◆ Projects with potential for leveraging other funds to help cover the rehabilitation costs

P. SF-424 Federal Applications for Assistance/Grantee Certifications

Definitions Used within the Consolidated Plan

ACS The American Community Survey is a new nationwide survey designed to provide communities a fresh look at how they are changing. It will replace the long form in future censuses and is a critical element in the Census Bureau's reengineered 2010 census plan.

ADDI American Dream Down payment Initiative, one of the HUD entitlement programs covered by the Consolidated Plan. The program was created to assist low-income first-time homebuyers in purchasing single-family homes by providing funds for down payment, closing costs, and rehabilitation carried out in conjunction with the assisted home purchase

Affirmatively Further Fair Housing The participating jurisdiction (PJ) will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Affordable Annual owner costs less than or equal to 30% of annual gross income and are estimated assuming the cost of purchasing a home at the time of the Census based on the reported value of the home. Assuming a 7.9% interest rate and national averages for annual utility costs, taxes, and hazard and mortgage insurance, multiplying income times 2.9 represents the value of a home a person could afford to purchase. For example, a household with an annual gross income of \$30,000 is estimated to be able to afford an \$87,000 home without having total costs exceed 30% of their annual household income.

AHTF Affordable Housing Trust Fund is a city program with the purpose of providing gap financing for affordable and mixed-income rental housing. AHTF is used to finance the production, preservation and stabilization of affordable and mixed-income rental housing in Minneapolis

American Indian Population The number of people in a 2000 Census tract that listed themselves as non-Hispanic American Indian or Alaskan Native.

Any housing problems Cost burden defined as greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Asian/Hawaiian/Pacific Islander Population The number of people in 2000 Census tract that listed themselves as non-Hispanic Asian or Pacific Islander

Black Population The number of people in a 2000 Census tract that listed themselves as non-Hispanic black/African/American

CABoH Community Advisory Board on Homelessness An advisory board established to implement recommendations made by the elected bodies of the City and the County to address the task-force identified housing and service needs, as well as system issues, of the homeless.

CDBG Community Development Block Grant One of the HUD entitlement programs covered by the Consolidated Plan. Provides grants for programs that develop decent housing and suitable living environments, and that expand economic opportunities, principally for low- and moderate-income persons

CHAS Comprehensive Housing Affordability Strategy data compiled from the 2000 U.S. Census HUD requires communities to document their local affordable housing needs upon this data. These “special tabulation” data are used by local governments for housing planning as part of the Consolidated Planning process. HUD also uses some of these data in allocation formulas for distributing funds to local jurisdictions

Certification A written assertion based on supporting evidence that must be kept available for inspection by HUD, by the Inspector General of HUD and by the public. The assertion shall be deemed accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

Citizen Participation A detailed plan, which provides for, and encourages, citizen participation and which emphasizes participation by persons of low- or moderate-income, particularly residents of predominantly low- and moderate-income neighborhoods, slum or blighted areas, and areas in which the grantee proposes to use CDBG funds.

CLIC Capital Long-Range Improvement Committee The City of Minneapolis citizens’ committee that prepares a capital budget for the Mayor’s review

Comprehensive Grant (Also HUD or MPHA Comprehensive Grant)
An annual grant from HUD to fund capital improvements as well as management improvements in public housing developments. The grant is based on the number of units, the age of the units, the identified backlog of modernization needs and several other criteria

Consolidated Plan The document submitted to HUD serving as the planning document (comprehensive housing affordability strategy and community development plan) of the jurisdiction. It is an application for funding under any of

the Community Planning and Development formula grant programs (CDBG, ESG, HOME, ADDI, and HOPWA).

Continuum of Care (CoC) CoC planning is a requirement for applications for Federal and State homelessness program funding. CoC planning enlists homeless advocates, shelter and social service providers, community activists and homeless/formerly homeless people to evaluate the local resources currently available to homeless persons, identifies and prioritizes the gaps in services, and develops strategies to fill those gaps.

Cost Burden Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities

Eligible Activities Not less than 70% of the CDBG funds must be used for activities that benefit low- and moderate-income persons. All activities must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community

Elderly households 1 or 2 person household, either person 62 years old or older, as defined by HUD CHAS survey data,

Emergency Shelter Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.

EZ Empowerment Zone The Minneapolis Empowerment Zone is 10-year Federal initiative designed to help develop healthy and sustainable communities in economically distressed areas through economic growth, affordable housing, education, job training and community based services.

Entitlement Communities Principal cities of Metropolitan Statistical Areas (MSAs); other metropolitan cities with populations of at least 50,000; and qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities). States distribute the funds to localities who do not qualify as entitlement communities.

Entitlement Programs Program funds received by Entitlement Communities from HUD: CDBG, HOME, ESG, HOPWA, and ADDI.

ESG Emergency Shelter Grant One of the HUD entitlement programs covered by the Consolidated Plan. ESG funds are used for the rehabilitation or conversion of buildings into homeless shelters. It also funds certain related social services, operating expenses, homeless prevention activities, and administrative costs

Extra Elderly 1 or 2 Member household, either person 75 years or older, as defined by HUD CHAS survey data,

Extremely Low Income (see very-low income)

Family A family is defined as two or more related people living together

Family Housing Fund A nonprofit organization that works in the seven-county metro area of Minneapolis and Saint Paul to produce and preserve affordable housing.

Family with Children A family composed of the following types of persons: at least one parent or guardian and one child under the age of 18; a pregnant woman; or a person in the process of securing legal custody of a person under the age of 18.

GMHC Greater Metropolitan Housing Corporation is a Twin Cities organization that was formed in 1970 by the Minneapolis business community with the mission is to preserve, improve and increase affordable housing for low and moderate income individuals and families, as well as assist communities with housing revitalization

Hispanic Population The number of people in a 2000 census tract that listed themselves as Hispanic.

HOME HOME Investment Partnerships is one of the HUD entitlement programs covered by the Consolidated Plan. HOME provides formula grants to fund activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

Homeless Family Defined as a family that includes at least one parent or guardian and one child under the age of 18, a pregnant woman, or a person in the process of securing legal custody of a person under the age of 18 and

- (1) Lacks a fixed, regular and adequate nighttime residence and
- (2) Has a primary nighttime residence that is:
 - (i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - (ii) An institution that provides temporary residence for individuals intended to be institutionalized; or

(iii) A public or private place not designed for, or ordinarily used as regular sleeping accommodation for human beings.

Homeless Person Defined as a youth (17 years or younger), or an adult who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or a State law) including the following:

- (1) An individual who lacks a fixed, regular and adequate nighttime residence who is:
- (2) An individual who has a primary nighttime residence that is:
 - (i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - (ii) An institution that provides temporary residence for individuals intended to be institutionalized; or
 - (iii) A public or private place not designed for, or ordinarily used as regular sleeping accommodation for human beings.

Homeless Subpopulations Defined to include but are not limited to the following persons: severely mentally ill only, alcohol and drug addicted only, severely mentally ill and fleeing domestic violence, youth and persons with HIV/AIDS.

HOPWA One of the HUD entitlement programs covered by the Consolidated Plan, Housing Opportunities for Persons with HIV/AIDS was established by HUD to address the specific needs of persons living with HIV/AIDS and their families.

Households Defined as any residence, including those occupied by single people and unrelated groups of two or more. By definition, all families are also considered households, but not all households are families.

Housing Units Occupiable housing units in the tract as determined by the 2000 Census

HUD The United States Department of Housing and Urban Development

HAMFI HUD Area Median Family Income. The HAMFI income limits are calculated annually. The Income Limits for the CHAS 2000 tables reflect what the Income Limits would have been in 1999 if Census 2000 data had been available to calculate those limits.

Impacted Area Areas with high concentrations of public or low-income housing or with high minority populations. For example, the effect of a Federal consent decree requires new public housing financed with public funds be located in areas without high concentrations of minority residents or public housing.

Income Limits HUD is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs. Income limits are used to determine the income eligibility of applicants for Public Housing, Section 8, and other programs subject to Section 3(b)(2) of the HUD Act. Income limits are based on HUD estimates of MFI, and adjustments are made for areas with unusually high or low incomes or housing costs; further, income limits are adjusted for family size, for example, so that larger families have higher income limits.

Interagency Stabilization Group A metropolitan-area task force comprised of public and private agencies. ISG was organized to simplify the complex funding system and to provide a standardized resource for identifying financial assistance to preserve threatened affordable housing. ISG reviews troubled housing developments and works to craft stabilization funding packages for owners. Funding packages contain grants and loans from ISG member agencies.

Large Family Defined as a family of five or more persons.

Lead-Based Paint Hazards Any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, and lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces or intact surfaces that would result in adverse human health effects as established by the appropriate federal agency.

Logic Model A graphic representation included as a Federal grant application requirement that defines the links (and correlation) between program objectives and actual program accomplishments (both short- and long-term). The LM provides an efficient and standardized means to quantify HUD-required program output estimates and outcome estimates. On its website, HUD has outlined their expectations for the Logic Model with downloadable forms (HUD 96010), instructions, and training.

Low Income Defined as income that does not exceed 50 percent of MFI for the area, as determined by HUD, with adjustments for large and small families, except that HUD may establish income ceilings higher or lower than 50 percent of the median for the area. The exception is based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes.

Mean (Average) income The amount obtained by dividing the total aggregate income of a group by the number of units in that group. The means for households, families, and unrelated individuals are based on all households, families, and unrelated individuals, respectively. The means (averages) for people are based on people 15 years old and over with income.

Median Income The amount which divides the income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The medians for households, families, and unrelated individuals are based on all households, families, and unrelated individuals, respectively. The medians for people are based on people 15 years old and over with income

Metro HRA Metropolitan Council Housing and Redevelopment Authority is the regional entity that provides delivery of a variety of housing programs and related services. The Metro HRA administers the Section 8 Housing Choice Voucher program in the state of Minnesota and provides federally funded rent subsidies to private property owners on behalf of low- income renters.

MHI Median Household Income The income amount at the point (median) in the distribution where half the household incomes are above, and half are below, from the total number of households including those with no income

MFI Median Family Income The Estimated Median Family Income as determined by HUD. HUD estimates median family incomes for MSAs annually. The median income figure is the median for all family sizes. FY 2004 HUD median family income estimates are based on 2000 Census data on family incomes updated using a combination of Bureau of Labor Statistics earnings and employment data, Census P-60 median family income data, and Census' American Community Survey data on changes in state median family incomes.

Middle-Income Income between 80 and 95 percent of MFI for the area, as determined by HUD with adjustments for large and small families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area. The exception is based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes.

MMI (See MFI)

MPHA Minneapolis Public Housing Authority MPHA owns and manages the city's stock of public housing and administers Section 8 rental assistance.

Mobility or Self Care Limitations This includes all households where one or more persons has 1) A long-lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting, or carrying and/or 2) a physical, mental, or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing, or getting around inside the home.

Moderate-Income and Above Income that does not exceed 80 percent of MFI for the area, as determined by HUD with adjustments for large and small families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

MSA Metropolitan Statistical Area Generally a statistical area, or a core area containing a substantial population concentration, including adjacent communities having a social and economic integration throughout the concentrated area. For example, Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Statistical Areas and metropolitan divisions are defined by the Office of Management and Budget as of November 2004 as follows; Anoka County, MN; Carver County, MN; Chisago County, MN; Dakota County, MN; Hennepin County, MN; Isanti County, MN; Ramsey County, MN; Scott County, MN; Sherburne County, MN; Washington County, MN; Wright County, MN; Pierce County, WI; St. Croix County, WI.

Other housing problems Defined as overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities

Overcrowding Defined as a housing unit containing more than one person per room.

Person with a Disability A person who is determined to

- (1) Have a physical, mental or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently;and
 - (iii) Is of such a nature that the ability could be improved by more suitable housing conditions; or
- (2) Have a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights act (42 U.S.C. 6001-6007); or
- (3) Be the surviving member or members of any family that had been living in an assisted unit with the deceased member of the family who had a disability at the time of his or her death.

Poverty Level Family Family with an income below the poverty line, as defined by the Office of Management and Budget and revised annually.

PPU Problem Properties Unit of the City of Minneapolis combines staff from a number of City departments to work together to reduce the number and severity of problem properties. The unit identifies Minneapolis' worse problem properties, applies collaborative intervention strategies to address the problem and develops long-term solutions to prevent the reoccurrence of problems. The Problem

Properties Unit includes staff from Police, Housing Inspections, City Attorney and Regulatory Services.

REO Real Estate Owned is a term used in the housing market, in the context of this document, to refer to real property that has been acquired by default, and/or owned by an institution and that is available for re-sale.

Row House Development A structure containing three or more living units, each separated by vertical walls and generally having individual entrances and interior stairs.

SMSA Standard Metropolitan Statistical Areas are the major metropolitan areas of the United States commonly referred to as SMSA target markets (also, see MSA)

Section 3 The provision of the Housing and Urban Development Act of 1968 that ensures employment and economic opportunities generated by certain HUD financial assistance be directed to low- and very-low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

Section 8 HUD's voucher program Housing assistance, in the form of direct property-based payments, secured from a local housing authority that low-income people can use to obtain housing

Section 108 The loan guarantee provision of the CDBG program. It provides CDBG entitlement communities a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. Activities eligible generally include economic development activities eligible under CDBG; all projects and activities must either principally benefit low- and moderate-income persons, aid in the elimination or prevention of slums and blight, or meet urgent needs of the community.

Section 215 The provision for HUD's HOME Investment Partnerships program that provides that housing that is for rental and housing that is for homeownership shall qualify as affordable housing.

Section 504 The provision of the Rehabilitation Act of 1973 (Section 504). It provides that no otherwise-qualified individual with a disability shall, solely because of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 504 Needs Assessment An assessment of the needs of both residents and applicants of public housing for accessible units.

Severe Cost Burden Defined as the extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data from the U.S. Census Bureau.

SRO Single Room Occupancy A program authorized by Section 441 of the McKinney-Vento Homeless Assistance Act. Under the program, HUD enters into Annual Contributions Contracts with public housing agencies (PHAs) in connection with the moderate rehabilitation of residential properties that, when rehabilitation is completed, will contain multiple single room dwelling units. Assistance provided under the SRO program is designed to bring more standard SRO units into the local housing supply and to use those units to assist homeless persons.

SuperNOFA HUD consolidates its Notices of Funding Availability (NOFA) grant programs into one SuperNOFA grant application process with separate submission dates for each program. SuperNOFA requirements for all programs are identified in the general section and program specific requirements are in the program sections.

Transitional Housing Housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months or a longer period approved by HUD. For purposes of the HOME program, there is no HUD-approved period to move to independent living.

Very-Low Income Income between 0 and 30 percent of the MFI for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area. The exception is based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes.

White Population The number of people in a 2000 census tract that listed themselves as non-Hispanic white.

(Sources include United States Census Bureau and the Department of Housing and Urban Development)

APPENDIX

2005 – 2009 Minneapolis Consolidated Plan

- HUD Table 2B Non-Housing Community Development
- HUD Table 3 Proposed Projects
- Public Hearings and Comments
- Consolidated Plan Maps
- Affordable Housing Trust Fund Program

HUD TABLE 2B – Non-Housing Community Development Needs			
PRIORITY COMMUNITY DEVELOPMENT NEEDS	PRIORITY: High, Med, Low, No Such Need	2005-2009 ESTIMATED GOALS	ESTIMATED DOLLARS NEEDED
PUBLIC FACILITY NEEDS			
Senior Centers	M	2 Facilities	Unknown
Youth Centers	M	3 Facilities	Unknown
Neighborhood Facilities	H	5 Facilities	Unknown
Child Care Centers	H	120 Facilities	Unknown
Parks and/or Recreation Facilities	M	Unknown	\$27,481,000
Health Facilities	L		Unknown
Parking Facilities	L	Unknown	\$180,000
Other Public Facilities	H	3 Libraries	\$34,000,000
INFRASTRUCTURE IMPROVEMENT			
Solid Waste Disposal Improvements	L	Unknown	Unknown
Flood Drain Improvements	L	2 Facilities	\$40,967,000
Water Improvements	L	Unknown	Unknown
Street Improvements	L	15 Projects	\$142,844
Sidewalk Improvements	M	Unknown	\$10,645,000
Sewer Improvements	L	2 Projects	\$165,591
Asbestos Removal	L	Unknown	Unknown
Other Infrastructure Improvemnt Needs	L	Unknown	Unknown
PUBLIC SERVICE NEEDS			
Senior Services	H	1000 Households	Unknown
Handicapped Services	M	Unknown	Unknown
Youth Services	M	Unknown	Unknown
Transportation Services	L	Unknown	Unknown
Substance Abuse Services	M	Unknown	Unknown
Employment Training	H	95,000 Persons	Unknown
Crime Awareness	L	Unknown	Unknown
Fair Housing Counseling	H	2,000 Persons	Unknown
Tenant/Landlord Counseling	H	45,000 Persons	Unknown
Child Care Services	H	120 Households	Unknown
Health Services	H	24,000 Persons	Unknown
Other Public Service Needs	M	Unknown	Unknown
ACCESSIBILITY NEEDS			
HISTORIC PRESERVATION NEEDS			
Residential Hist. Preservation Needs	M	1,000 Facilities	Unknown
Non-Res Historic Preservation Needs	M	Same as above	Unknown
ECONOMIC DEVELOPMENT NEEDS			
Commercial-Industrial Rehabilitation	H	15 Facilities	Unknown
Commercial-Industrial Infrastructure	M	8 Growth areas	Unknown
Other Commercial-Indust Improvmnts	M	8 Comm.corridors	Unknown
Micro-Business	L	250 Businesses	Unknown
Other Businesses	L	750 Loans	Unknown
Technical Assistance	L	250 Businesses	Unknown
Other Economic Development Needs	M	250 Businesses	Unknown
OTHER COMMUNITY DEVELOPMENT NEEDS			
Energy Efficiency Improvements	M	50 Housing Units	Unknown
Lead Based Pain/Hazards	H	600 Households	
Code Enforcement	H	95,000 House Units	Unknown
PLANNING	H	1 Organization	Unknown
TOTAL ESTIMATED DOLLARS NEEDED TO ADDRESS:			Unknown

