

**The FY 2010
Minneapolis**

HUD CONSOLIDATED PLAN
for Housing and Community Development

**Five Year Strategy
2010-2014**

**One Year Action Plan
June 1, 2010 – May 31, 2011**

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

**Approved by HUD
May 2010**



TABLE OF CONTENTS

TABLE OF CONTENTS	2
EXECUTIVE SUMMARY	6
CHAPTER 1 INTRODUCTION TO ONE-YEAR ACTION PLAN	17
A. Background.....	17
B. Planning Process (91.200(b)).....	17
1. Lead Agency	17
2. Planning Timeline	18
3. Jurisdiction Consultations.....	18
C. Citizen Participation Plan.....	19
1. Background	19
2. Schedule	20
3. Public Hearings	21
4. Notification and Access to Hearings	22
5. Technical Assistance.....	22
6. Proposed Funding Processes	23
7. Comments/Complaints	23
8. Anti-Displacement and Relocation Plan	24
9. Substantial Change Process and Amendments	24
10. Access to Records.....	25
D. Institutional Structure (91.215 (i))	25
1. Organizational Relationships	25
2. Organizational Relationship with Public Housing Agency.....	26
E. Monitoring (91.230).....	26
1. Purpose.....	28
2. Objectives	28
3. Definitions.....	29
4. Production Monitoring.....	30
5. Quality Control/Compliance Monitoring	30
F. Priority Needs Analysis and Strategies (91.215 (a)).....	32
1. Basis for Priority Assignments	32
2. Obstacles to Meeting Underserved Needs.....	33
G. Lead-based Paint (91.215 (g)).....	34
H. General Community Demographics and Income	34
I. Low-Income and Minority Concentrations	38
CHAPTER 2 HOUSING NEEDS.....	39
A. General.....	39

B.	Housing Needs (91.205)	39
1.	Housing Need Race/Ethnicity	44
2.	Elderly	50
3.	Persons with Disabilities	51
4.	Persons and Families with HIV/AIDS	52
5.	Single Persons	59
6.	Large Families	60
C.	Priority Public Housing Needs (91.210 (b))	60
1.	Families on Public Housing and Section 8 Waiting Lists	61
2.	Public and Assisted Housing	63
D.	Housing Market Analysis (91.210)	71
1.	Housing Supply	71
2.	Housing Demand	77
3.	Combination of Supply and Demand	82
4.	Vacancy Rates and Rent Levels	82
5.	Housing Prices	83
E.	Barriers to Affordable Housing (91.210 (e); 91.215 (f))	84
F.	Lead-based Paint Hazards	84

CHAPTER 3 HOMELESSNESS AND THOSE THREATENED WITH HOMELESSNESS (91.205(B); 91.215(C)).....87

A.	General.....	87
B.	Nature & Extent of Homelessness	87
C.	Need for Facilities and Services	92
D.	Low-Income Individuals & Children At-Risk for Homelessness.....	93
E.	Priority Homeless Needs	93
F.	Priority/Goals	95
G.	Homeless Inventory.....	98
1.	Existing Facilities.....	99
2.	Existing Services	99

CHAPTER 4 COMMUNITY DEVELOPMENT104

A.	Introduction.....	104
1.	Public Facilities	105
2.	Public Improvements.....	105
3.	Public Services.....	107
4.	Economic Development	113
5.	Anti-Poverty Issues (91.215 (h))	114
B.	Non-Homeless Special Needs	116

CHAPTER 5 FIVE-YEAR STRATEGY (2010-2014)..... 116

A.	General.....	116
1.	Assumptions	118
2.	CDBG Target Area Map	119
3.	Consolidated Plan General Support for 5-Year Strategy – Goals and Objectives	120
B.	Housing.....	121
1.	General – The Unified Housing Policy	121
2.	Affirmatively Furthering Fair Housing	122
3.	Affordable Housing Policy	124
4.	Affordable Housing	125
5.	Special Needs Housing	132
6.	Addressing and Removing Affordable Housing Barriers	134
C.	Homelessness.....	138
D.	Lead-Based Paint Hazards.....	140
E.	Community Development	141
1.	Public Facilities	141
2.	Public Services.....	142
3.	Economic Development	143
4.	Anti-Poverty.....	144
F.	Institutional Structure	146
1.	Relationship with Local Public Housing Authority	146