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Economic Development	CD-1a	H	1	Industry Cluster Program: Development strategies for linking low-income residents with job openings created in the city supporting city's living wage policy (110% of federal poverty level for family of four; pays 100% of federal poverty level for family of four plus health benefits; or pays wages in accordance with labor agreement. Funding provided to community organizations through a performance reimbursement. Vendors selected through competitive proposal process.	N	N	N	N	Performance Measure, Output: 34 Jobs Performance Measure, Outcome: 34 participants will be placed into industry specific occupations. 80% of participants placed will retain their job after 90 days, 70% after 183 days, and 60% after 365 days.	CPED	Local Gov't./18A ED Direct Financial Assistance 570.203(b)/L/M Jobs 570.208(a)(4)	CDBG	\$ 94,348	6/05-5/06
Economic Development	CD-1a	H	2	Adult Training, Placement & Retention: Partnership with community-based employment training providers who provide low-income residents vocational training and placement in permanent private sector jobs. CDBG funds are competitively provided to training providers upon placement and retention of income-eligible residents in positions meeting performance targets. Training providers are located throughout the city. An updated list is available from METP at 673-5298.	N	N	N	N	Performance Measure, Output: 200 Jobs Performance Measure, Outcome: 200 participants will be placed into jobs at a minimum starting wage of \$8.00 per hour. 80% of participants placed will retain their job after 90 days, 70% after 183 days, and 60% after 365 days.	CPED	Local Gov't./18A ED Direct Financial Assistance 570.203(b)/L/M Jobs 570.208(a)(4)	CDBG	\$ 610,878	6/05-5/06
Owner-Occupied Housing	H-2a	H	3	Homeownership Program: First time home buyers assistance for homes priced at low/moderate-income level. Loans are affordability homeownership from \$15,000, equity participation with maximum of \$15,000 and closing costs with maximum of \$4,000. Applications review on case basis by GMMHC, funds awarded at closing. For households below 80% median income. Program income can be realized through this program.	N	N	N	N	Performance Measure, Output: 15 Housing Units (Single Family)	Greater Mpls Housing Corp.	Sub/Private / 12 Construction of Housing 570.204/ L/M Housing 570.208(a)(3)	CDBG	\$ 439,174	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					Y	N	N	N						
Rental Housing	H-1a; H-4c	H	4	Multi-Family/Affordable Housing: Also known as Affordable Housing Trust Fund. Gap financing loans/grants provided to development companies, non-profit developers, community housing development corporations, limited partnerships, and joint ventures. Deferred payment loans for 30 year terms at 1% normally, principal and accrued interest due at term's end. Program criteria subject to 45-day neighborhood review. RFP issued for minimum of six weeks. Awards made in June/July. Eligible housing is both family and single adult units (including homeless youth). Unit affordability is up to 60% of median income. Program income can be realized through this program	Y	N	N	N	Performance Measure, Output: 150 Housing Units	CPED	Local Gov't./ 1 Acquisition of Real Property 570.202/ L/M Housing 570.500(a)(3)	CDBG	\$ 4,898,461	6/05-5/06
Rental Housing	H-1a; H-4c	H	5	CPED: Housing Development Assistance: Grants awarded through the Affordable Housing Trust Fund funding process to housing developers providing pre-development assistance activities. Maximum assistance is \$30,000	N	N	N	N	Performance Measure, Output: 10 Organizations	CPED	Local Gov't./ 1 Acquisition of Real Property 570.202/ L/M Housing 570.500(a)(3)	CDBG	\$ 238,252	6/05-5/06
Economic Development	CD-1b	H	6	Commercial Economic Development Fund: Acquisition, demolition, rehabilitation of commercial structures. Construction of shared commercial parking and other commercial center improvements. Preservation of historical buildings. Finance assistance to businesses. Applications from developers are accepted year-round by CPED. Funds are awarded on discretionary basis (first-come, first-serve) by CPED to projects meeting CDBG guidelines. Program income can be realized through this program	N	N	N	N	Performance Measure, Output: 3 Public Facilities (Commercial projects) Performance Measure, Outcome: Enhancement of the quality of life by City's residents through redevelopment and revitalization of commercial service areas, the retention and provision of new employment opportunities, and the expansion of the City's property tax base.	CPED	Local Gov't./17D Other Comm/Industrial Improvements 570.203(a)/ L/M Area 570.208(a)(1)	CDBG	\$ 142,951	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
Owner-Occupied Housing	H-2a	H	7	Residential Loan/Grant: Loans for code compliance and home repairs. Loan terms run up to 20 years. Code compliance loan borrowers generally have incomes below \$18,000 and home repairs are targeted to families <80% median income. Applications are taken continuously, reviewed for compliance and funded every June 1 until funds are exhausted. Program income can be realized through this program	N	N	N	N	Performance Measure, Output: 50 Housing Units	CPED	Local Gov't./ 14B Rehab Multi-Unit Residential 570.202 /L/M Housing 570.208(a)(3)	CDBG	\$ 571,805	6/05-5/06
Owner-Occupied Housing	H-2a	H	8	Vacant & Boarded Housing: Acquisition and demolition of vacant and substandard housing to remove blight and create new housing development opportunities. Properties to be demolished are recommended to MCDA Board of Commissioners. Ensuing vacant lots are kept on inventory for any future proposed housing development. Program income can be realized through this program	N	N	N	N	Performance Measure, Output: 110 Housing Units	CPED	Local Gov't./ 14G Acquisition for Rehab 570.202/Slum/Blight 570.208(b)(2)	CDBG	\$ 1,200,000	6/05-5/06
Rental Housing	H-1a	H	9	High Density Corridor Housing: Acquisition of sites for multifamily housing development on community commercial and transit corridors as defined in Minneapolis Plan.	N	N	N	N	Performance Measure, Output: 50-100 Housing Units	CPED	Local Gov't/ 14G Acquisition for Rehab 570.202/ L/M Housing 570.208(a)(3)	CDBG	\$ 953,008	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
Public Facilities	CD-3a	H	10	Childcare Facilities Loan/Grant: A child care facilities capital improvement program administered by GMDCA through an application and community review process. Maximum loans for family child care providers is \$15,000 and for child care centers it is \$25,000. Loans are either partially or fully forgivable based on term criteria. Projects must be capital improvements or permanent installations. Preference is for addressing healthy homes issues (lead paint, mold/allergens), code correction orders, safety issues, or expansion of licensed space. Applications are accepted and awards made on a rolling basis. Project must be CDBG income-eligible. City licensed programs are notified of funding availability through mailing and on-line information. Program income can be realized through this program	N	N	N	N	Performance Measure, Output: 25 Public Facilities (Child care) Performance Measure, Outcome: Maintain city-determined level of affordable child-care stock	Greater Mpls Day Care Assn.	Sub/Private / 03M Child Care Centers 570.201(c)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 306,869	6/04-5/06
Rental Housing	H-4a	H	11	Public Housing Rehabilitation: Support for public housing authority's capital improvements to its housing stock consisting of renovation, rehab and modernization of citywide public housing units. MPHA determines priority issues to address through their annual capital planning process.	N	N	N	Y	Performance Measure, Output: 400 Housing Units	Mpls Public Housing Authority	Sub/Public/ 14C Public Housing Modernization 570.202/ L/M Housing 570.208(a)(3)	CDBG	\$ 297,338	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Rental Housing	H-3a	M	12	Lead Hazard Reduction: Support for lead hazard reduction activities of city's Healthy Homes and Lead Hazard Control program. Work will include performing risk assessments, lead education, lead safe work practices education, clearance tests, developing work specs for income eligible families housed in units with children with identified elevated blood lead levels. Qualified homeowners may be supplied with paint and brushes to assist in compliance with lead hazard reduction orders. Assisted units are those referred to city by reports of families with children with elevated blood lead levels.	N	N	N	N	Performance Measure, Output: 70 Housing Units. Performance Measure, Outcome: 0.5% drop in the rate of elevated blood lead levels for children tested in Minneapolis	Dept. of Regulatory Services	Local Gov't./ 141 Lead Based Paint/Hazards Test/Abatement 570.202/ L/M Housing 570.208(a)(3)	CDBG	\$ 171,541	6/05-5/06
Infrastructure	H-3b	H	13	New Problem Properties Strategy: City multi-departmental collaborative effort to reduce the number and severity of problem properties in targeted zones. The Problem Properties Unit (PPU) identifies the worst properties in the city and develops strategies to reduce or eliminate problems. Solutions include securing buildings with boards or demolish buildings under the provisions of Chapter 249 on the city's code of ordinances.	N	N	N	N	Performance Measure, Output: 6 Housing Units. 100 Action Plans annually; Inspections will board 425 buildings in targeted area; 6 buildings demolished annually in the targeted area Performance Measure, Outcome: Reduction or elimination of problem properties in the City will increase community stability and livability. Neighbors will feel safer and more willing to invest in the community	Multiple Depts, Fire, Ops/Regs, City Attorney, Police	Local Gov't./ 4 Clearance and Demolition 570.201(d) / Slum/Blight 570.208(b)(2)	CDBG	\$ 192,508	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2d	H	14	Youth Employment Training: Provision of summer employment opportunities for income eligible city youth 14-21 years old. Services include work experience, education, mentorship, ESL and leadership development in a multicultural environment. 60 community-based organizations and 6 public schools administer the program. Students apply through school, 3/4 of applications accepted on first-come, first-serve basis. Remaining 1/4 of applications accepted from "small learner communities" internships recommended by teachers.	N	N	N	N	Performance Measure, Output: 360 Persons (300 subsidized, learning rich, summer youth jobs will be created for low-income youth (ages 14-15); 60 low income youth (age 16+) will obtain summer jobs that match their small learning community at school) Performance Measure, Outcome: 100 low income youth (ages 14-15) will be matched with a business partner professional mentor; 70% of students completing both pre and post tests will maintain or increase their math and/or reading scores; a majority of ESL students who complete a pre and post test will increase their score on a post test	CPED	Local Gov't./ 05H Employment Training 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 541,309	6/05-5/06
Owner-Occupied Housing	H-2a	H	15	Foreclosure Prevention Program: Assistance to income-eligible homeowners who are experiencing problems maintaining house payments. The program brings clients current and provides them counseling and budgeting information. \$125,000 will be preawarded for period of January 1-May 31. Program is administered through the Homeownership Center. Eligibility is complied with through terms of loan agreement made with homeowner.	N	N	N	N	Performance Measure, Output: 33 Households	Homeownership Center	Sub/Private / 05Q Subsistence Payments 570.201 (e)/ L/M Housing	CDBG	\$ 238,252	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2d	H	16	Way to Grow: Community-based collaboration designed to promote family-friendly communities and the school readiness of its children. Informal and formal support systems for parents are provided to meet child's growth and development needs from conception through age six. Programming is open to all. CDBG support is provided to program sites in CDBG target neighborhoods serving low income areas. Project site addresses are: 1120 Oliver Ave. N.; Sabathani Community Center 310 E. 38th St; 2515 9th Street	N	N	N	N	Performance Measure, Output: 1,200 Persons Performance Measure, Outcome: 100% of enrolled families are referred to health care services 80% of families are involved in activities and support that increase parenting skills, support groups, early childhood classes; 90% of pregnant mothers attend prenatal visits; 90% of children ages six months to six years demonstrate age appropriate social, emotional and physical development	Youth Coordinating Board	Sub/Public/ 5D Youth Services 570.500 (c)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 295,432	6/05-5/06
Rental Housing	CD-2c	H	17	Administration & Advocacy (Housing): Public service and housing advocacy representation for low-income clients.	N	N	N	N	Performance Measure, Output: 11,000 persons	Dept. of Health & Family Support	Local Gov't./ 05 Public Services 570.201/L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 104,831	6/05-5/06
Infrastructure	CD-3a	H	18	Graffiti Removal: Removal of graffiti on city-owned public right of way properties in CDBG target neighborhoods that are at least 51% low- and moderate-income.	N	N	N	N	Performance Measure, Output: 1 Organization (Graffiti removed within target neighborhoods) Performance Measure, Outcome: % decrease in graffiti complaints reported by the public since previous year in target neighborhoods.	Mpls Public Works	Local Gov't./ 5 General Public Services 570.201 (e)/ L/M Area 570.208(a)(1)	CDBG	\$ 101,972	6/05-5/06
Public Services	CD-2d	H	19	Curfew Truancy Center: Operations, staffing and services for the Curfew Truancy Center operated by Minneapolis Urban League. Project location: Century Plaza, 330 South 12th St.	N	N	N	N	Performance Measure, Output: 2000 Persons Performance Measure, Outcome: Lower recidivism rate for truancy offenders	Minneapolis Urban League	Sub/Private/ 05D Youth Services 570.201(e)/ L/M Area 570.208(a)(1)	CDBG	\$ 99,113	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2b	H	20	Carondelet LifeCare / St. Mary's Health Clinic: Subsidies for primary medical and dental services for uninsured Latino individuals and families. Service locations: Holy Rosary Parish, 2424 18th Avenue South, Minneapolis, MN 55404. Calvary Baptist Church, 2608 Blaisdell Avenue South, Minneapolis, MN 55408. Park Avenue United Methodist Church, 3400 Park Avenue South, Minneapolis, MN 55407. Agency: 1884 Randolph Avenue.	N	N	N	N	Performance Measure, Output: 950 Persons (as measured by primary care visits at two clinic sites) Performance Measure, Outcome: 275 referrals for subsidized diagnostic tests, outpatient services, radiology, and special physician services.	Carondelet LifeCare	Sub/Private/05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 75,000	6/05-5/06
Public Services	CD-2b	H	21	Children's Dental Services: Dental care for children through four Head Start sites and five elementary/middle school and other sites. Service locations: Andersen Elementary School, 1098 Andersen Lane, Minneapolis. CDS Headquarters, 636 Broadway Street Northeast, Minneapolis. Fraser Head Start Center, 700 Humboldt Avenue North, Minneapolis. Glendale Head Start Center, 96 Saint Mary's Avenue, Minneapolis. McKnight Head Start Center, 4225 Third Avenue South, Minneapolis. Northeast Head Start Center, 342 13th Avenue Northeast, Minneapolis. Northeast Middle School, 2955 Hayes Street Northeast, Minneapolis. North Star Elementary School, 2410 Girard Avenue North, Minneapolis. Whittier Elementary School, 2620 Grand Avenue South, Minneapolis. Agency: 636 Broadway St. NE, Minneapolis, MN 55413	N	N	N	N	Performance Measure, Output: 80 Persons (low income children will have access to dental care). Performance Measure, Outcome: 80 low income children will have improved dental care	Children's Dental Services	Sub/Private/05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 11,000	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2b	H	22	Early Childhood Resource and Training Center: Train legally unlicensed day care providers in cultural communities to improve literacy skills in children served. Service locations: ECRTC, Participants homes (home visiting), Cedar Riverside Towers, YMCA, Brian Coyle Comm. Center, South High School. Agency: 4048 28th Avenue South, Minneapolis, MN 55406	N	N	N	N	Performance Measure, Output: 185 Persons, individuals will complete classroom and home visiting training, and training targeting teen moms. Performance Measure, Outcome: After training, 185 individuals will demonstrate improved child care giving.	Early Childhood Resource & Training Center	Sub/Private/ 05L Child Care Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 20,412	6/05-5/06
Public Services	CD-2b	H	23	Lao Advancement Organization of America: Health education/outreach for Hmong and Lao elders and youth to promote healthy lifestyles. Service locations: 2648 West Broadway, Minneapolis. 4403 East Lake Street, Minneapolis.	N	N	N	N	Performance Measure, Output: 345 Persons, (25 Lao and 20 Hmong elders will be provided with health education. 200 Lao and 100 Hmong youth will participate in exercise and health education activities.) Performance Measure, Outcome: 300 youth will demonstrate improved knowledge of preventative health activities and lifestyle. 45 elders will demonstrate improved knowledge and practice of healthy diet and exercise.	Lao Advancement Organization of America	Sub/Private/ 05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 50,000	6/05-5/06
Public Services	CD-2d	H	24	Little Earth Residents Association: Academic enrichment services to K-12 students through their Community Education Technology Center. 2495 18th Avenue South, Minneapolis MN 55404	N	N	N	N	Performance Measure, Output: 175 Persons (Little Earth students, grades K-12, will receive training on computers and software to become technology literate.) Performance Measure, Outcome: At least 30% of participants will increase academic performance.	Little Earth Residents Association	Sub/Public/ 5D Youth Services 570.500 (c)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 35,000	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
Public Services	CD-2b	H	25	MELD: Peer based parent education for parents 25 and younger that will keep their children on track to learn. Service locations: North Point Health and Wellness Center, 1313 Penn Avenue North, Minneapolis, MN 55411. Minneapolis FATHER Project, 1600 East Lake Street, Minneapolis, MN 55407. The Cookie Cart, 1119 West Broadway, Minneapolis, MN 55411. Masjid An-Nur Cooks for Hire, 1729 Lyndale Avenue North, Minneapolis, MN 55411. Agency 219 North 2nd Street, Suite 200, Minneapolis, MN 55401.	N	N	N	N	Performance Measure, Output: 100 Persons (teen parents) Performance Measure, Outcome: 75% of parents participating have achieved the outcomes in the post tests and show at least a 15% increase in their responses by June 1, 2006.	MELD	Sub/Private/ 05 Public Services /L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 40,000	6/05-5/06
Public Services	CD-2b	H	26	Minneapolis Medical Research Foundation/HCMC: Case management / African born immigrants with HIV/AIDS for social services support and treatment compliance. Service location: 701 Park Avenue South, Minneapolis. Agency: 914 South 8th Street, Suite 600, Minneapolis, MN 55404	N	Y	Y	N	Performance Measure, Output: 200 Persons (individuals living with HIV/AIDS will be identified through Clinic in-reach activities.) 31 African-born individuals living with HIV/AIDS will have received case management. Performance Measure, Outcome: 200 individuals living with HIV/AIDS, including those African-born, will receive case management.	Minneapolis Medical Research Foundation	Sub/Private/ 05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 45,000	6/05-5/06
Public Services	CD-2b	H	27	Minneapolis Urban League: Expand access to Mental Health services for African Americans through therapy by licensed psychologists. 2100 Plymouth Avenue North, Minneapolis, MN 55411	N	N	Y	N	Performance Measure, Output: 60 Persons (African Americans will access mental health treatment.) Performance Measure, Outcome: 51 African Americans will improve their mental health	Minneapolis Urban League	Sub/Private/ 05O Mental Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 25,000	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2b	H	28	MPS Teenage Parenting & Pregnancy Programs: Health careers pathway program for long term health and welfare for teen parents and their children. Service Locations: Broadway Teen Parent High School, 1250 West Broadway, Minneapolis. Agency: 2225 East Lake Street, Minneapolis, MN 55407	N	N	N	N	Performance Measure, Output: 175 Persons (Provide 100 MFIP teen parents ages 17-21 with a health survey course, and post secondary training for 75) Performance Measure, Outcome: 90% of participating teen parents complete high school or earned a GED. 30% of the Nursing Assistant and/or Dietary Technician graduates have gone on to advanced training and 50% are employed in their field of training.	MPS Teenage Parenting and Pregnancy Programs	Sub/Private/ 05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 85,000	6/05-5/06
Public Services	CD-2c	H	29	Native American Community Clinic: Services to children exposed to prenatal alcohol including health care and supports for neurobehavioral deficits. 1213 East Franklin Avenue, Minneapolis	N	N	N	N	Performance Measure, Output: 50 Persons. (All pediatric patients will be assessed for exposure to alcohol pentally, and those identified will receive regular health maintenance care and screening for developmental progress.) Performance Measure, Outcome: 90% of pediatric visits will have the required documentation to determine risk for fetal alcohol exposure.	Native American Community Clinic	Sub/Private/ 05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 28,061	6/05-5/06
Public Services	CD-2b	H	30	New American Community Services: Health care access/assisting African immigrants to navigate the health and social service systems	N	N	N	N	Performance Measure, Output: 300 Households. Provide health promotion services to at least 300 African immigrant/refugee families. Performance Measure, Outcome: Families will demonstrate improved knowledge of preventative health activities and lifestyle.	New American Community Services	Sub/Private/ 05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 50,000	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2a	H	31	Senior Block Nurse Program: Health/support services for seniors in three communities to keep them in their homes and reduce isolation. Project locations: Longfellow - 2800 E. Lake St, Nokomis-4553 34th Ave.So, S.E. Seniors- 66 Malcolm Ave. S.E.	N	N	N	N	Performance Measure, Output: 450 Persons (2,000 in-home nursing and health aide visits, 150 community outreach events, 6,000 hours of volunteer social support services) Performance Measure, Outcome: Keep seniors served in their homes and out of nursing homes.	Living at Home/Block Nurse Program	Sub/Private/05A Senior Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 66,000	6/05-5/06
Public Services	CD-2b	H	32	Southside Community Health Services: Subsidies for medical and dental services for all ages of low income and uninsured persons. Service locations: Medical Services: Southside Medical Clinic, 4730 Chicago Avenue South, Minneapolis, MN 55407-3500; Green Central Medical Clinic, 324 East 35th Street, Minneapolis, MN 55408-4580; Park Elder Center Clinic 1505 Park Avenue South, Minneapolis, MN 55404-1640. Dental Services & Agency: 4243 - 4th Avenue South, Minneapolis, MN 55409-2195.	N	N	N	N	Performance Measure, Output: 500 Persons. New patients will have access to primary medical and dental services and agency will provide 1400 patient visits. Performance Measure, Outcome: 75% of patients will be compliant with their medical or dental treatment plans.	Southside Community Health Services	Sub/Private/05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 50,000	6/05-5/06
Public Services	CD-2b	H	33	West Side Community Health Services: Mental Health case management/behavioral services for Latino adolescents. Service Locations: 2700 East Lake Street, Minneapolis, MN 55406. Agency: 153 Cesar Chavez Street, St. Paul, MN 55107	N	N	Y	N	Performance Measure, Output: 100 Persons (Latino teens will receive mental health services.) Performance Measure, Outcome: Adolescents have increase self-esteem, life skills, and emotional well-being.	West Side Community Health Services	Sub/Private/05O Mental Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 40,000	6/05-5/06
Public Services	CD-2b	H	34	YWCA of Minneapolis: Day care scholarships for low income children with single parent to maintain family self sufficiency. Service locations: Phillips Children's Center, 2323 11th Avenue South, Minneapolis, MN 55404; Midtown YWCA, 2121 East Lake Street, Minneapolis, MN 55407. Agency: 1130 Nicollet Mall, Minneapolis, MN 55403	N	N	N	N	Performance Measure, Output: 15 Households. At least 15 low income families led by a single parent will receive day care scholarships. Performance Measure, Outcome: 80% of children enrolled 6 months or more will demonstrate readiness to succeed in kindergarten.	YWCA of Minneapolis	Sub/Private/05L Child Care Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 30,000	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
					N	N	N	N						
Public Services	CD-2b	H	35	Greater Minneapolis Daycare Association: Provide approximately 4,000 days of subsidized care in licensed homes or day care center. 1628 Elliot Ave. So, Mpls, MN 55405	N	N	N	N	Performance Measure, Output: 40 Persons (4,000 days of subsidized day care by June 1, 2006). Performance Measure, Outcome: Children of eligible parents in high risk communities will receive safe, enriching day care while parents obtain self-sufficiency goals.	Greater Minneapolis Day Care Association	Sub/Private/05L Child Care Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 142,500	6/05-5/06
Public Services	CD-2b	H	36	Neighborhood Health Care Network: Subsidize approximately 1,400 medical/dental visits for low income and uninsured individuals. 2610 University Ave. West, St. Paul, Minnesota 55114	N	N	N	N	Performance Measure, Output: 1,400 Persons. Subsidize 1,400 medical/dental visits for uninsured individuals. Performance Measure, Outcome: 75% of patients will be compliant with their medical or dental treatment plans.	Neighborhood Health Care Network	Sub/Private/05H Health Services/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 142,500	6/05-5/06
Planning/Administration	H-5a; AD-1a	H	37	Civil Rights/CDBG Compliance/Fair Housing: Administration of city's contract compliance functions, enforcement of city's civil rights ordinance, fair housing education and enforcement, Davis-Bacon Act wage monitoring and outreach.	N	N	N	N	Performance Measure, Output: 1 Organizations	Dept. of Civil Rights	Local Gov't./21D Fair Housing 570.206 / N/A	CDBG	\$ 257,312	6/05-5/06
Planning/Administration	CP-1a	H	38	Citizen Participation: Citizen participation contract funds provided to CDBG target area neighborhood associations. Program seeks to increase ability of residents to provide comment on city housing and community development issues.	N	N	N	N	Performance Measure, Output: 32 Organizations	CPED	Local Gov't./21C 570.206/ N/A	CDBG	\$ 328,788	6/05-5/06
Planning/Administration	AD-1a	H	39	CPED Program Administration: General program administration of CPED housing and economic development activities.	N	N	N	N	Performance Measure, Output: 1 Organization	CPED	Local Gov't./21A General Program Administration 570.206/ N/A	CDBG	\$ 13,657	6/05-5/06
Planning/Administration	CP-1b	H	40	CPED Planning Department: Administration of comprehensive planning activities supporting Consolidated Plan strategies.	N	N	N	N	Performance Measure, Output: 1 Organization	CPED	Local Gov't./21A General Program Administration 570.206/ N/A	CDBG	\$ 1,230,400	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
Public Services	CD-2b	H	41	Neighborhood Services: Administrative support in form of housing advocates for low income residents seeking housing.	N	N	N	N	Performance Measure, Output: 11,000 Persons	Dept. of Health & Family Support	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 101,972	6/05-5/06
Planning/Administration	AD-1a	H	42	Grant Administration: General administration for city's CDBG public services programs.	N	N	N	N	Performance Measure, Output: 1 Organization	Dept. of Health & Family Support	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 95,301	6/05-5/06
Planning/Administration	AD-1a	H	43	Way to Grow Administration: General administration for Way to Grow program.	N	N	N	N	Performance Measure, Output: 1 Organization	Dept. of Health & Family Support	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 34,308	6/05-5/06
Planning/Administration	AD-1a	H	44	Finance Administration: Financial administration and accountability for Consolidated Plan programs.	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Finance Dept.	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 271,607	6/05-5/06
Planning/Administration	AD-1a; AD-1b	H	45	Grants & Special Projects: Resource development for Consolidated Plan strategies; overall city management of Consolidated Plan.	N	N	N	N	Performance Measure, Output: 1 Organization	IGR- Grants & Special Projects	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 219,192	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
Planning/Administration	CD-2c	H	46	Northside/Southside Legal Aid: Provides advice and representation with special emphasis on housing and shelter-related issues to income eligible persons and groups in low and moderate income neighborhoods. Assistance assures compliance of housing with city housing ordinances and codes. Project locations: 430 First Ave. N. , 2929 Fourth Ave. S.	N	N	N	N	Performance Measure, Output: 205 Households. Low-Moderate income persons/groups in legal housing and housing related cases with an emphasis on issues that will protect,promote, and provide fair housing opportunities for public assistance recipients Performance Measure, Outcome: Improving the ability of those recipients to find and retain housing.Obtain a positive outcome in 80% of cases documented on case management reporting system.	Legal Aid Society	Sub/Private/ 21D Fair Housing 570.206 / N/A	CDBG	\$ 46,697	6/05-5/06
Planning/Administration	CP-1a	H	47	Public Housing Resident Participation: Support of public housing resident councils to assist resident review and involvement in public housing programs. These funds are available citywide to public housing resident organizations.	N	N	N	Y	Performance Measure, Output: 45 Organizations	Mpls Public Housing Authority	Sub/Public/ 21C 570.206/ N/A	CDBG	\$ 93,395	6/05-5/06
Planning/Administration	CD-2d	H	48	Youth Coordinating Board: Advocate, catalyst and developer of comprehensive services and systems benefiting children, youth and families.	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Youth Coordinating Board	Sub/Public/ 20 Planning 570.205/ N/A	CDBG	\$ 56,227	6/05-5/06

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date	
Planning/Administration	H-5b	H	49	Metro Fair Housing: General support for priority actions of the metropolitan Fair Housing Implementation Committee. The Implementation Committee issues RFPs to interested fair housing research, advocacy and interested organizations to accomplish priority actions. Minnesota Housing Finance Agency acts as fiscal agent for the Implementation Committee.	N	N	N	N	Performance Measure, Output: 1 Organization	Minnesota Housing Finance Agency	Sub/Public / 21D Fair Housing 570.206 / N/A	CDBG	\$ 17,154	6/05-5/06
Planning/Administration	H-5a	H	50	Housing Discrimination Law Project: Project serves low-income clients with investigation of housing discrimination claims, negotiation, advice and referrals and representation in court and administrative actions. Services will include complaint intake, investigation, advocacy and litigation. Project location: 430 First Ave. N.	N	N	N	N	Performance Measure, Output: 80 Households	Legal Aid Society	Sub/Private / 21D Fair Housing 570.206 / N/A	CDBG	\$ 76,241	6/05-5/06
Public Services	CD-2b	H	51	New Arrivals Advocate & Native American Advocate (Provision of city public services for: Minneapolis Multicultural Services, New Arrivals - service to city's immigrant community through translation services; Native American Advocate - promote American Indian community participation throughout City enterprise.)	N	N	N	N	Performance Measure, Output: 4,200 Persons. 3800 New Arrival Service encounters; 400 Native American Service Encounters Performance Measure, Outcome: Enhancement of facilitation of the City business processes through the integration of thoughts, values, and culture from immigrant and native American communities	Dept. of Civil Rights	Local Gov't/ 5 Public Services 570.201/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 166,776	6/05-5/06
CDBG Total Budget											\$ 15,442,542			

HUD Table 3 - 2005 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Agency	Type/ Eligible Activity/National Objective	Funding Source	2005 Funding Amount	Start / Complete Date
Rental Housing	AD-1a; H-1a; H-2a	H	52	HOME Program: Administration of HOME program and funding for multifamily rental development and single family homeownership. Program income can be realized through this program. Funding is estimated to be allocated as follows: \$500,000 HOW, \$2,901,274 Affordable Housing Trust Fund, \$377,919 Administration. 15% of grant will be used to support CHDO-sponsored activities.	N	N	N	N	Performance Measure, Output: 1 Organization	CPED	HOME	\$ 3,779,193	6/05-5/06
Homeless/HIV/AIDS	HM-1b	H	53	Emergency Shelter Grants (ESG): Minneapolis prioritizes ESG funding for the rehabilitation of transitional housing facilities serving homeless families and persons, or emergency shelters for the homeless. The properties must be located within the City or Hennepin County. Awards are through a biannual request for proposal process in conjunction with Multi-Family/Affordable Rental RFP. The following types of proposals will receive priority consideration: 1) Larger capital requests, 2) Requests with realistic, detailed scope of work and projected costs including soft costs, 3) Projects that can start within 6 months of project approval, 4) Projects with potential for leveraging other funds to help cover rehab costs.	Y	N	Y	N	Performance Measure, Output: 50 Housing Units (Shelter)	CPED	ESG	\$ 596,655	6/05-5/06
Homeless/HIV/AIDS	AD-1a	H	54	HOPWA Project: Administration of HOPWA program by the Minnesota Housing Finance Agency (\$22,910) and City of Minneapolis (\$1,000). HOPWA funds are projected for the use of rental assistance by Metro HRA (\$402,007-permanent rental subsidy) and Minnesota AIDS Project (\$371,083-transitional housing subsidy).	N	Y	Y	N	Performance Measure, Output: 125 Households	City of Mpls/MHFA	HOPWA	\$ 797,000	6/05-5/06

City of Minneapolis FY 2005 Consolidated Plan
Summary of Public Comments
Public Hearing December 10, 2004

This public hearing was held in conjunction with the City's annual Truth-in-Taxation public hearing. Many of the speakers at this joint hearing spoke to the need for increasing the general fund for the Police Department. Seven persons spoke at the public hearing pertaining to an aspect of the proposed Consolidated Plan budget. Several of these speakers spoke in gratitude for the funding support provided for senior citizen services. Three organizations submitted written testimony, copies of these can be found following the summary of the public hearing below.

Comments: Oral testimony concerned the following Consolidated Plan issues:

- Existing CDBG funding leverages a large core of senior services' volunteer hours – request that the city continue its support for this program
- Consolidated Plan goals need to be updated to reflect the current needs for homeless families, youth, and shelter capacity. Recommended that the city should work closely with the county on these issues
- Request continued much needed CDBG funding for services to city children
- Request to provide funding for services to victims of domestic assault
- Provide rental assistance for those with the lowest income, and fully fund the Affordable Housing Trust Fund

Representation from the following groups:

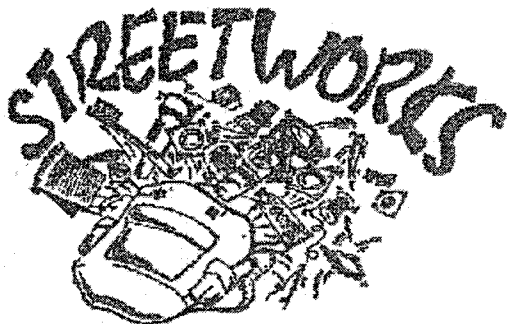
- Longfellow/Seward Healthy Seniors
- Nokomis Healthy Seniors
- South East Healthy Seniors
- Streetworks
- Minneapolis School Board for Minneapolis Visiting Nurse Association
- Domestic Abuse Program
- Legal Aid Society of Minneapolis

Action Taken on Comments: The City Council took the comments presented under consideration and briefly discussed the City's new initiative to distribute public service funds through a request for proposal process with recommendations made through the Public Health Advisory Committee.

December 10, 2004 Public Hearing Written Comments

The following written Comments were received from:

- Streetworks (“An Outreach Collaborative for Youth”)
- Children’s Dental Services
- Legal Aid Society of Minneapolis



An Outreach Collaborative for Youth

December 6, 2004

American Red Cross-
Minneapolis Chapter
(612) 872-3252

Brian Coyle Center
(612) 338-5282

The Bridge for
Runaway Youth
(612) 377-8800

District 202
(612) 871-5559

Hmong Minnesota
Pacific Association
(651) 778-8937

Hope Street
(651) 641-1180

Lutheran Social
Service
Transitional
Housing
(651) 644-7739
Safe House
(651) 644-3446

Project OffStreets
(612) 252-1200

Project SOLO
(612) 874-1936

Red Door Clinic-
Y.I.P.
(612) 348-3307

Safe Zone
(651) 224-9644

YMCA POINT
Northwest
(763) 493-3052

Matt Bower
Office of Grants and Special Projects
City of Minneapolis
307M City Hall
350 South 5th Street
Minneapolis, MN 55415

RE: Comments to the City of Minneapolis FY 2005 Consolidated Plan
City-County Community Advisory Board on Homelessness

Dear Mr. Bower:

I write as a representative of the City of Minneapolis and Hennepin County Community Advisory Board on Homelessness to offer comments on Minneapolis' FY 2005 Consolidated Plan. The Community Advisory Board on Homelessness is a joint task force of community representatives offering advice and assistance to the City of Minneapolis and Hennepin County to address the goals established for shelter, housing, and services to homeless adults, families, and youth.

The Community Advisory Board on Homelessness appreciates the interest and time shown by your office in addressing the needs of homeless individual, families, and youth through Minneapolis Consolidated Plan. We are particularly impressed that your office coordinated its Plan with Hennepin County staff to form community Plans that were informed and responsive to suburban needs and projects.

The Consolidated Plan notes that a high priority is the city's plan to "support persons suffering from homelessness." Yet, the strategies listed do not mention the five year goals established by the City of Minneapolis in 1999 and 2000. In 1999 the City of Minneapolis identified five year goals for increased shelter, housing, and services to homeless adults and youth. In 2000 the City of Minneapolis identified five year goals for increased shelter, housing, and services to homeless families.

Unfortunately, after five years, we have reached only one-third of the goals in production of supportive housing for homeless adults and families.

Furthermore, we have made no progress in sitting increased shelter beds of single adults. In five years we could not find a location or public investment for 100 beds. The Community Advisory Board on Homelessness would like to see the City of Minneapolis (through Council Member representation or staff contributions) in the achievement of our community's recognized five year goals.

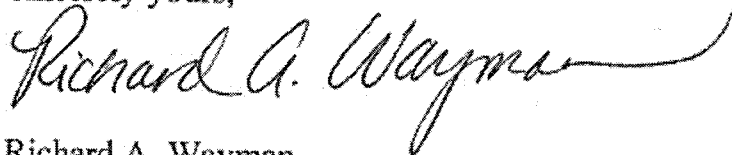
We would offer the following suggestions:

1. Recognize the five years goals in the Consolidated Plan by articulating the number of shelter beds, housing units, and increased supportive services necessary to meet the high priority of needs from homeless families, single adults, and unaccompanied youth.
2. Seek partnership with the Hennepin County Board of Commissioners in re-constituting a new community assessment of housing, shelter, and service needs for persons experiencing homelessness. Our community and state's investment in social and housing programs drastically changed after 2001. The changing national economy has had an impact on the need for affordable housing and homeless intervention services. The goals established in 1999 and 2000 are less relevant to current realities.

Minneapolis must finalize a new five year Consolidated Plan which should be informed by current information and community input. A new process that would bring together public officials, corporate interests, and community stakeholders may be able to better inform the city and county on current levels of needs and focus work on priority areas. The Community Advisory Board on Homelessness is seeking the same commitment from County Commissioners but believes the request for a new community homelessness assessment should be delivered from the City Council and County Board of Commissioners jointly.

We appreciate the opportunity to address the City Council and your office with our comments. Please feel free to call me at (612) 252-2735 if you have any questions regarding these recommendations. We look forward to working with you on the next five year plan!

Sincerely yours,



Richard A. Wayman
Collaborative Director
Member, Community Advisory Board on Homelessness

cc: Paul Williams

From: Bower, Matthew A
Sent: Thursday, December 02, 2004 2:31 PM
To: 'S Wovcha'
Cc: City Council Members
Subject: RE: comments from Children's Dental Services Executive Director about 2005 CDBG fund

Dear Ms. Wovcha,

Your comments regarding CDBG (Community Development Block Grant) funding from the City of Minneapolis to Children's Dental Services have been received and noted by the Office of Grants and Special Projects.

For 2005 (CDBG Year 31), funding for public services such as your program provides will be made available through a Request for Proposals. The RFP will be issued on December 15, 2004 by the City of Minneapolis Department and Health and Family Support. The City's Public Health Advisory Committee will review all proposals received. The Public Health Advisory Committee will present funding recommendations to the City Council in early 2005. You are encouraged to consider applying for these funds.

Matt Bower

Office of Grants & Special Projects

City of Minneapolis

PH: 612.673.2188

Fax: 612.673.3724

matthew.bower@ci.minneapolis.mn.us

-----Original Message-----

From: S Wovcha [SMTP:swovcha@msn.com]
Sent: Wednesday, December 01, 2004 7:30 PM
To: Bower, Matthew A
Subject: comments from Children's Dental Services Executive Director about 2005 CDBG fund

Hello Mr. Bower:

I write to provide you with my comments about the Proposed 2005 Consolidated Plan Budget. Children's Dental Services is a non-profit entity that receives CDBG funding each year that we use to provide care to low-income uninsured children. Many of these children are the poorest of the poor and present to CDS with rampant caries and other horrific dental disease that leaves them in pain and accounts for hundreds of hours of missed school time. I strongly urge the City to continue to provide CDBG funding to entities such as CDS which are critical safety net providers of health and dental care to our most underserved and vulnerable citizens.

Thank you,

Sarah Wovcha, J.D., M.P.H.