CHAPTER 6 2010 ONE-YEAR ACTION PLAN 148

A.	General.....	148
1.	Federal Resources.....	150
2.	Other Resources	153
B.	Geographic Distribution of Consolidated Plan Assistance	155
C.	Addressing Obstacles in Meeting Underserved Needs.....	155
D.	2010 Planning Process.....	155
E.	Summary of 2010 Citizen Participation Process	156
F.	2010 Institutional Structure	157
G.	2010 Monitoring Objectives	157
H.	2010 Lead-based Paint Objectives.....	157
I.	Housing	158
1.	2010 Housing Goals and Objectives	160
2.	2010 Actions to Address Affordable Housing Barriers.....	163
3.	2010 HOME Single Family program	163
4.	2010 HOME/CDBG Multifamily Guidelines	167
5.	2010 Affirmatively Furthering Fair Housing	170

J.	2009 Addressing Homelessness and Those Threatened with Homelessness	171
K.	2010 Community Development Objectives	172
1.	Public Facilities	172
2.	Public Services.....	173
3.	Economic Development	176
L.	2010 Anti-Poverty Objectives	177
M.	Non-Homeless Special Needs Housing.....	179
1.	2010 Non-Homeless Special Needs Objectives	179
2.	Housing Opportunities for Persons with AIDS (HOPWA) Objectives	181
N.	CDBG Program Requirements	182
O.	ESG Program Requirements	184
P.	SF-424 Federal Applications for Assistance/Grantee Certifications.....	184
APPENDIX		195
2010 Minneapolis Consolidated Plan		195
•	Public Hearings and Comments	195
•	HUD Table 1A Homeless and Special Needs.....	195
•	HUD Table 2A 2005-09 Priority Housing Needs.....	195
•	HUD Table 2B 2005-09 Non-Housing Community Development	195
•	HUD Table 3 Proposed Projects.....	195
•	Consolidated Plan Maps	195

Executive Summary

The 2010 Minneapolis Consolidated Plan is a comprehensive approach to addressing the city's housing and community development needs. The Consolidated Plan is a combination housing plan, community development and public service plan, and application for the following four U.S. Department of Housing and Urban Development (HUD) entitlement programs:

- Community Development Block Grant (CDBG)
- Emergency Shelter Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)
- HOME Investment Partnerships

This year's Consolidated Plan provides a five-year strategy covering program years 2010-2014 and updates the city's previous five-year strategy issued in 2005. 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.

The City of Minneapolis' 2010 Consolidated Plan program year runs from June 1, 2010 through May 31, 2011. The City's lead agency responsible for the Plan's development is the Office of Grants & Special Projects, part of the Intergovernmental Relations Department, in the Office of the City Coordinator.

The executive summary includes objective/outcome expectations, as well as an evaluation of past performance. The 2010 Consolidated Plan states how the City intends to utilize its HUD entitlement funds in the areas of housing and community development, public service, and administration. The Consolidated Plan ties HUD grant-funded spending to other funding initiatives in the City that benefit the City's low- and moderate-income residents.

Summary of Objective and Outcome Expectations

The City of Minneapolis' performance measurement system is tied to City department or program lines, and to the annual budget process. The Consolidated Plan includes measures of performance to quantify goals by incorporating projected *outcome* measures. Quantifiable results-oriented goals for capital programs are tied to a unified framework for the benefit of low- and moderate-income residents. The City includes a performance-based logic model framework as a contract requirement for public service programs funded with CDBG. Additionally, HUD requires an annual performance report (CAPER) for the HOPWA program Subrecipients contracted through the City of Minneapolis.