Children's Dental Services Executive Director

612-746-1530, ext. 204

LEGAL AID SOCIETY OF MINNEAPOLIS

JOAN D. PEARSON
jdpearson@midmnlegal.org
(612) 746-3621

SOUTHSIDE OFFICE
2929 FOURTH AVENUE SOUTH, SUITE 201
MINNEAPOLIS, MN 55408

CLIENT INTAKE: (612) 334-5970
TELEPHONE: (612) 332-1441
FACSIMILE: (612) 827-7890
TDD: (612) 827-1491

December 10, 2004

Paul Ostrow
City Council President
350 South 5th Street
Room 307
Minneapolis, MN 55415

Dear Council President Ostrow:

Thank you for the opportunity to comment on the proposed use of funds for the Minneapolis Consolidated Plan and the spending priorities reflected in the City's recommended 2005 Budget. I am writing on behalf of the Legal Aid Society of Minneapolis, which provides free civil legal help to seniors, people with low incomes and people with disabilities. My comments will focus on funding levels and income targets for affordable housing.

We appreciate the progress that the City has made in recent years in setting clear definitions of "affordable housing" as being affordable to those earning below 50% and 30% of the Metropolitan Median Income (MMI). It is important to keep in mind that the *Minneapolis* median income is \$35,700, which is below 50% of the *Metropolitan* median income. The need for housing that is affordable to people at the 30% MMI income level continues to be over 11,000 units. CPED is doing an excellent job of targeting more resources to produce affordable housing for people at or below 30% MMI; 338 units at this income level were produced in 2003. We commend the City for this progress, and encourage you to continue to prioritize spending in this way to benefit households earning less than \$23,000 per year.

Creation of the Affordable Housing Trust Fund in 2003 was a positive step to "institutionalize" the City's commitment to meet the growing housing needs for very low income people. The Trust Fund was established at a minimum funding level of \$10 million, and the Resolution called for a City-appointed Revenue Committee to identify additional sources of revenue that would "grow the fund" in subsequent years. In 2003, \$12,604,823 was allocated by the City Council for the production of affordable housing, and spending exceeded \$11 million in 2004. This accomplishment is all the more remarkable given the City's current budget constraints. The City Council, Mayor and CPED staff deserves sincere appreciation. Thank you.

While we commend the progress that has been made over the past two years in the production of affordable housing, funding projected for the next year will not sustain this level of production. In fact, the proposed Affordable Housing Trust Fund budget for 2005 has slipped to \$8.9 million, and consists only of federal pass-through funds: CDBG, HOME and ESG. This appears to reflect a reversal of the Mayor's and City Council's commitment to a minimum spending level of \$10 million per year. We are disappointed that efforts to identify and allocate new dedicated revenue sources for the Trust Fund have not been successful, in spite of the fact that several good options have been presented by the Revenue Committee over the past two years.

On behalf of the clients of the Legal Aid Society of Minneapolis, we urge the City Council to amend the proposed 2005 Affordable Housing Trust Fund budget to meet the \$10 million floor. There are a number of short-term revenue sources that could be used to plug the shortfall in 2005, i.e., Housing Revenue bond fees, Empowerment Zone funds, the Legacy fund, or a set-aside from the Neighborhood Revitalization Project. Each of these sources has in the past either been recommended by CPED staff or used for affordable rental housing production, but over the past year, many of these sources have been re-directed to home-ownership programs. The net effect of this re-direction is to move the income targets for recipients of these public sources from the 30-50% MMI range, to the 50-80% MMI range.

The Workforce Housing program is one such program that is currently projected in the 2005 budget to receive \$1 million in bond fees, in spite of the fact that funding received in 2004 (which was redirected from the Trust Fund) has not yet been spent. Given that this project is still in its infancy and has not yet spent its 2004 funds, it is reasonable to suggest that the bond fee revenues should be allocated in 2005 through the Affordable Housing Trust Fund. CPED has already proven its ability to deliver a very effective and efficient program, and there continue to be more proposals for good multi-family developments than there are currently resources available to fund them. Why not keep these dollars flowing in the rental housing pipeline, while the Workforce Housing program is still getting established?

We do not dispute that investment in homeownership programs is a good way to help stabilize neighborhoods and build the City's tax base. But, public investment in housing has been heavily weighted towards homeownership over the past decade, primarily through the Neighborhood Revitalization Program (NRP). During Phase I, the vast majority (86%) of recipients of NRP housing funds were homeowners. Only 3% of housing-related funds specifically served households earning below 30% MMI, and about 4% served households earning below 50% MMI.

Rising property values in the City are pricing people out of their own homes and communities, not to mention excluding new residents whose wages do not match the costs of housing. The City needs to strike a better balance with its housing strategies and resources to ensure that low-wage workers and people on fixed incomes can afford to live in Minneapolis.

There are several opportunities now to put public spending into better balance, to ensure that all Minneapolis residents benefit. One of these is to take steps to ensure that the NRP Phase II

Paul Ostrow
December 10, 2004
Page 3

neighborhood action plans are coordinated with city-wide goals to create multi-family affordable housing. We appreciate efforts the Mayor and CPED have made to coordinate neighborhood spending with broader city goals and priorities. Another opportunity is to ensure that the City's 2005 Affordable Housing Trust Fund budget is funded at the minimum level of \$10 million, and that a renewed commitment is made to identify and appropriate permanent, dedicated sources of revenue for affordable rental housing.

Thank you for your consideration of these comments.

Sincerely,

Joan Pearson
Public Policy Advocate

JDP:pab

cc: Lee Sheehy
Elizabeth Ryan
Cynthia Lee
Erik Takeshita

City of Minneapolis FY 2005 Consolidated Plan
Summary of Public Comments
Public Hearing April 5, 2005

This public hearing was held prior to submission of the final Consolidated Plan to HUD. Two organization (one a collaboration) submitted written testimony, complementing their oral testimony, copies can be found following the summary of the public hearing below.

Comments: Testimony concerned the following:

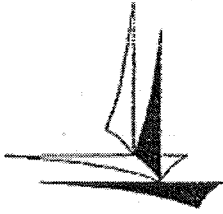
- Continued CDBG funding leverages a large core of senior services' volunteer hours enabling seniors' independent living
- City should emphasize business development activity and allow workforce funding initiatives to reflect this. Increase funding for welfare to work programs that provide accessibility into jobs with living wages
- Comments regarding the selection process for the Public Health Advisory Committee's CDBG Public Services Request for Proposals
- No representation from GLBT community on the Public Services Request for Proposal review panel
- Concerns that community-based HIV prevention services were no longer funded through CDBG
- The issue of rental housing being converted to condominium uses should be discussed in the Consolidated Plan.
- Consolidated Plan should include discussion on how to handle proposed White House Administration cuts to the CDBG program. How would Consolidated Plan priorities be reflected to accommodate any cuts
- Provide rental assistance for those with the lowest income, and fully fund the Affordable Housing Trust Fund
- Housing priority goal numbers seem to fall short of what is needed at the very low income level

Representation from the following groups:

- Longfellow/Seward Healthy Seniors
- Nokomis Healthy Seniors
- South East Healthy Seniors
- Women Venture
- Minnesota AIDS Project
- Access Works
- Minnesota Senior Federation Housing Committee
- Legal Aid Society of Minneapolis

Action Taken on Comments: The City Council took the comments presented under consideration.

April 5, 2005 Public Hearing and Comment Period Written Comments:



Minneapolis
City of Lakes

**Department of Health
& Family Support**

250 South 4th Street - Room 510
Minneapolis MN 55415-1372

Office 612 673-2301
Fax 612 673-3866
TTY 612 673-2157

www.ci.minneapolis.mn.us/dhfs

May 20, 2005

Ms. Lorraine Teel
Minnesota AIDS Project
1400 Park Avenue South
Minneapolis, MN 55404

Dear Ms. Teel:

Your letter of April 4, 2005 in response to the Community Development Block Grant Public Service funds has been forwarded to the City's Public Health Advisory Committee. The observations and recommendations you made in the letter will be incorporated into future planning.

Thank you for your input into both the process for funding decisions, and the important issues around HIV prevention services.

Sincerely,

Gretchen Musicant
Commissioner

April 4, 2005

Mayor R. T. Rybak
Minneapolis City Hall
Minneapolis, MN 55415

Minneapolis City Council Members
Minneapolis City Hall
Minneapolis, MN 55415

Re: Community Development Block Grant Public Service Funds for Year 31

Dear Mayor and City Council Members:

Minnesota AIDS Project, Access Works and District 202 are, of course, disappointed with the Public Health Advisory Committee's recommendations for allocating CDBG Public Service Funds in Year 31. We believe the project we proposed, which included outreach services and introducing the availability of field-based, HIV "quick test" services, offered the City of Minneapolis a unique and strategic opportunity to contribute to the overall effort to stop HIV. Our project would have directly served gay and bisexual men, GLBTQ youth, and substance using street communities of predominantly African American men. It would have indirectly established the capacity to provide field-based, HIV "quick test" services to other high-risk populations, including Africans. While we appreciate your reluctance to challenge these recommendations, we want to share with you our understanding of the consequences of approving these recommendations and our thoughts about how the process might be improved in the future.

By way of background, it is important to note that just over half of all new HIV cases reported in Minnesota each year are among Minneapolis residents. When looking at the trends over the past three years, gay and bisexual men of all races and all ages continue to comprise the largest proportion of the new cases reported each year at 57 percent, and 64 percent of those living with HIV. Thirty-three percent of these men were African American. African high-risk heterosexuals accounted for 19 percent of the newly reported cases, and 9 percent of those living with HIV. The third highest risk population according to Minnesota Department of Health statistics are those whose only reported risk for HIV was injecting drugs. These individuals comprised 10 percent of new infections and 16 percent of those living with HIV.

Loss of Flexibility to Provide Primary Prevention Services

Since 1991, the City of Minneapolis has supported primary HIV prevention services with CDBG funding. This practice was initiated as a "living memorial" to former Minneapolis City Council Member Brian Coyle, who died of AIDS. Initially, the annual appropriation was \$50,000. This gradually declined to \$23,000 in CDBG Year 31. The funds were used for HIV prevention services targeting gay and bisexual men.

While the City's support has always been important, since 2003 it has provided an essential degree of flexibility. In Minnesota, almost all of the resources available for HIV prevention are distributed by the Minnesota Department of Health, which has a combination of resources from

the State of Minnesota and federal funds from the CDC [Centers for Disease Control and Prevention]. A few agencies in Minnesota received funding directly from the CDC.

Increasingly, CDC funding comes with conditional requirements intended to advance a political rather than a public health agenda, making it particularly difficult to implement research-proven public health behavior change strategies appropriate for populations such as sexually active gay or bisexual men or active injection drug users. Corporate and private sponsorship or contributions to support HIV prevention activities targeting high-risk populations and behaviors are extremely limited. The City of Minneapolis provided *some of the only* funding for primary HIV prevention that did not also come with onerous restrictions. When used as a supplement to CDC-dollars, it provided the flexibility to do what *worked* and needed to be done.

Elimination of City support for HIV primary prevention removes the capacity to provide effective services to communities in need. For this reason, it is our hope you will give serious consideration to other opportunities to reengage the City as a partners in HIV primary prevention.

Missed Opportunity to Add Value to Minnesota's HIV Prevention Services System

Encouraging individuals to know their HIV status has always been an important part of the overall strategy for stopping HIV. Increasingly, HIV screening and testing has become a part of the national plan for stopping HIV, and using new testing technologies that provide results in 20 minutes is strongly encouraged.¹ Currently, OraQuick rapid testing is available on a very limited basis through the Hennepin County Red Door Clinic, temporary research-based services offered through North Memorial Hospital, and for a fee in some private physicians' clinic. A significant barrier to expanding availability of rapid testing is that the Minnesota Department of Health does not have funding available to make rapid testing kits available to organizations that provide field-based HIV testing services.

MAP is unique in its capacity to provide field-based testing because it is the only HIV service provider capable of offering mobile outreach services. The proposal we put before the Public Health Advisory Committee would have made it possible for MAP to to

¹ The OraQuick® is an oral test that does not require a blood draw. It provides reliable results indicating either a negative reaction for HIV antibodies or an indeterminate response, which requires additional testing and laboratory evaluation to determine a positive reaction for HIV antibodies. In short, OraQuick can give a "no or maybe" result in 20 minutes. A *maybe* response requires additional testing.

its outreach van with Access Works and District 202, and to introduce field-based rapid testing to the HIV prevention service system. We think, the committee missed a unique opportunity to add value to our overall HIV prevention efforts by making something that is needed, possible.

Opportunities to Improve the Process for Deciding Public Health Services Appropriations

We fully appreciate this is the first year the Public Health Advisory Committee has been responsible for developing recommendations for appropriating CDBG funds for public health

CDBG Public Service Funding Recommendations
Three
April 5, 2005

Page

services. We offer our thoughts in the interest of helping you make decisions about how this process should work.

Promoting collaborations. MAP participated in the Public Health Advisory Committee's community input process, and was encouraged by what seemed to be intent to emphasize collaborative partnerships between larger and smaller service providers. However, we were disappointed to see that the final guidelines and review process did not seem to embrace this recommendations that we felt was strongly supported by those asked to provide input into the shaping the process. We hope the City will revisit the objective of promoting collaborative partnerships. Were it not for the added capacity of a larger partner such as MAP, smaller providers such as Access Works and District 202, who do very effective work, would find it difficult to participate as a service vendor for the City.

Be explicit about the commitment to GLBT communities. The GLBT community is not visible in the Community Health Access priorities established by the Public Health Advisory Committee. This is a systemic problem. Most public health research and policy systems do not collect data or commonly include GLBT communities within their work. When this does happen, the focus tends to emphasize HIV, in part because this is one condition for which relevant information is collected in such a way as to highlight the health risk. We *strongly encourage* the City to take note of this omission, both in terms of how Community Health Access priorities are defined in the future for the purpose of CDBG funding recommendations, but also in its overall approach to understanding the health needs of the City's citizens and the health disparities experienced within GLBT communities. The GLBT compendium to the federal governments *Healthy People's 2010 Report* [available only through the Gay and Lesbian Medical Association, because the current federal administration refuses to provide the money to print this public document], is a good place to start to better understand how to serve Minneapolis' GLBT citizens. More inclusive research and data collection should also be considered. We encourage the City to take a much closer look at how it attempts to understand and

respond to the public health interests of its GLBT citizens. *It is not apparent from information readily available to the public that GLBT public health needs are being addressed as a priority concern through any of the services recommended for CDBG funding.*

Review process limitations. We looked at the scoring information on our proposal that was available. One person gave the proposal a near perfect rating, we suspect the individual on the committee who has the most experience with HIV primary prevention. Another ranked it extremely low. One scorer noted the objectives and timeline as proposed merited a perfect rating of five points. Another score rate the same qualities as zero. The ratings on this proposal were all over the place, which does not surprise us given the relative lack of community knowledge about the HIV service system and needs. However, the advisory committee's review process did not seem to have a mechanism for addressing this apparent deficiency. It is our understanding that no HIV-related service secured a high enough ranking to even make the advisory committee's list of proposal meriting a committee discussion. It was only after the committee noted that no HIV-related services were receiving funded that the group decided to allocate funding for whatever HIV-related proposal received the highest ranking. This process should provide a

CDBG Public Service Funding Recommendations

Page

Four

April 5, 2005

point-of-reference for rethinking how the advisory group is going to do its work in the future and do it in such a way as to ensure that limited dollars are used strategically.

Use the opportunity to support your nonprofit community providers. Funding provided to nonprofit organizations through this CDBG public health initiative not only enables the delivery of a service, supports the ability of these agencies to survive and serve the community. This is especially true for smaller organizations. We do not challenge the value of services provided through public agencies. However, in the context of making choices about what to do with limited public dollars, we think there may be some value to emphasizing partnerships with nonprofit, community-based providers. For example, the cost of delivering service will more likely be less with a nonprofit, community based provider than with a government agency. In other words, you can get more "bang for your buck." We also want to underscore the fact that a decision *not* to partner with a nonprofit, community-based organization can have negative consequences for the community. It not only limits an organization's ability to deliver a particular service, but it also threatens its ability to survive. This is especially true for smaller organization; those that have a unique capacity to reach individuals who are disproportionately underserved by public programs. Conversely, a government agency is not going to go away because funding for a particular service is not in place. We hope as you look ahead that you will consider reasons why it might be advantageous to emphasis partnerships

with nonprofit, community-based partners as you work to improve access to public health services.

Again, we offer these observations and recommendations from the perspective of the interest that we share with the City of Minneapolis; to ensure that the limited public dollars available to improve the public's health be invested as strategically as possible.

Sincerely,

Lorraine Teel
Executive Director
Minnesota AIDS Project

Rae Eden Frank
Executive Director
Access Works

Laura Ayers
Executive Director
District 202

cc:

Gretchen Musicant, Minneapolis Department of Health and Family Support

LEGAL AID SOCIETY OF MINNEAPOLIS

JOAN D. PEARSON
jdpearson@midmnlegal.org
(612) 746-3621

SOUTHSIDE OFFICE
2929 FOURTH AVENUE SOUTH, SUITE 201
MINNEAPOLIS, MN 55408

CLIENT INTAKE: (612) 334-5970
TELEPHONE: (612) 332-1441
FACSIMILE: (612) 827-7890
TDD: (612) 827-1491

April 13, 2005

Members of the Minneapolis City Council
Mayor Rybak
City Hall
350 South 5th Street
Minneapolis, MN 55415

RE: Minneapolis Consolidated Plan, FY 2005-2009

Dear Members of the City Council and Mayor Rybak:

Thank you for the opportunity to comment on the city's five-year Consolidated Plan. I am writing on behalf of the Legal Aid Society of Minneapolis, which provides free civil legal help to seniors, people with low incomes, and people with disabilities.

Progress in 2004

First, I would like to acknowledge that 2004 was a remarkable year for affordable housing in Minneapolis, and to congratulate and thank the City Council, Mayor, and staff. Almost \$20 million funded affordable housing projects through the Affordable Housing Trust Fund; over 1,250 units were produced for households below 50% the Metro Median Income (MMI). The City Council has established many good affordable housing policies, and the Department of Community, Planning and Economic Development (CPED) has excellent staff in place to implement those housing policies and programs.

Existing shortage of affordable rental housing

While it is important to acknowledge the progress that is being made, the fact remains that the housing needs of Minneapolis residents are far from being met, especially for those households earning below 30% MMI. The five-year Consolidated Plan shows that there is currently a shortage of 13,499 units for households earning below 30% MMI (roughly \$23,000/yr). This is where the focus on city resources should remain. It is important to keep in mind that approximately one-half of the people in Minneapolis earn below \$36,000, which is about 50% of the MMI.

Inadequate production goals

In contrast to the 1,283 affordable housing units produced in 2004 (as reported by CPED), the goal set out in the Consolidated Plan for the five-year period is a total of 2,300 units. This translates to a mere 460 affordable units per year! This is an alarming step backwards and to my knowledge, reflects the lowest production goal the city has seen in many years. I urge the city to reconsider this numeric goal, and to establish a new goal (with funding resources) that bears some relationship to the actual need for affordable housing in Minneapolis.

Housing needs for homeless population

The unmet need for supportive housing, transitional housing, and emergency shelter also remains high. The Continuum of Care Housing Gap Analysis Chart (Table 1A) shows that Hennepin County (including Minneapolis) has a shortage of 120 shelter beds, 1,221 transitional housing units, and 887 permanent supportive housing units for homeless adults, youth, and families with children.

Vacancy rate low for affordable housing

The housing boom currently underway in Minneapolis can mask the reality that affordable housing is in perilously short supply. While the vacancy rate has gone up to a healthy level for apartments in the middle-upper range, vacancies for affordable units remain very low.

Condominium conversions

To add to this shortage, the city is currently losing much of its rental housing stock to condominium conversions. In the year 2004, 1,016 rental units and commercial properties were converted to condominiums in Minneapolis. These conversions appear to be concentrated in the lakes area of the city and downtown, both areas that can ill afford to lose the limited affordable housing they now have. While the exact rent levels of these lost rental units are not yet known, many of them were undoubtedly affordable. The housing shortage that was caused by demolition in the 1970's and 1980's led, in part, to the City Council adopting a resolution in 1999 that sought a "positive gain" of affordable units (below 30% MMI) each year. The current rash of condo conversions merits careful review so we are assured that the recent gains in affordable housing production will not be offset by units lost to condo conversion.

Rising housing costs, gentrification

Meanwhile, the cost of housing in Minneapolis continues to skyrocket. The median sale price for a single-family home has more than doubled since 1998 to the 2005 level of \$217,450. How many people earning below \$36,000 (approximately the Minneapolis median income level) can

afford to purchase a house at this price? Rent levels went up 42% between the years 1998 - 2003. Incomes have not kept pace with these housing costs.

Rising property values and taxes are pricing current and incoming residents out of their homes, communities, and even out of the city because their wages do not match the costs of housing. Gentrification is becoming a serious concern in Minneapolis. The city needs to strike a better balance with its housing strategies and resources to ensure that the workforce that this city relies upon can afford to live in Minneapolis.

Link between housing, transit and jobs

One very positive goal set by the city that will help address this mismatch between workers and housing is "to identify opportunities for placing new higher density housing on transportation corridors, to take advantage of transit opportunities and job markets, and promote housing growth." The Metropolitan Council estimates that the City of Minneapolis will need to add 25,000 new households over the next 25 years. The only way this population growth can be accommodated is by making the most efficient use of existing land, which requires development at a much higher density. Legal Aid strongly supports the goal of linking multi-unit workforce housing with transit, and we encourage the city to be pro-active in its implementation.

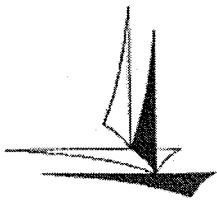
Thank you for your consideration of these comments.

Sincerely,

Joan D. Pearson
Public Policy Advocate

JDP:pab

cc: Mayor Rybak
City Council
Lee Sheehy
Elizabeth Ryan
Cynthia Lee
Matt Bower



Minneapolis
City of Lakes

**Office of the
City Coordinator**
John Moir
City Coordinator

350 South 5th Street - Room 301M
Minneapolis MN 55415-1393

Office 612 673-3992
Fax 612 673-3250
TTY 612 673-2157

April 26, 2005

Mr. Jack Cann
Housing Preservation Project
570 Asbury Street
Suite 105
St. Paul, MN 55104

Dear Mr. Cann,

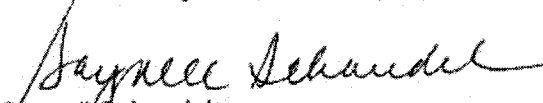
Thank you for your constructive input to the City's Consolidated Plan with your fax of April 13, 2005. Regarding the issue you raise with your letter's first part, we acknowledge your comment about our presentation of HUD data in the Plan's Chapter 2. We believe, however, that our subsequent narratives make the equivalent point.

The second part of your fax representing views of the Housing Preservation Project (HPP) is correct. This is a tough area of the regulations to interpret and we continually read them to keep in compliance of HUD's consolidated plan requirements. We have modified the table you referred to, by adding a column to include the total households as required in the calculations.

I am attaching the excel spreadsheet with the total household data included – this along with an updated narrative is being provided to HUD (see attached). To be consistent throughout the Consolidated Plan, our data is pulled from HUD's State of the City Data System (SOCDS) Comprehensive Housing Affordability Strategy (CHAS).

The intent of the public hearing process is to bring to the attention of the City, issues with the Consolidated Plan; by bringing this concern to our attention you have contributed to the Plan's completeness.

Let me know if you have other questions.


Gaynell Schandel
Manager
Office of Grants & Special Projects

cc: Chuck Lutz, CPED
Encl: Letter and Plan Revisions



Housing Preservation Project

April 13, 2005

Matt Bower
IGR-Office of Grants & Special Projects
307M City Hall
City of Minneapolis

RE: comments on Minneapolis Draft Consolidated Plan

Dear Mr. Bower:

We would like to comment on two problems with the "Housing Needs" Draft Five Year Consolidated Plan submission:

First, the "Housing Needs" table on page 19 and related commentary are seriously misleading. The table purports to indicate a "shortage" of 44,583 units for households with incomes greater than 80% of area median. The commentary states:

The table shows there are 30,924 housing units available in Minneapolis that are affordable to households at middle-income and above. The data shows a shortage of 44,583 housing units for this income category, meaning that the housing market is not providing the number of units necessary to house households at this income level.


That is simply nonsense. It assumes that everyone should pay at least 30% of income for housing costs. But most households in this income group do not pay such a high percentage of their income and never have. In fact, there is obviously a surplus of units available to this income group since any of the units affordable to lower income groups is also affordable to this group.

For the same reason, the indication in the table that there is a surplus of 42,036 units available to households in the 31-50% MFI group is highly misleading. Many of these units are, of course, occupied by higher income households. HUD labels this table: "Affordability Mismatch" rather than "Housing Needs." The conclusions which may be drawn from a table of this sort may be mildly interesting, but they have little to do with "housing needs" and this table should not appear on the first page of an analysis labeled "Housing Needs." The consolidated plan regulations, in fact, define the data relevant to a housing needs analysis: it is that in the tables which are buried on pages 27 and 28 of the housing needs section. See, 24 C.F.R. § 91.205(b). Unfortunately, even these tables, in contrast to those actually published on the HUD website, obscure, rather than highlight, the extent of housing problems by the various income groups. These tables indicate clearly that, far from a "surplus" of 42,036 units for households in the 31-50% MFI group, 65.3% of the renter households and 57% of the owner households in this group

pay more than 30% of income for housing, are overcrowded, or live in substandard units.

Second, the table on page 25, titled "HUD Estimates of Need within Household Type...All v. Race/Ethnic Group" does not meet the requirements of 24 CFR § 91.205(b)(2). What the regulation requires is, for each income/tenure group, a comparison of the proportion of each ethnic group with housing problems to the proportion of the total income/tenure group with housing problems – the point being to determine whether any racial group within that income category is disproportionately burdened with housing problems. Instead, the table calculates percentages which are entirely irrelevant – the percentage, for each racial group, of persons with housing problems which fall into each income category. A comparison of results indicates the fallacy: your table calculated 30% for black owners compared to 25% for all owners in the very low income group – and you concluded there was no disproportionate housing burden for very low income black owners. The actual calculation from the HUD CHAS table (the percentages are calculated for you in each table) indicates that 87.1% of black owners in the Very Low Income group have housing problems compared to 75.8% of all owners – thus, according to the HUD regulations, very low income black owners must be identified as have disproportionately greater housing needs. I've used this group simply as an example, and the entire table must be redone in order to comply with the HUD requirements.

Yours truly,



Jack Cann

cc Chuck Lutz CPED
Joan Pearson Legal Aid

Consolidated Plan Maps

1. 2000 Census Median Household Income Tracts
2. 2000 Census Percent of Persons in Poverty
3. 2000 Census Percentage Very Low-Income Families by Census Tract
4. 2000 Census Percentage Low-Income Families by Census Tract
5. 2000 Census Percentage Moderate-Income Families by Census Tract
6. Minneapolis Neighborhoods CDBG Target Area Map
7. 2000 Census Minneapolis Minority Impacted Census Tracts
8. 2000 Census Minneapolis Poverty Impacted Census Tracts
9. 2000 Census Relative Percentage Change in Median Household Income 1989-1999 by Census Tract
10. Minneapolis Hopwa Program Area Map

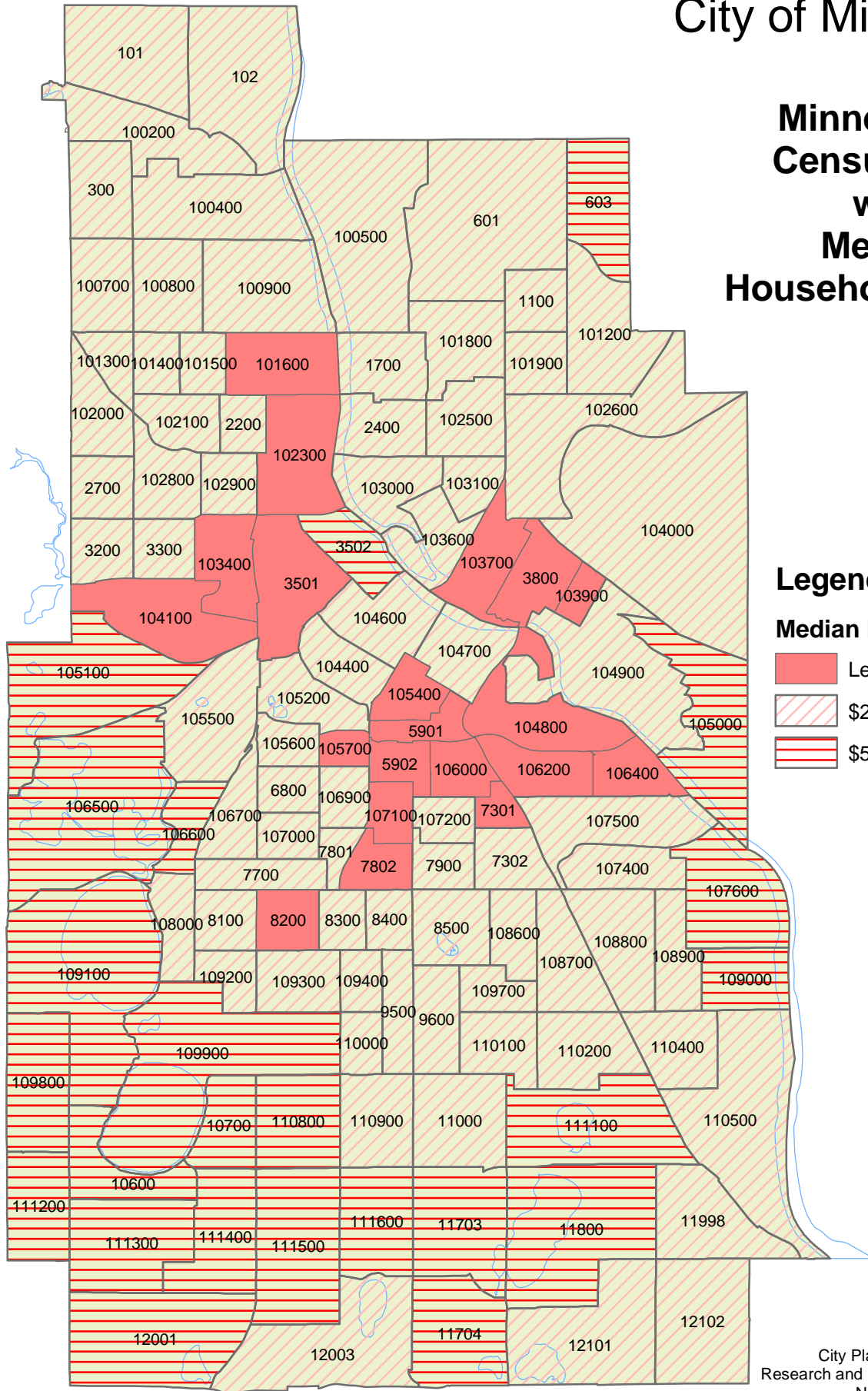
2000 Census City of Minneapolis

Minneapolis Census Tract with Median Household Income

Legend

Median Household Income

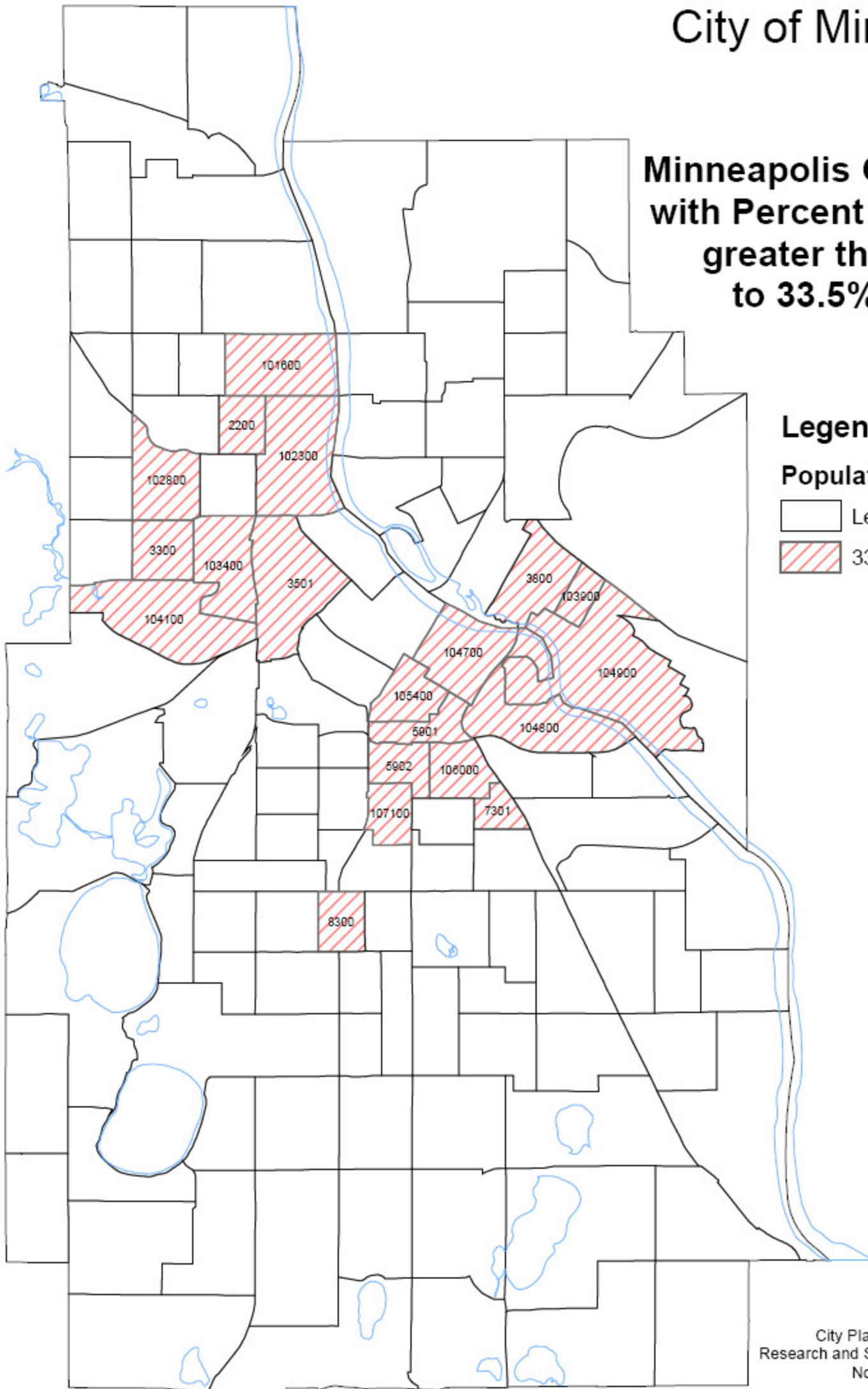
- Less than \$25,000
- \$25,000 to \$49,999
- \$50,000 and Greater



City Planning Department
Research and Strategic Planning Division
November 2002

2000 Census City of Minneapolis

Minneapolis Census Tracts with Percent of Persons at greater than or equal to 33.5% Poverty



Legend

Population in Poverty

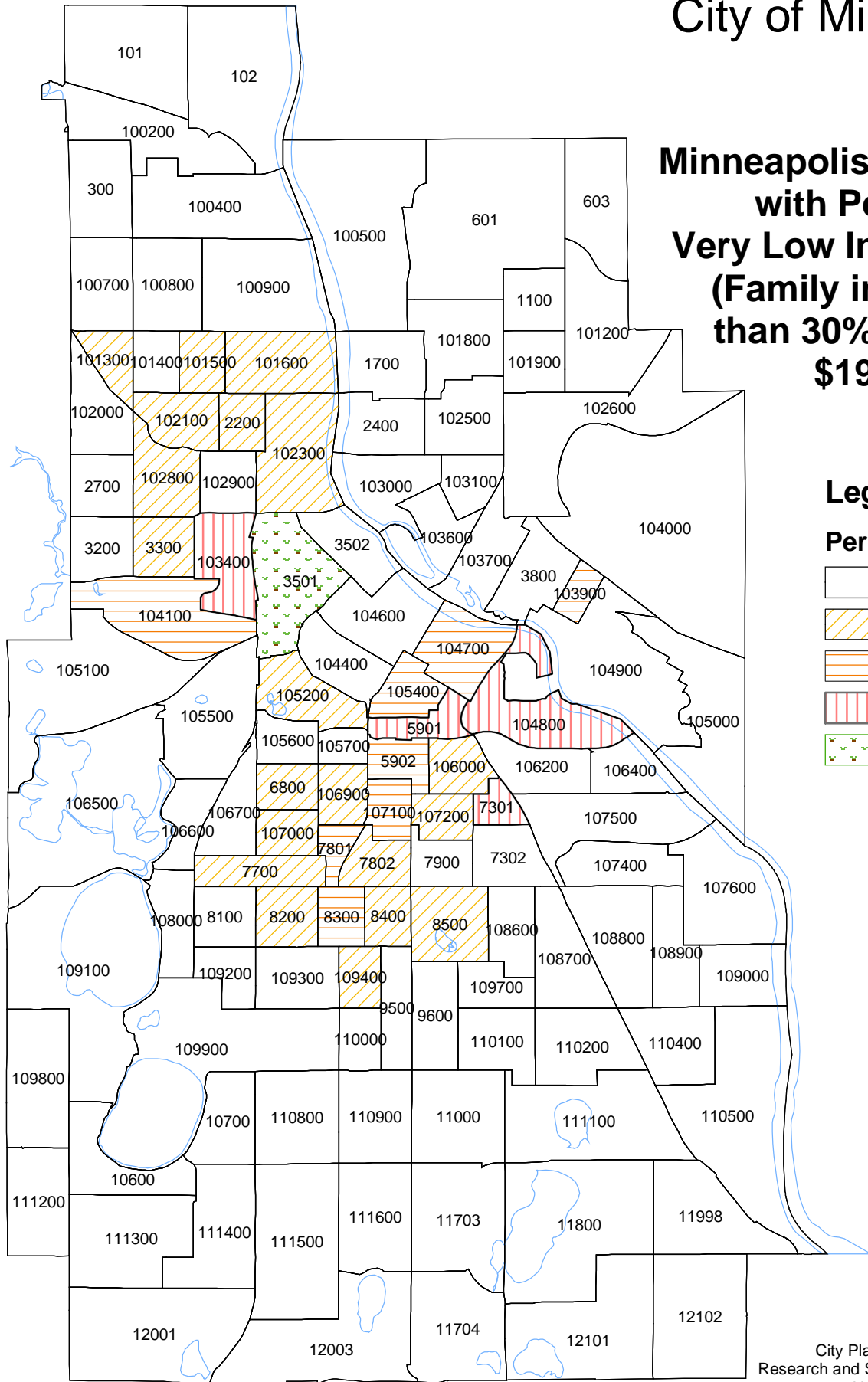
- Less than 33.5%
- 33.5% or Greater








City Planning Department
Research and Strategic Planning Division
November 2002

2000 Census City of Minneapolis

Minneapolis Census Tract with Percent of Very Low Income Family (Family income less than 30% of MMI or \$19,080)