The City of Minneapolis includes a performance-based framework for all its Consolidated Plan activities. The outcome measurement system enables HUD

to report program accomplishments at the national level, enhancing the budget process and substantiating the need for this funding source. This system is described, and outcome results can be found, on HUD's website:

<http://www.hud.gov/offices/cpd/about/performance/index.cfm>

The Consolidated Plan lists the City's HUD funded program activities in Appendix Table 3, together with performance expectations in terms of HUD's performance measurement system. The accomplishments of each HUD-funded program is measured, based on a combination of national objectives and outcomes, shown here, and in Chart A, below.

Objectives:

1. creating suitable living environments
2. providing decent housing, and
3. expanding economic opportunities

Outcomes:

1. availability/accessibility
2. affordability, and
3. sustainability

The City's program managers provide the outcome expected from each HUD-funded activity. Table A is a summary of outcomes the City expects to achieve with its HUD funded programs benefiting low- and moderate-income residents.

Minneapolis 2010 HUD Program Outlay and Performance Projections (Chart A)

<i>Framework for Public Service and Capital Projects</i>	Outcome #1: "Availability / Accessibility"	Outcome #2: "Affordability"	Outcome #3: "Sustainability"
Objective #1: "Suitable Living Environment"	\$883,000 Beneficiaries: 8,879		\$2,212,386 Beneficiaries: 341,327
Objective #2: "Decent Housing"	\$587,765 Beneficiaries: 55	\$10,781,443 Beneficiaries: 457	
Objective #3: "Economic Activity"	-	-	\$2,810,000 *Beneficiaries: 794

*(Beneficiaries are low- and moderate-income residents; * Outcome for "Economic activity" beneficiaries includes persons and businesses)*

Chart A, above, is a summary of the Consolidated Plan program activities the City funds for CDBG, HOME, HOPWA and ESG. Chart B, below, further classifies these combinations relative to the type of benefit these programs provide to the City's low- and moderate-income residents.

Beneficiary Outputs Compared to Outcomes and Objectives (Chart B)

Outcome / Objective →	Suitable Living Environment - Improved/New Accessibility	Suitable Living Environment - Improved/New Affordability	Suitable Living Environment - Improved/New Sustainability	Decent Housing - Improved/New Sustainability	Decent Housing - Improved/New Affordability	Decent Housing - Improved/New Availability	Economic Opportunity - Improved/New Accessibility	Economic Opportunity - Improved/New Affordability	Economic Opportunity - Improved/New Sustainability
Type of Benefit ↓									
Number that will have new access to this service or benefit	5,809				251				694
Number that will have improved access to this service or benefit	3,070				57				100
Number that will receive a service or benefit that is no longer substandard			228,322		149	55			
Number that will have new access to this type of public facility or infrastructure improvement									
Number that will have improved access to this type of public facility or infrastructure improvement									
Number that will be served by public facility or infrastructure that is no longer substandard			113,005						

As indicated in Chart A, the City will create decent housing with improved/new affordability, for 457 low- and moderate-income beneficiaries, by leveraging \$10.7 million through its capital programs. Of those, as noted in Chart B, 251 beneficiaries will have new access to affordable housing, 57 will have improved access to housing, and 149 will have housing that is no longer substandard. From appendix Table 3, this programming includes support for the development of housing units, homebuyer assistance for low-income households, housing vouchers for persons with HIV/AIDS, and 10 organizations who provide indirect assistance through pre-development affordable housing activities.

The City's investment of \$2.8 million in CDBG funding will provide economic opportunity through improved/new sustainability for 794 beneficiaries. This includes developing strategies for small business development, linking low-income residents with job openings, public service funding for youth employment training, providing youth summer employment, through community-based organizations and school programs.

The City will direct \$2.2 million for direct Public Services for suitable living environments for low-income beneficiaries; and, over 341,000 residents in targeted areas across the City of Minneapolis will benefit indirectly from CDBG-funded crime prevention and restorative justice programs. Public Service programs, identified in Appendix Table 3, provide low income persons new or improved access to a range of activities including school readiness, curfew truancy, community and children health care, teen pregnancy prevention and education, senior services, block nurse programs, and multi-cultural services.

Table 3A Summary of Specific Annual Objectives
(2010 accomplishments to be compiled in Summer 2011 for the 2010 annual performance report)

Grantee Name: Minneapolis, MN

Availability/Accessibility of Decent Housing (DH-1)							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
DH1.1	Finance and administer programs for development of affordable and mixed-income rental housing	HOME CDBG	2010	Housing Units	242		%
			2011		242		%
			2012		242		%
			2013		242		%
			2014		242		%
		MULTI-YEAR GOAL		1,210	0	%	
DH 1.2	Finance and administer programs for development of affordable and mixed-income ownership housing	HOME CDBG	2010	Housing Units	52		%
			2011		52		%
			2012		52		%
			2013		52		%
			2014		52		%
		MULTI-YEAR GOAL		260	0	%	
DH 1.4	Finance development of housing opportunities for persons with special needs	CDBG HOME HOPWA	2010	Housing Units	42		%
			2011		42		%
			2012		42		%
			2013		42		%
			2014		42		%
		MULTI-YEAR GOAL		210	0	%	
DH1.5	Develop shelter and supportive housing options for those persons experiencing homelessness	CDBG HOME	2010		310		%
			2011		310		%
			2012		310		%
			2013		310		%
			2014		310		%

			MULTI-YEAR GOAL		1,550	0	%
DH 1.6	Develop new affordable senior housing	CDBG HOME	2010	Housing Units	68		%
			2011		68		%
			2012		68		%
			2013		68		%
			2014		68		%
			MULTI-YEAR GOAL		340	0	%
Affordability of Decent Housing (DH-2)							
DH2.1	Support homeownership opportunities for underserved populations	CDBG 3	2010	Housing Units	17		%
			2011		17		%
			2012		17		%
			2013		17		%
			2014		17		%
			MULTI-YEAR GOAL		85	0	%
DH2.1 1	Acquisition and slum blight removal and reuse to support affordable housing development	CDBG 9,8	2010	Housing Units	25		%
			2011		25		%
			2012		25		%
			2013		25		%
			2014		25		%
			MULTI-YEAR GOAL		125	0	%
DH2.2	Support multi-family housing grants to non-profit developers for predevelopment assistance	CDBG 5	2010	Organizations	10		%
			2011		10		%
			2012		10		%
			2013		10		%
			2014		10		%
			MULTI-YEAR GOAL		50	0	%
DH 2.3	Provide housing assistance to HOPWA eligible households	HOPWA	2010	Households	125		%
			2011		125		%
			2012		125		%
			2013		125		%
			2014		125		%
			MULTI-YEAR GOAL		625	0	%
Sustainability of Decent Housing (DH-3)							
DH3.1	Finance and administer programs for rehabilitation of affordable and mixed-income rental housing	CDBG HOME	2010	Housing Units	330		%
			2011		330		%
			2012		330		%
			2013		330		%
			2014		330		%
			MULTI-YEAR GOAL		1,650	0	%
DH 3.2	Finance preservation of housing opportunities for persons with special needs	CDBG HOME ESG	2010	Housing Units	36		%
			2011		36		%
			2012		36		%
			2013		36		%
			2014		36		%
			MULTI-YEAR GOAL		180	0	%
DH 3.3	Contribute capital resources to the rehabilitation of supportive housing and shelter units consistent with Continuum of Care	ESG HOME CDBG	2010	Housing/Bed Units (3 SRO = 1 unit)	55		%
			2011		60		%
			2012		62		%
			2013		65		%
			2014		68		%
			MULTI-YEAR GOAL		310	0	%