Legend

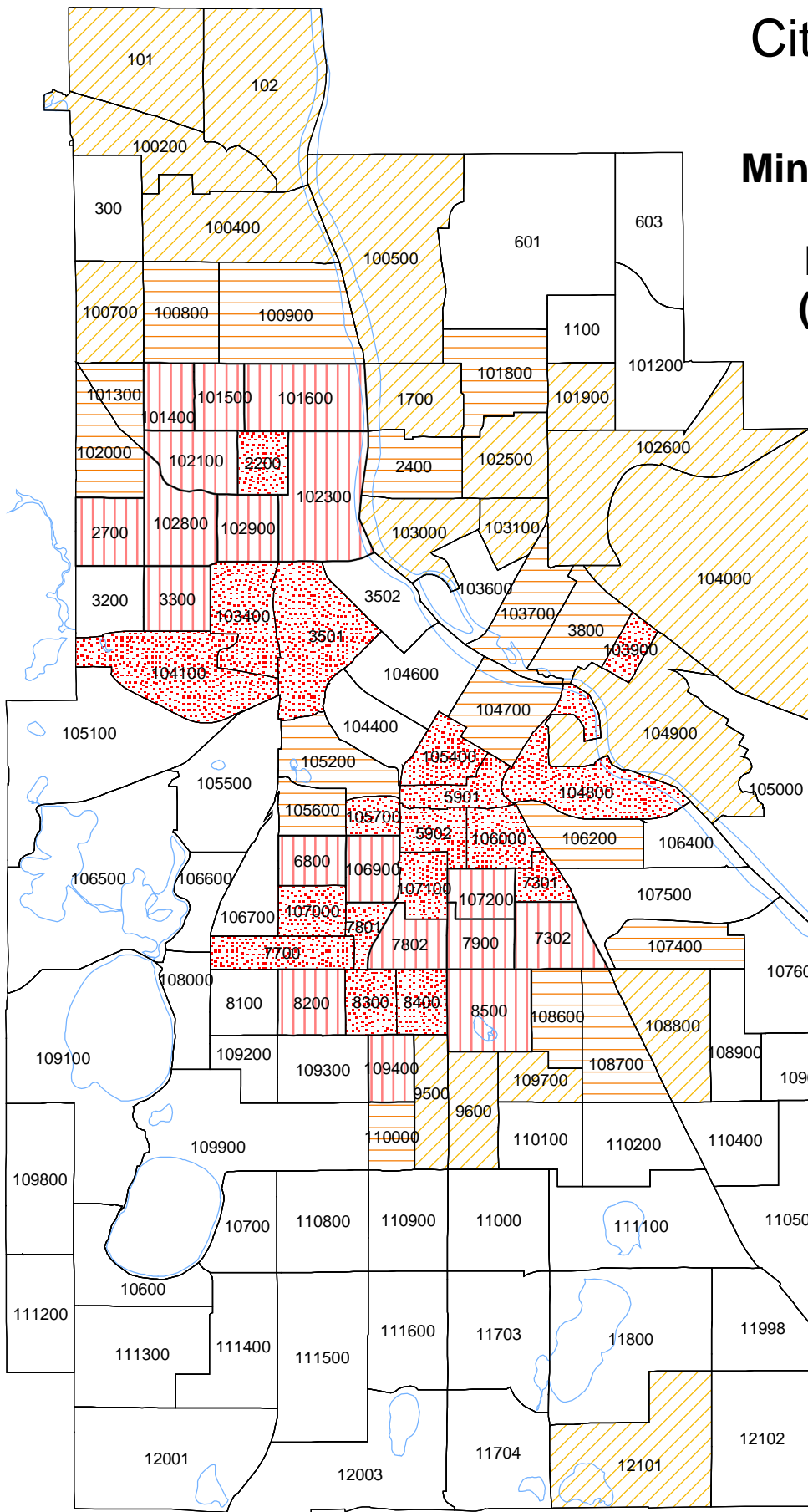
- Percent of Family**
-  Less than 30.0%
 -  30.0% to 39.9%
 -  40.0% to 49.9%
 -  50.0% to 59.9%
 -  60.0% and Over



City Planning Department
Research and Strategic Planning Division
November 2002

2000 Census City of Minneapolis

Minneapolis Census Tract with Percent of Low Income Family (Family income less than 50% of MMI or \$31,800)



Legend

Percent of Family

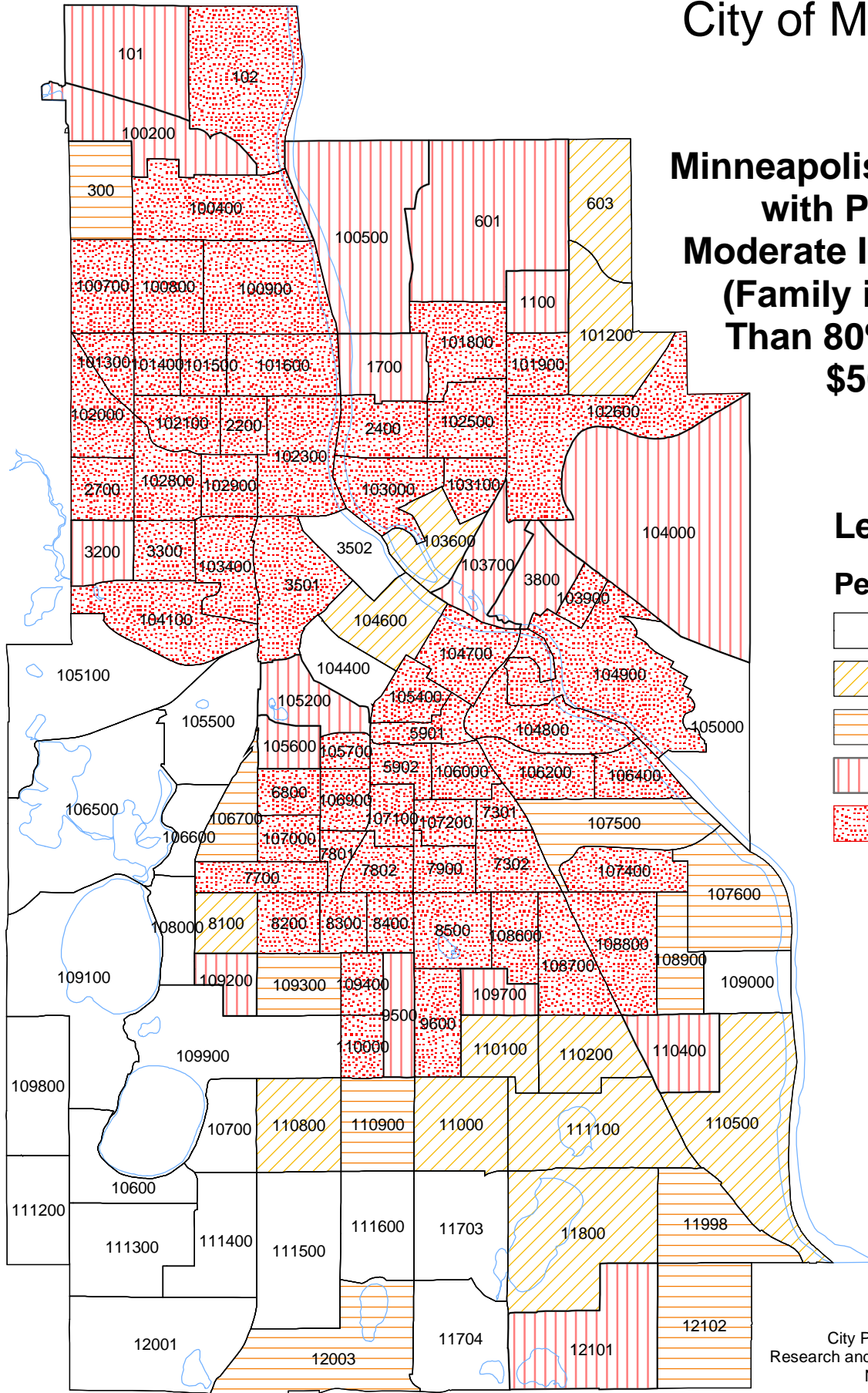
- Less than 30.0%
- 30.0% to 39.9%
- 40.0% to 49.9%
- 50.0% to 59.9%
- 60.0% and Over



City Planning Department
Research and Strategic Planning Division
November 2002

2000 Census City of Minneapolis

Minneapolis Census Tract with Percent of Moderate Income Family (Family income less Than 80% of MMI or \$50,880)



Legend

Percent of Family

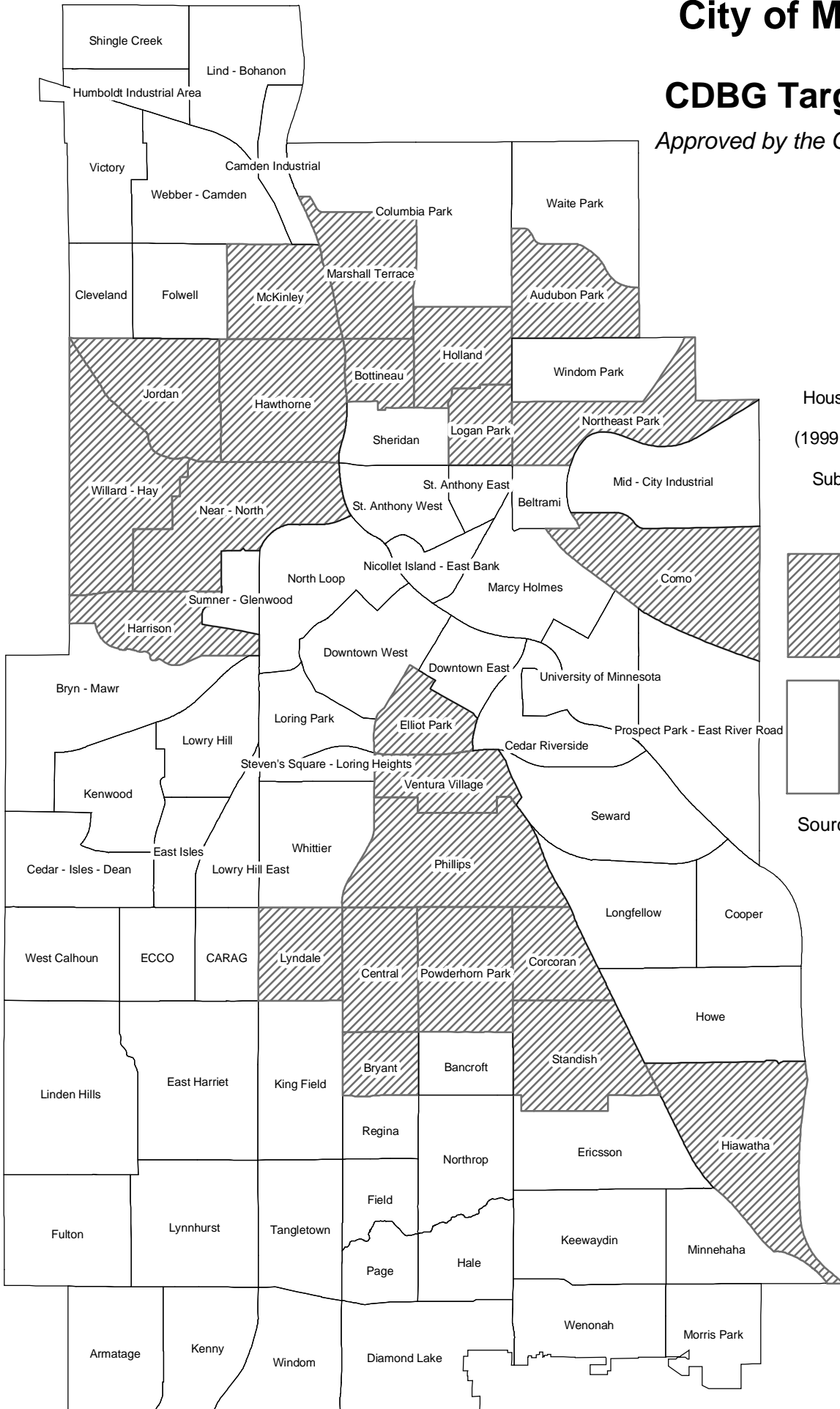
- Less than 30.0%
- 30.0% to 39.9%
- 40.0% to 49.9%
- 50.0% to 59.9%
- 60.0% and Over

City Planning Department
Research and Strategic Planning Division
November 2002

City of Minneapolis

CDBG Target Area Map

Approved by the City Council 2/25/2005



Legend

Neighborhoods with Household Income at or less than 80% of MMI (1999 MMI, family of 4 was \$63,600) and Substandard Housing Condition (3.3% or greater)



Neighborhood with qualified income and 3.3% and more Substandard Housing



Neighborhood with qualified and non qualified income and less than 3.3% Substandard Housing

Sources: 2000 Census, SF3 City Assessors Office

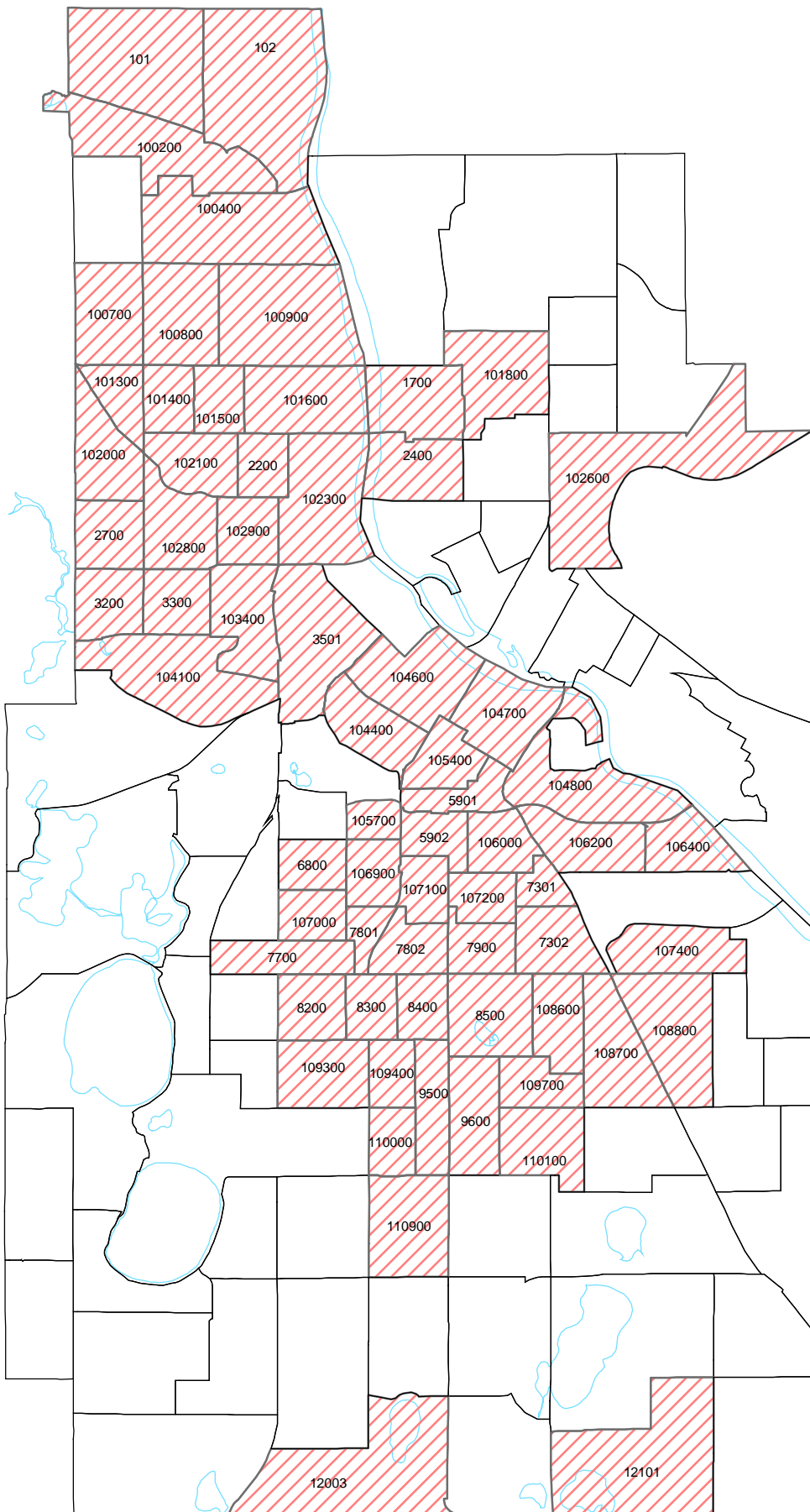
1:70,000



February, 2005

2000 Census City of Minneapolis

Census Tracts with Minority Population Greater than or Equal to 28.7%



Legend

Percent of Minority Population

- Less than 28.7%
- 28.7% or Greater



City Planning Department
Research and Strategic Planning Division
November 2002

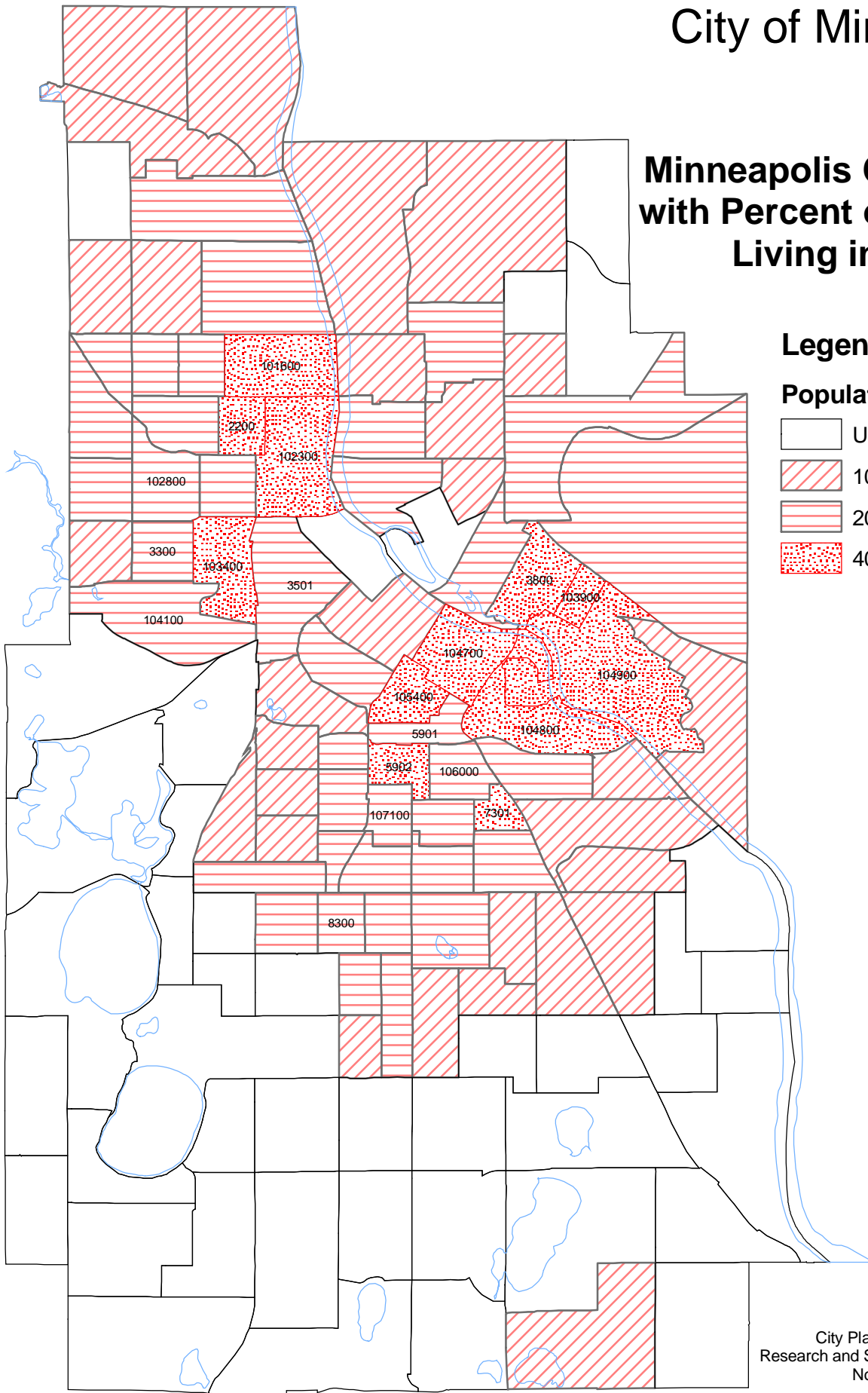
2000 Census City of Minneapolis

Minneapolis Census Tracts with Percent of All Persons Living in Poverty

Legend

Population in Poverty

- Under 10%
- 10% to 19.9%
- 20% to 39.9%
- 40% and Over

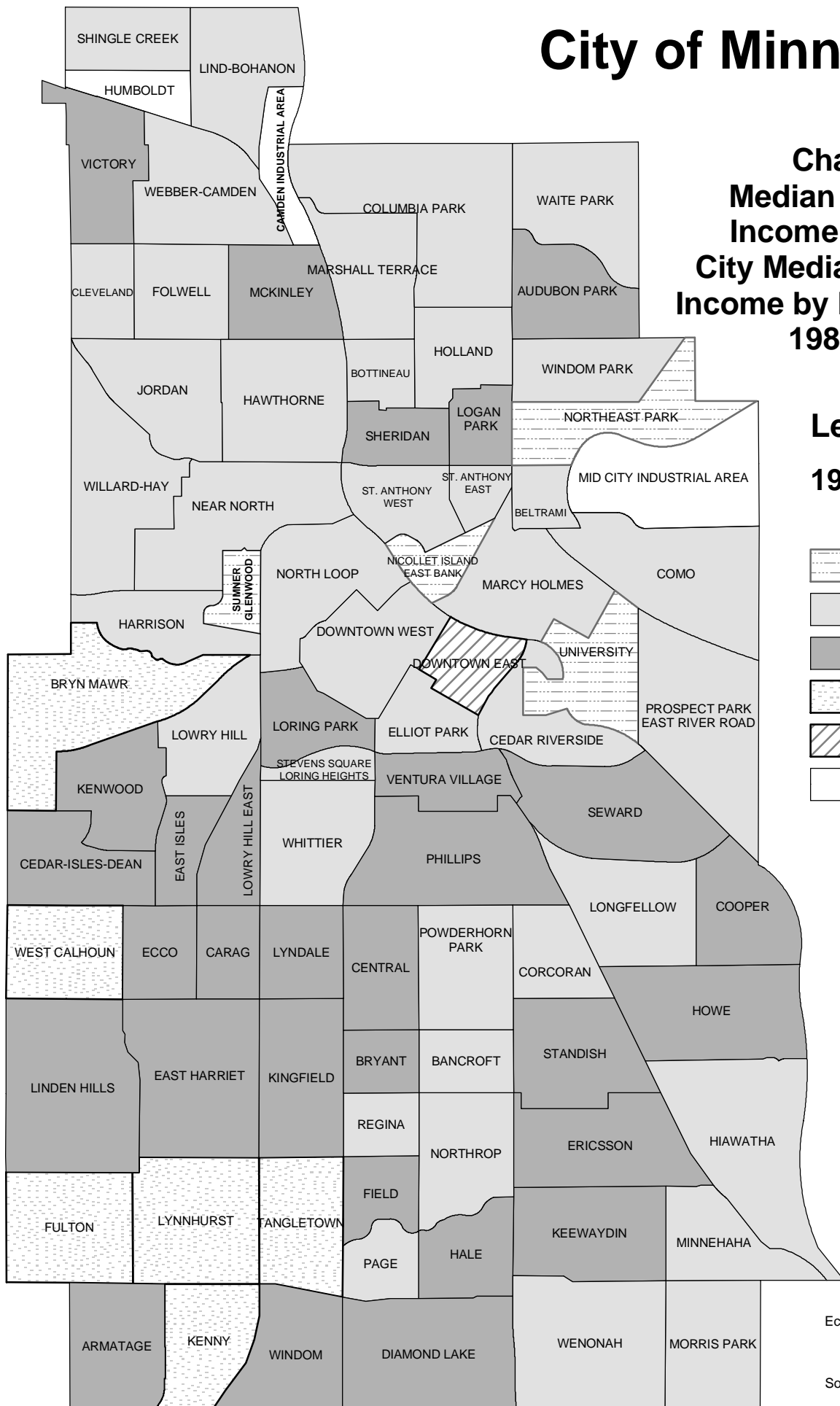
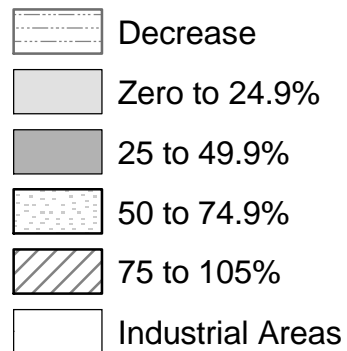


City Planning Department
Research and Strategic Planning Division
November 2002

City of Minneapolis

Change in Median Household Income Relative to City Median Household Income by Neighborhood, 1989 - 1999

Legend 1990-2000 Change

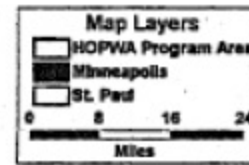
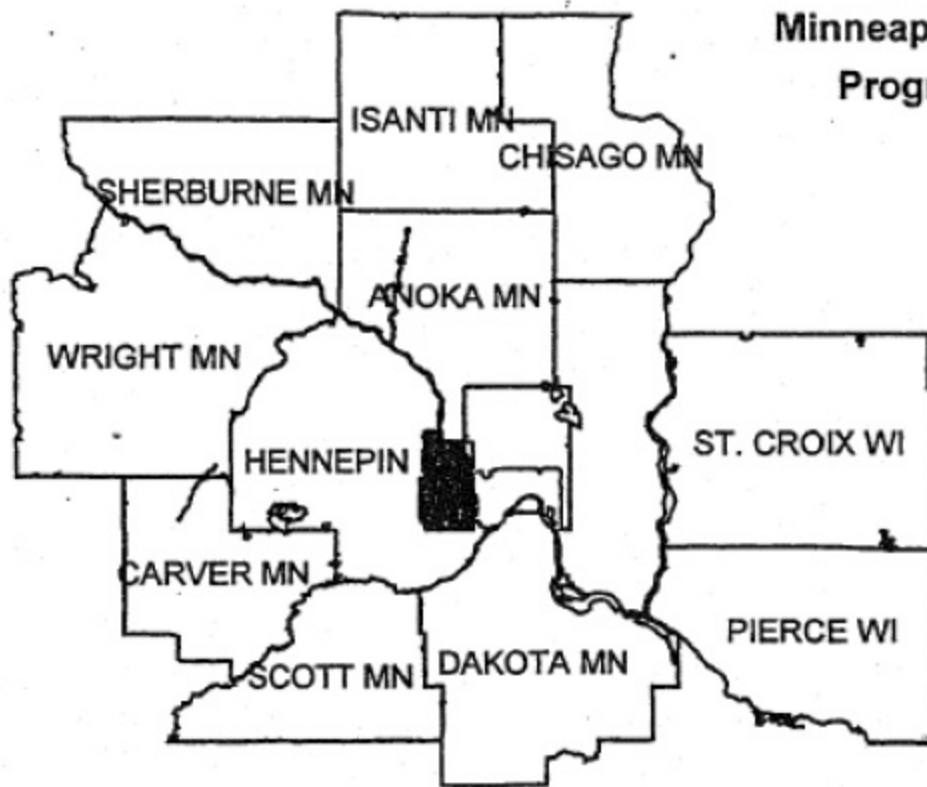


Community Planning and
Economic Development Department,
Planning Division
February 2004

Source: 1990 and 2000 U.S. Census

Map 22

Minneapolis HOPWA
Program Area



**REQUEST FOR DEVELOPMENT PROPOSALS (RFP)
2005 AFFORDABLE HOUSING TRUST FUND PROGRAM
AND 2005 EMERGENCY SHELTER GRANT (ESG) PROGRAM**

A) INTRODUCTION

The Minneapolis Department of Community Planning and Economic Development (CPED) is soliciting development funding proposals for the Affordable Housing Trust Fund (AHTF) Program and for the Emergency Shelter Grant (ESG) Program. The primary purpose of the AHTF Program is to assist in the financing of the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. The funding sources for the AHTF Program are federal Community Development Block Grant (CDBG) monies and the federal HOME Program Fund. The ESG Program funds may be used to renovate or rehabilitate emergency shelters or transitional housing for homeless people and to convert buildings for use as emergency shelters or transitional housing.

If there are questions about the AHTF programs and ESG program, please contact:

Ms. Donna Wiemann
City of Minneapolis
Dept. of Community Planning and Economic Development
Phone Number: 612-673-5257
E-mail address: Donna.Wiemann@ci.minneapolis.mn.us

In 1999, the City Council adopted an Affordable Housing Policy establishing certain goals for the production of affordable housing. The AHTF Program and the ESG Program are designed to support the Affordable Housing Policy in the implementation of the following goals:

1. All City/CPED financially assisted rental housing projects of 10 units or more shall have at least 20% of the units affordable to households at or below 50% of Metropolitan Median Income (MMI). The affordability period must be at least 15 years. Attachment #1 provides the MMI by percent of median, the current Fair Market Rents, the HOME Program Rents, and current utility allowances.
2. 70% of the overall affordable housing funds will be allocated to units with 2 or more bedrooms and 30% will be allocated to units with 0 to 1 bedrooms.
3. 50% of the new City-financed affordable housing shall be located in non-impacted areas. As a result, 50% of the amount available in the AHTF Program will be allocated to fund projects in the impacted areas of the city (areas of

EQUAL HOUSING OPPORTUNITY

poverty and minority concentration) and the remaining 50% will be allocated to fund projects in the non-impacted areas of the City. Attachment #2 is a map showing the current impacted and non-impacted areas of the City.

4. Affordable housing emphasis in impacted areas will be preservation, rehabilitation, and stabilization. Affordable housing emphasis in non-impacted areas will be construction and positive conversion. Positive conversion means conversion in any manner of units that do not currently have affordable rents to units with affordable rents or conversion of non-residential property to affordable rental housing.
5. 50% of City/CPED affordable housing funds will be used for production of units affordable at 30% or below of the MMI.
6. In 2000, the City Council adopted the recommendations of the City/County Task Force on Homelessness for single adults and unaccompanied youth. The definition of homeless youth is individuals between 13 and 21 years of age without permanent or stable housing and without accompanying adults. The production goal is the development in Hennepin County of 1,850 units of SRO housing, of which 125 shall be for homeless youth.
7. In 2001, the City Council adopted the recommendations of the City/County Task Force on Homeless Families. The production goals are 1) the development of 665 units targeted to families at or below 30% of MMI, and 2) the development of 665 new units of supportive housing, both short and long-term. The units should be developed throughout Hennepin County.
8. In 2001, the City Council adopted a Senior Rental Housing Policy (Attachment #3), describing development goals and objectives, local public agency roles, and financing tools.

B) PROPOSAL PREPARATION

Applicants are required to:

1. Determine the amount needed for gap assistance.
2. Determine if the project can support a permanent mortgage and, if it can, include an estimated amount, terms, and identity of possible lender. A letter of interest commitment or support from the lender is recommended.
3. Submit the housing development proposal to the recognized neighborhood group for review of the proposed project based on design and land use issues. Provide a letter from the neighborhood organization evidencing their review and support.

EQUAL HOUSING OPPORTUNITY

4. Provide either a formal appraisal establishing the estimated “as is” market value of the property or a thoroughly documented market analysis. An appraiser’s preliminary opinion of value may also be acceptable at this time, however, if the project is approved for funding, a complete appraisal will be required before closing. This requirement may not necessarily apply to ESG applications. If there are any questions, please discuss with Donna Wiemann.

A licensed appraiser who either is on CPED's approved appraiser list or is acceptable to CPED's Chief Appraiser must perform the appraisal. NOTE: Site control documents (e.g. signed purchase agreement, signed purchase option, and so forth) must include contingency language which makes the site control documents contingent upon the approval of the appraisal by the CPED.

5. Demonstrate professional development experience, proven ability to undertake a development project of the type being proposed, and the ability to obtain sufficient financing.
6. Describe how the proposed housing is consistent with *The Minneapolis Plan* regarding land use, density, and urban form. Describe the amenities and quality of life features that exceed requirements of *The Minneapolis Plan*.
7. Non-profit developers may be eligible to receive up to \$30,000 of CPED Non-Profit Development Assistance Funds. This program permits up to \$2,000 per unit for the first seven units, \$1,500 per unit for the next 8 units, and \$1,000 for each additional unit. If these funds are being requested, state the amount on the application and include in the “Sources of Fund” section of the application.
8. If the project includes commercial space, provide basis for proposal, description of market research and need, and identification of potential tenants.
9. If the project is awarded funds by the City Council, the project must be publicly and competitively bid. The bidding requirements are described in attachment #4
10. Provide a detailed description of the proposed supportive services for the tenants (if applicable) using Attachment #6 as the format.

REQUIRED PROPOSAL CONTENT:

Submit four copies of the following materials:

1. Common Application Form with all required materials.
2. The Rental Housing Development Funding Request Supplemental Application

3. All of the attachments listed on the last page of the Rental Housing Development Funding Request Supplemental Application.

C. SELECTION PROCESS

1. A staff selection committee will review the AHTF application proposals. Interviews may be conducted with applicants, and additional information clarifying the components of the proposals may be requested from an applicant. For rehabilitation proposals, a physical inspection of the property by CPED may be necessary.

CPED staff will evaluate proposals according to the selection criteria contained in the enclosed AHTF Program selection criteria and guidelines. Following this review, staff recommendations to the City Council will be made.

D. CPED RIGHTS

CPED reserves the right to reject any or all proposals or parts of proposals and to negotiate modifications of proposals submitted.

E. CONTRACTING GENERAL REQUIREMENTS (AVAILABLE AS SEPARATE ATTACHMENT)

AFFORDABLE HOUSING TRUST FUND
PROGRAM GUIDELINES

I. INTRODUCTION

The purpose of the Program is to assist in the financing of the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. Program funds are available on a competitive basis to projects that need gap financing to cover the difference between total development costs and the amount that can be secured from other sources.

II. SOURCES OF FUNDS

The federal HOME Program and the federal Community Development Block Grant program are two funding sources of the AHTF Program. In addition, other affordable housing fund resources may be used based upon availability during any given year. Information about the HOME Program rules can be found in 24 CFR Part 92 HOME Investment Partnership Program Final Rule as published in the Federal Register on September 16, 1996 and as subsequently amended.

The minimum HOME subsidy is \$1,000 per unit. The maximum HOME subsidy per unit is:

SRO BR	\$83,280
Efficiency	\$111,041
1 Bedroom	\$127,286
2 Bedroom	\$154,781
3 Bedroom	\$200,232
4 Bedroom	\$219,794

Several important HOME Program requirements are:

1. Rents in units assisted with HOME Program funds are strictly controlled.
2. 90% of the HOME Program units must be occupied by households with incomes at or less than 60% of MMI. More detailed information is provided later.
3. Both occupancy and rents must be maintained and monitored for 5 to 20 years depending upon the amount of HOME funds provided per unit. This period of time is known as the Affordability Period.
4. All properties must meet the local code of the City of Minneapolis at a minimum.
5. The Uniform Relocation Act applies.
6. HOME Program requirements apply to the property during the affordability period (5 to 20 years); this is done by placing a restrictive covenant on the property.

EQUAL HOUSING OPPORTUNITY

III. PROGRAM GOALS

The primary goal of this program is to provide assistance to rental projects to make them affordable to low-income households. Regarding affordability, there are several requirements in place. First, the City's Affordable Housing Policy adopted in 1999 states that all City/CPED financially assisted rental housing projects of 10 units or more shall have at least 20% of the units affordable at or below 50% of the metropolitan area median income (MMI), as adjusted for family size. Second, all units developed with HOME funds must be affordable to and occupied by families whose incomes are at or below 60% of the MMI, as adjusted for family size. In addition, rental projects with five or more HOME-assisted units occupied by families whose incomes are at or below 50% of the MMI, as adjusted for family size. Refer to Attachment #1 for the MMI information.

IV. COMPLIANCE WITH POLICIES AND REGULATIONS

A. Eligible Developer

Developers may be non-profit or for-profit. Developers must demonstrate professional development experience, reasonable financial strength, and the ability to undertake the proposed project. They must have the ability to obtain sufficient financing. They must have the capability to manage the project successfully after completion or hire a professional management company with experience in managing affordable housing. Developers must submit financial statements and documentation of experience in housing development. To the extent that a developer cannot demonstrate the proper strength in a particular area, the developer will be required to hire or joint venture with an entity that has strength in that particular area.

B. Minimum Rehabilitation Standards

Each project must meet at a minimum the local housing code for the City of Minneapolis. CPED may require, however, more substantial rehabilitation if not already proposed. Developers are required to submit a preliminary outline of cost estimates and a preliminary rehab specifications, drawings, and site plans.

C. Degree of Need

The program will provide assistance only to the projects that require assistance to achieve the programs goals and objectives. It must be demonstrated that other sources of funds are not available or adequate.

D. Compliance with City Policy

Proposals must comply with the City's Comprehensive Plan, Consolidated Plan, a city-adopted neighborhood plan (if applicable), and zoning regulations.

E. Time Completion

Developers are required to submit a timetable that outlines the stages of the project (e.g. acquisition of site, relocation, demolition, securing the other project funding, closing date, construction start date, and construction completion date.