DH 3.4	Finance owner-occupied housing rehabilitation	CDBG, NSP	2010	Housing Units	18		%
			2011		18		%
			2012		18		%
			2013		18		%
			2014		18		%
			MULTI-YEAR GOAL				90	0	%
DH 3.6	Support rehabilitation needs of public housing supply	CDBG	2010	Housing Units	0		%
			2011		50		%
			2012		50		%
			2013		50		%
			2014		50		%
			MULTI-YEAR GOAL				200	0	%
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL 1.2	Support programs that allow seniors to be self-sufficient	CDBG 23	2010	Persons	450		%
			2011		150		%
			2012		400		%
			2013		400		%
			2014		400		%
			MULTI-YEAR GOAL				2,100
SL 1.3	Promote healthy well-being of residents through public and private service providers	CDBG 21,24,25	2010	Persons	99		%
			2011		95		%
			2012		87		%
			2013		81		%
			2014		76		%
			MULTI-YEAR GOAL				438	0	%
SL 1.4	Provide public service resources to vulnerable homeless elder citizens	CDBG 28	2010	Persons	20		%
			2011		20		%
			2012		18		%
			2013		16		%
			2014		14		%
			MULTI-YEAR GOAL				88	0	%
SL 1.5	Promote resources for city youth programming	CDBG 19,20,22, 26,27	2010	Persons	1,125		%
			2011		1,085		%
			2012		1,041		%
			2013		997		%
			2014		953		%
			MULTI-YEAR GOAL				5,205	0	%
SL 1.6	Provide for school readiness initiatives	CDBG 16	2010	Persons	750		%
			2011		740		%
			2012		730		%
			2013		720		%
			2014		710		%
			MULTI-YEAR GOAL				3,350	0	%
SL 1.7	Provide for housing advocacy services	CDBG, HPRP	2010	Persons	10,000		%
			2011		10,000		%
			2012		10,000		%
			2013		10,000		%
			2014		10,000		%
			MULTI-YEAR GOAL				50,000	0	%
SL 1.8	Public service provision and assistance for immigrant and Native American populations	CDBG 51	2010	Persons	6,453		%
			2011		6,453		%
			2012		6,453		%
			2013		6,453		%
			2014		6,453		%

			MULTI-YEAR GOAL		32,265	0	%
Affordability of Suitable Living Environment (SL-2)							
SL2.1	Provide mortgage foreclosure assistance to low-income homeowners	CDBG Private	2010	Households	100		%
			2011		100		%
			2012		100		%
			2013		100		%
			2014		100		%
			MULTI-YEAR GOAL		500	0	%
Sustainability of Suitable Living Environment (SL-3)							
SL3.1	Mitigate housing conditions that present life and safety issues	CDBG 13	2010	Housing Units	750		%
			2011		750		%
			2012		750		%
			2013		750		%
			2014		750		%
			MULTI-YEAR GOAL		3,750	0	%
SL 3.2	Evaluate and remove lead-based paint hazards in city affordable housing supply	CDBG 12 HUD State	2010	Housing Units	100		%
			2011		100		%
			2012		50		%
			2013		50		%
			2014		50		%
			MULTI-YEAR GOAL		350	0	%
SL 3.21	Enhance and sustain fire protection capacity serving low/mod income areas	CDBG 9.1	2010	Persons	113,005		%
			2011		113,005		%
			2012		113,005		%
			2013		113,005		%
			2014		113,005		%
					113,005*	0	
SL 3.3	Provide crime prevention and restorative justice programs to Low/mod income targeted city neighborhoods	CDBG 16.3	2010	Persons	227,472		%
			2011		227,472		%
			2012		227,472		%
			2013		227,472		%
			2014		227,472		%
			MULTI-YEAR GOAL		227,472*	0	%

Availability/Accessibility of Economic Opportunity (EO-1)							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
EO 1.2	Redevelop Brownfield sites	Met Council, MN DEED, Hennepin County	2010	Public Facilities	5		%
			2011		5		%
			2012		5		%
			2013		5		%
			2014		5		%
		MULTI-YEAR GOAL			25	0	%
Sustainability of Economic Opportunity (EO-3)							
EO3.1	Rehabilitate neighborhood commercial properties to retain their marketability and job creation	CDBG 6 Local	2010	Businesses Assisted	4		%
			2011		6		%
			2012		4		%
			2013		6		%
			2014		4		%
		MULTI-YEAR GOAL			24	0	%

EO 3.2	Link low income residents to permanent jobs	CDBG 2 Federal State	2010	Jobs	190		%
			2011		200		%
			2012		200		%
			2013		200		%
			2014		200		%
			MULTI-YEAR GOAL		990		0
EO 3.3	Prepare low-income youth for future workforce participation through summer employment training programs	CDBG 14 State	2010	Persons	600		%
			2011		600		%
			2012		600		%
			2013		600		%
			2014		600		%
			MULTI-YEAR GOAL		3,000		0

Minneapolis 2010 HUD Program Projected Outputs Type of Benefit (Chart C)

6,754	Number that will have new access to service or benefit
3,227	Number that will have improved access to service or benefit
227,776	Number that will receive a service or benefit that is no longer substandard
-	Number that will have new access to public facility or infrastructure improvement
-	Number that will have improved access to public facility or infrastructure improvement
113,005	Number that will be served by public facility or infrastructure that is no longer substandard

The results from these City programs will be compiled and reported in the CAPER at year-end. This information enhances policy-maker decisions for community development planning and priority-making processes.

Relative Allocation of Priorities

The City of Minneapolis assigns a high priority (H) to a vast majority of program strategies funded throughout the Consolidated Plan, as referenced in Appendix Table 3. Priorities used in determining eligible projects to be funded with Consolidated Plan resources are based on several variables, including: estimated funding resources, historic funding resources, needs and strategies procured from an array of planning documents produced by the City and outside

agencies, and estimates derived from projections developed based on funding experience. Citizens can expect that the annual budget is a statement on priorities by the City. Priorities are relative and follow these classifications:

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

Medium (M): 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 (L): 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.

The City of Minneapolis allocates Consolidated Plan funding priorities based on the relative needs, as described above, and in terms of median family income (MFI), as follows:

<i>Distribution of Consolidated Plan program funds based on very low-, low-, and moderate- income categories:</i>	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate
CDBG Capital Expenditures	33%	33%	33%
CDBG Public Service Expenditures	33%	33%	33%
HOME Investment Partnership	37.5%	37.5%	25%
ESG (Emergency Shelter Grant)	100%		
HOPWA	100%		

Consolidated Plan Past Performance Summary

The City has met its priority goals and strategies as it has done over the past several Consolidated Plan years. In summary, the City seeks to expand economic opportunities to benefit its low- and moderate-income citizens, preserve and create decent, affordable housing opportunities. The City addresses the needs faced by those who are homeless or are threatened with homelessness, it provides accessible public services for vulnerable populations, affirmatively furthers fair housing, and leverages its federal HUD funding with other funds to make significant, sustainable change in the community.

HUD conducts an annual Consolidated Plan end-of-year review of the most recent year-end performance by the City of Minneapolis, and provides a report

with the results for each review. HUD has summarized the City of Minneapolis' accomplishments and achievements for 2008, the most recent year-end report, based on Consolidated Plan objectives, as follows:

- The City's funds were committed and expended in a timely manner;
- Based on the most recent information available from the City's 2008 CAPER, accomplishments in the 2008 program year ending May 31, 2009, include:
 - Improvements to over 100 single family units and over 190 rental units were rehabilitated or preserved using CDBG and HOME funds;
 - 674 households received mortgage assistance;
 - four child care facilities received CDBG assistance;
 - 675 lighting structures were boarded;
 - 232 low- and moderate-income persons received job training and placement assistance;
 - over twenty activities assisted in excess of 7,400 people through public service activities including senior services, child care, employment training, health, housing counseling and mortgage assistance services;
 - three organizations received ESG funding, which assisted 56 shelter beds;
 - two organizations received HOPWA funding assisting over 100 people, and
 - lead based paint screening and reduction continued to be done on properties assisted.