- F. Interest Rate for Permanent Financing
All proposals will use a current market interest rate for purposes of estimating mortgage financing in their applications.
- G. Displacement Discouraged
Displacement is discouraged, however, if it is necessary and unavoidable, the developer must submit a relocation plan that complies with the applicable relocation policy for temporary or permanent displacement.
- H. Site Control
Developers must show evidence of site control through one of the following means:
1. Fee Title
 2. Contract-For-Deed
 3. Signed Purchase Agreement
 4. Signed Purchase Option
 5. Signed Redevelopment Contract
 6. An Application with CPED for a Parcel of Land or a building which CPED owns.
- In the cases 2-6 above the developer must also show that the site is controlled for an acceptable amount of time and also has no conditions that would limit the use of the property.
- I. Size of Project
The project must be located within the City of Minneapolis, contain not less than four units, and be owned and managed as either a rental property or a leasehold cooperative. Proposals that contain a combination of single family, duplex, triplex and fourplex housing units that are structured as a multi-family rental projects are permitted under this program.
- J. Cooperative Training
If a leasehold cooperative is formed, the developer will be required to provide cooperative training services for the residents of the project.
- K. Public Bidding
Proposals must comply with the public bidding requirements. Refer to Attachment #4 for bidding instructions.

V. SELECTION CRITERIA

Depending upon whether a project is located in an impacted area or a non-impacted area, proposals will be evaluated according to one of the two selection criteria point structures listed below. One point structure pertains to projects in impacted areas and the other point structure pertains to projects in non-impacted areas.

A. Selection Criteria for Projects in Impacted Areas:

The point structure for projects in impacted areas has 17 selection criteria. A proposal needs at least 20 points in two selection criteria (“Financial Soundness and Management” and “Economic Integration”) to meet the minimum point threshold and 80 points in all categories to meet the total point threshold. A proposed project must meet both the minimum and total point thresholds to be considered for funding.

1. **Financial Soundness and Management** (Maximum # of points - 25)
 A project can receive up to 10 points for being underwritten according to the CPED's underwriting standards (Attachment #5); up to 5 points for the percentage amount of other funding sources which have been secured; up to 5 points for the quality of the management plan, and up to 5 points for the developer's experience in developing and operating projects of this type. With respect to the operating fees of the project, the following should be considered: A 5 to 8% vacancy estimate, sufficient operating reserves and reserves for replacement, a 1.2 debt service coverage, and sufficient cash flow to cover any unforeseen expenses. Projects are to be underwritten with these projections: a 4% annual operating cost increase and a 2% annual income increase.

2. **Economic Integration** (Maximum # of points - 20)
 Project meets the mixed-income goals on basis of percentage of low-income units (affordable to 50% of MMI) to the total number of units.

<u>Percentage of Low-Income Units</u>	<u>Points</u>
20% of total units	15
40%	20
60%	10
80%	5
100%	5

3. **Ratio of Soft Costs to Total Project Costs** (Maximum # of points - 8)
 Points given to projects on a sliding scale of intermediary (soft) costs based on the % of total project costs. Soft costs include all project costs except hard construction, property acquisition, normal and special site work, environmental remediation work, and deposits into reserve accounts (e.g. replacement, operating, debt service accounts).

VII. ADMINISTRATION

The administration of the Program is the responsibility of the CPED Affordable Multi-Family Department. A committee composed of appropriate CPED staff will evaluate the funding requests based on the program's selection criteria described herein.

VIII. PROCEDURE

CPED will allocate funding from the available sources (e.g. HOME, CDBG, and other) on a semi-annual basis. Reallocated funds from prior proposals that were unable to demonstrate project viability will also be added to the total. Staff solicits proposals and makes recommendations for funding to the City Council. Preliminary funding commitments granted by the Council will be for a twelve-month period during which time developers must demonstrate compliance with program requirements, secure project funding, and conduct the project closing. Developers are required to submit their proposals to the appropriate neighborhood group for review.

ATTACHMENT 1
UTILITY ALLOWANCES / INCOME & RENTS

MINNEAPOLIS PUBLIC HOUSING AUTHORITY
1001 Washington Avenue North
Minneapolis, MN 55401-1043
Effective 10/01/2004

A = Multiple Dwelling (any building with 3 or more units)
D/T = Townhouse, Duplex or Double Bungalow
SF = Single Family Dwelling

To calculate the utility allowance chart simply, start with the Payment Standard amount and then subtract the amounts listed below for all the utilities which the participant (tenant) pays. This equals the Net Rent. If the Owner's proposed rent is greater than the Net Rent (payment standard minus the utilities), this unit may be considered NOT affordable for the Housing Choice Voucher Program. Be sure to use the proper column for the bedroom size and the proper unit type. The Range and Refrigerator amounts are for participant owned appliances, so do not add them if they are provided by the owner.

Utility/Appliance	0 Bedroom		1 Bedroom		2 Bedrooms		3 Bedrooms		4 Bedrooms		5 Bedrooms		6 Bedrooms								
	A	D/T	A	D/T	A	D/T	A	D/T	A	D/T	A	D/T	A	D/T							
HEATING - Gas	34	35	38	41	61	73	63	89	97	85	90	107	111	120	128	120	131	136	131	159	178
- Electric	31	38	47	57	65	78	75	91	98	91	111	133	110	130	143	124	151	164	138	174	189
COOKING - Gas		7			12			16			19			24			27				31
- Electric		8			13		17			19				27			31				36
OTHER ELECTRIC	14	15	21	18	23	30	25	33	39	31	43	46	36	53	57	40	62	65	44	73	75
WATER HEATER - Gas		9			15			28			30			38			38				43
- Electric		23			40			50			65			83			92				102
TRASH COLLECTION	22	17	17	22	17	17	22	17	17	22	17	17	22	17	17	22	17	17	22	17	17
WATER & SEWER	23	23	23	30	30	30	32	32	32	34	34	34	39	39	39	44	44	44	49	49	49
RANGE		8			8			8			9			10			10				11
REFRIGERATOR		9			9			9			11			13			13				15

METROPOLITAN MEDIAN INCOME (MMI)
Income Limits
Effective Date: 10/01/2004 CDBG, 03/31/2005 HOME

		Number of Persons							
		1	2	3	4	5	6	7	8
% of Median									
30%	\$16,150	\$18,500	\$20,800	\$23,100	\$24,950	\$26,800	\$28,650	\$30,500	
50%	\$26,950	\$30,800	\$34,650	\$38,500	\$41,600	\$44,650	\$47,750	\$50,800	
60%	\$32,340	\$36,960	\$41,580	\$46,200	\$49,920	\$53,580	\$57,300	\$60,960	
Section 8 Income Limits	\$40,600	\$46,400	\$52,200	\$58,000	\$62,650	\$67,300	\$71,900	\$76,550	

FAIR MARKET RENTS

Unit Size	Efficiency	1BR	2BR	3BR	4BR	5BR	6BR
Fair Market Rate	\$651	\$763	\$928	\$1,229	\$1,386	\$1,594	\$1,802

HOME PROGRAM HIGH RENT LIMITS

Unit Size	Efficiency	1BR	2BR	3BR	4BR	5BR	6BR
HOME High Rent Limit	\$651	\$763	\$928	\$1,229	\$1,386	\$1,519	\$1,646

HOME PROGRAM LOW RENT LIMITS

Unit Size	Efficiency	1BR	2BR	3BR	4BR	5BR	6BR
HOME Low Rent Limit	\$651	\$721	\$866	\$1,001	\$1,116	\$1,231	\$1,347

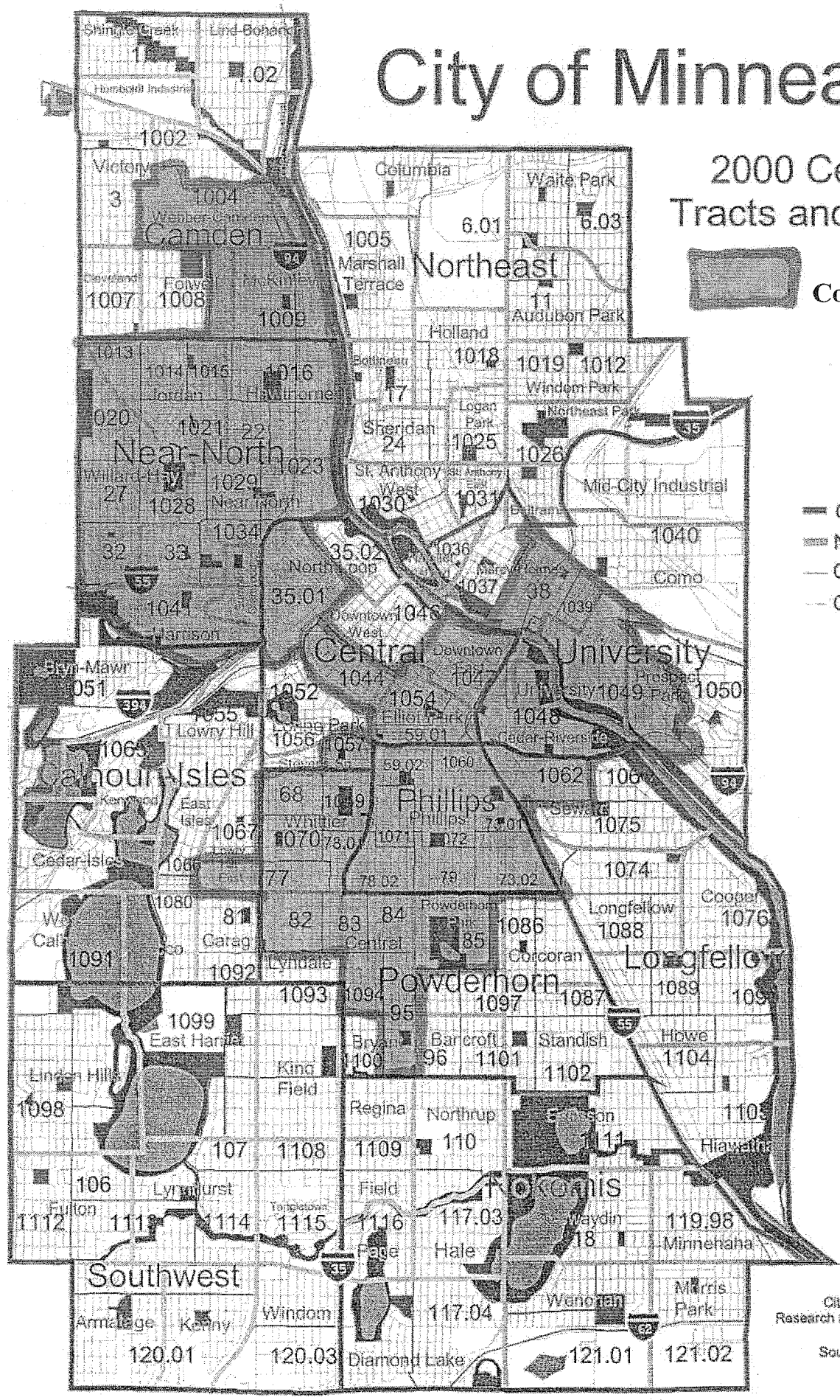
City of Minneapolis

2000 Census Tracts and Blocks



Concentrated Area

- Community
- Neighborhood
- Census Tract
- Census Block



City Planning Department
 Research and Strategic Planning Division
 July 2001
 Source: US Census Bureau

No. 2001-2548M
RESOLUTION

of the
MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY
Establishing a Senior Rental Housing Policy

Whereas, on September 7, 1999, the City Council adopted an Affordable Housing Policy; and

Whereas, as part of that action, the City Council directed the Minneapolis Community Development Agency ("MCDA") to develop options for financing senior rental housing consistent with the Affordable Housing Policy and related programs and policies; and

Whereas, on February 7, 2000, the MCDA reported to the City Council on senior housing issues, ownership options, financing alternatives, and next steps; and

Whereas, a market study completed in early 2001 indicated a demand for various types of senior rental housing in different sectors of the City; and

Whereas, the Minneapolis Public Housing Authority ("MPHA") included language in its 2000-2005 strategic plan regarding expanding housing opportunities for seniors; and

Whereas, on September 14, 2001, at the request of the MPHA, the City Council adopted an amendment to Chapter 420, Minneapolis Code of Ordinances, to authorize the MPHA to own mixed income senior rental housing;

Now, Therefore, Be It Resolved By The Board of Commissioners of the Minneapolis Community Development Agency:

That the following senior rental housing development goals and objectives are hereby adopted:

- Support development of affordable and mixed-income senior rental housing in all quadrants of Minneapolis. Senior rental housing may include independent rental, congregate, and/or assisted living projects.
- Seek opportunities for public and private partnerships.
- Seek new financing options outside of existing affordable housing resources.
- Identify appropriate sites for senior rental housing development based on market information, not solely on opportunity. Locate senior developments close to transit, retail and services.
- Ensure quality management and supportive services.
- Encourage high quality design and amenities.

ATTACHMENT 3
SENIOR HOUSING POLICY

That the local public agency roles related to senior rental housing development shall be as follows:

- MCDA: Continue to identify and make available appropriate sites for senior rental housing development. Provide tax increment, housing revenue bond and gap financing as described below.
- MPHA: Serve as the public owner of essential function bond-financed development, seeking opportunities for public-private partnerships. Issue essential function bonds. Provide Project-Based Section 8 and other financing resources.
- City Planning: Revise city policy documents to include senior housing strategies and assist with project regulatory review and approvals.
- Hennepin County: Provide service coordination and funding.

That the following financing tools will be developed to facilitate construction of senior rental housing:

- Housing Revenue Bonds from City's Entitlement Allocation: create a priority and/or set-aside for senior housing development and continue to provide 501(c)(3) bond financing to non-profit developers.
- MCDA Gap Funds: Beginning in 2002, create a priority for senior housing development within the multifamily program guidelines (CDBG/HOME/Development Account funding) and continue to utilize tax increment financing to the extent possible.
- Essential Function Bonds: With MPHA as the issuer, authorize a limited amount (up to \$5,000,000) of essential function bond debt per year, structured as rated revenue (FHA or other) or investment grade rated bonds. Maximum of \$30,000,000 for the total amount of outstanding bonds at any given time.
- MPHA Resources: Project-Based Section 8, Replacement Housing Factor funds, Ross Funds for assisted living projects, and other HUD funds.
- Utilize other sources such as Hennepin County, FHLB, DHS, NRP, etc. to the extent possible and continue to seek other financing tools in order to minimize competition with affordable family housing development.

ATTACHMENT 6
SUPPORTIVE SERVICES INFORMATION

Project Name:

Participants:

- Developer
- Owner
- Service Provider
- Name and phone number for any Hennepin County staff involved in project planning or funding

Project Abstract:

Provide brief information to address the following:

- How does this project meet Hennepin County housing priorities?
 1. Who is your Target Population?
 2. What are your expected program outcomes?
 3. How will you measure them?
 4. Describe the choices of service vendors available to the residents?
 5. Describe residents in terms of gender, age, income, disability and ethnicity?
 6. Describe any funding which will be available to assist residents with rent payments?
- Describe the project's location and physical structure (include total number of units and whether the project is new construction/ rehab) and any licenses, or permits required.
- Describe any neighborhood support or opposition to the project.
- Target date for project opening?
- Describe your criteria for finding eligible renters (renter profiles, screening procedures) and any other entrance requirements such as age, gender, sobriety, employment income, etc.
- Type of units (market rate, low income). If mixed income project, are populations assigned to separate areas of the building?
- If targeted populations are disabled under the ADA, describe why this is the most integrated setting possible for these persons?
- Is the housing time limited by definition?
- Will tenants have a lease, or will they sublease?
- What are the circumstances under which the renters may be required to leave?

Service Summary:

Provide information about:

- What fiscal relationship does the service provider have to the housing owner/manager?
- List services that are part of this project, including the following information: services; provider; optional or mandated as a condition of housing; available on-site or off-site; do all tenants use same service provider or is there a choice of vendor?
- How many staff FTEs are part of this project? List staff functions and hours staff are present on-site
- Can services follow the renter if/when they move?

Operating Funding (include total budget):

- Source/Budget/Contact
- Status of funding (approved, under consideration, not yet applied for)

Service Funding (include total budget):

- Source/Budget/Contact
- Status of funding (approved, under consideration, not yet applied for)
- What other funds have been considered for service funding? If they have been ruled out, why?

ATTACHMENT 7
SUMMARY OF LEAD-BASED PAINT REQUIREMENTS BY ACTIVITY

	Rehabilitation (Subpart J) Chapter 4		TBRA (Subpart M) Chapter 5	A, L, SS, O (Subpart K), Chapters 6 & 7
	≤ \$5,000	\$5,000 - \$25,000	> \$25,000	Homebuyer and Special Needs*
Approach to Lead Hazard Evaluation and Reduction	1. Do no harm	3. Identify and control lead hazards	4. Identify and abate lead hazards	2. Identify and stabilize deteriorated paint
Notification	Yes	Yes	Yes	Yes
Lead Hazard Evaluation	Paint Testing	Paint Testing and Risk Assessment	Paint Testing and Risk Assessment	Visual Assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation	Interim Controls	Abatement (Interim Controls on exterior surfaces not disturbed by rehabilitation)	Paint Stabilization
	Safe work practices Clearance of work site	Safe work practices Clearance of unit	Safe work practices Clearance of unit	Safe work practices Clearance of unit
Ongoing Maintenance	For HOME rental only	For HOME rental only	For HOME rental only	Yes (if ongoing relationship)
EIBLL Requirements	No **	No	No	No
Options	Presume lead-based paint Use safe work practices on all surfaces	Presume lead-based paint and/or hazards Use standard treatments	Presume lead-based paint and/or hazards Abate all applicable surfaces	Test deteriorated paint Use safe work practices only on lead-based paint surfaces

*Special Needs Housing may be subject to the requirements of Subpart J, M, or K depending on the nature of the activity undertaken. However, since most special-needs housing involves acquisition, leasing, support services, and operations, for the purposes of this table, it has been placed in this column. Chapter 7 explains how other requirements may also apply.

FOUR APPROACHES TO IMPLEMENTING LEAD HAZARD EVALUATION AND REDUCTION

FOUR APPROACHES TO IMPLEMENTING LEAD HAZARD EVALUATION AND REDUCTION

APPROACH 1. DO NO HARM		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Paint testing performed on surfaces to be disturbed.	Repair surfaces disturbed during work. Safe work practices used when working on areas identified as lead-based paint. Clearance performed on work site.	Presume lead-based paint is present and use safe work practices on all surfaces being disturbed.
APPROACH 2. IDENTIFY AND STABILIZE DETERIORATED PAINT		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Visual assessment performed to identify deteriorated paint.	Paint stabilization of identified deteriorated paint. Safe work practices used. Clearance performed unit-wide	Perform paint testing on deteriorated paint. Safe work practice requirements only apply to lead-based paint.
APPROACH 3. IDENTIFY AND CONTROL LEAD HAZARDS		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Paint testing performed on surfaces to be disturbed Risk assessment performed on entire dwelling	Interim controls performed on identified hazards. Safe work practices used. Clearance performed unit-wide.	Presume lead based paint and/or lead based paint hazards are present and perform standard treatments.
APPROACH 4. IDENTIFY AND ABATE LEAD HAZARDS		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Paint testing performed on surfaces to be disturbed. Risk assessment performed on entire dwelling.	Abatement performed on identified hazards. Interim controls performed on identified hazards on the exterior that are not disturbed by rehabilitation. Safe work practices used. Clearance performed unit-wide.	Presume lead-based paint and/or lead-based paint hazards are present and perform abatement on all applicable surfaces - deteriorated, impact, friction, chewable surfaces, and surfaces to be disturbed.