The City has much to show for its efforts, however, great need still exists in the community, especially for those at the lowest of incomes. Rental vacancies have fluctuated between high and low rates since the end of the 90s. Housing units that are priced at the most affordable levels and exhibiting quality still incur great demand. Variations in the housing market and factors such as accelerated mortgage foreclosure rates have not translated positively for those at the lowest income levels trying to find affordable housing.

The Plan asserts the City's commitment to working with local partners to achieve ambitious goals, such as eliminating chronic homelessness and lead-based paint hazards in the City, achieving a sustainable balance in the placing of affordable housing, and providing new economic opportunities. Cuts in funding, at both the federal and state levels of government, have put a squeeze on the ability of the City of Minneapolis to meet the demand for public service programs. The vulnerability of low- and moderate income residents is especially great and the ability to meet community needs with federal funds is limited by shrinking federal budgets. Consolidated Plan funding levels have increased slightly, however they have declined to approximately \$19.8 million in 2010, from \$21.7 million in 2004. The City is concerned about the impact these cuts will have on the CDBG program and vulnerable residents, principally low- and moderate-income persons. Because of cuts to the programs and projects funded by CDBG, the

number of residents served by these activities has been cut as well. These reductions have affected the City's business plan and strategic outlook for community and business development, public service, and affordable housing for the poorest and most vulnerable citizens of Minneapolis.

Citizen Participation Plan

Throughout the development of the Consolidated Plan, citizen input is encouraged. The City of Minneapolis provides its citizens several opportunities to provide input to 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, Community Planning and Economic Development (CPED), and the Minneapolis Public Housing Authority (MPHA) have jointly developed a citizen participation plan designed specifically for the Consolidated Plan. The citizen participation plan can be found in Chapter 1 and Chapter 6 and comments are summarized in the Appendix.

Chapter 1 Introduction to One-Year Action Plan

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 2010 Consolidated Plan is the Five-Year Strategy covering the program years of 2010-2014, and it serves as the 2010 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)
- ◆ Emergency Shelter Grant (ESG)
- ◆ Housing Opportunities for Persons with AIDS (HOPWA)

The 2010-2014 Consolidated Plan five-year strategy updates the City's previous five-year strategy issued in 2005. 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.

The 2010 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 2010 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. 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 agencies. 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. Examples of other 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. City departments and partner agencies review implementation and program strategies to develop the 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

HUD provides Consolidated Plan Review Guidance, last modified October 26, 2009, on which City staff relies to develop the Consolidated Plan. Representatives of the Grants and Special Projects office, together with input from the City's Department of Community Planning and Economic Development (CPED), Department of Health and Family Support, and the Minneapolis Public Housing Authority (MPHA), draft the 2010-2014 Consolidated Plan Five-Year Strategy. CPED provides information and analyses on housing and homelessness needs and the current housing market. MPHA provided data on public housing. CPED contributes data and analysis on economic development issues and associated strategies. Additionally, various other departments contribute information relating to their specific areas of expertise, providing an overall collaborative effort.

External

Consulting with non-City parties for developing the Consolidated Plan is as important as internal staff consultation. 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; 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, including faith-based, on different aspects of the Consolidated Plan. This input is especially valuable to inform City staff of needs and program issues as observed by those in the field.

City Grants Office staff administers the HOPWA grant and participates with the Minnesota HIV Housing Coalition in planning the annual HOPWA priorities and allocations. City staff are part of the Heading Home Hennepin, 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, Minneapolis Planning staff have been appointed as members of MPHA's Citywide Comprehensive Grant Committee. This relationship serves to inform the committee of the progress related to Consolidated Plan and other City initiatives. Additionally, Minneapolis Grants and Special Projects staff participates in MPHA's Comprehensive Grant public hearings. 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 technical assistance provided by City staff.

C. Citizen Participation Plan

1. Background

Throughout the development of the Consolidated Plan, citizen input is encouraged. City of Minneapolis staff has developed a citizen participation plan designed specifically for the Consolidated Plan. Generally, 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. Community participation includes the broad resident involvement in neighborhood and community organizations, and supports clearly defined links between the City, City services and neighborhood and community organizations.

The City encourages citizen participation to promote sustainable decisions by recognizing and communicating the needs and interests of all participants, including elected officials and decision-makers.

As a business planning strategy, City departments commit to a citizen engagement framework that encourages citizen participation for a shared vision. The City provides alternative means of public involvement through its community engagement framework, various community advisory groups, technical assistance, requests for proposals (RFPs) and through its extensive use of the internet communications and community surveys. The City actively meets its national objectives by developing public service, employment and housing strategies, through a network of sustainable relationships. Participation from the local and regional stakeholders garners broad relationships, and through its broad network of relationships, resources are leveraged whenever possible with new and existing partnerships including federal, private and non-federal public sources.

The federal government and the state are key funding source for rental and ownership housing projects. Local funds are available for housing and non-housing activities. Primary public entities are the City of Minneapolis department of Community Planning and Economic Development (CPED), the Minneapolis Public Housing Authority (MPHA), Hennepin County, and Minnesota Housing. Nonprofit organizations include developers and community housing development organizations, and advocacy and policy groups including the Family Housing Fund and the Funder's Council. Private sector partners such as local financial institutions, for-profit developers, faith-based organizations and the foundation community continue to be valuable in assisting Minneapolis meet its housing and community development goals and strategies.

City departments directly engage partner agencies and create program strategies that culminate with the Mayor's business planning process and annual budget in coordination with City Council input and deliberation. Additionally, the City informs the Consolidated Plan and its development, ongoing, through the collection of performance data through Subrecipient relationships, which provide the necessary feedback for planning and budget-setting priorities. 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 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.

2. Schedule

City of Minneapolis Citizen Participation Plan

FY 2010 Consolidated Plan	
April 22-24, 2009	Fair Housing Analysis of Impediments Focus Groups
May 20, 2009	Fair Housing Analysis of Impediments Community Forums
August 7, 2009	Fair Housing Analysis of Impediments Draft made available for 30-day public review
August 13, 2009	Mayor's Proposed 2010 Budget
August 13-27, 2009	Public Comment period on 2008 Consolidated Annual Performance and Evaluation Report (CAPER)
August 18, 2009	Public Hearing on 2008 CAPER
August 19 and 20, 2009	Fair Housing Analysis of Impediments Public Presentations
August 28, 2009	2008 CAPER submitted to HUD
November 19 and December 7, 2009	Public Hearings on 2010 Proposed Budget including Consolidated Plan
December 7, 2009	2010 Consolidated Plan Budget Approved (based on estimated HUD awards)
March 15 - April 13, 2010	Public Comment period on Draft 2010 Consolidated Plan
March 23, 2010	Public Hearing on 2010 Consolidated Plan adoption and approve 2010 Consolidated Plan
April 15, 2010	City submission of 2010 Consolidated Plan to HUD
April 30, 2010	2010 Consolidated Plan Budget Approval (based on HUD final appropriation notification)
June 1, 2010-May 31, 2011	Year 36 CDBG Program Year, FY 2010 Consolidated Plan Year
August 2010	Public Hearing on FY 2009 CAPER
August 2010	Submission of FY 2009 CAPER to HUD

3. Public Hearings

The City's citizen participation plan encourages the inclusion of all City residents during 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 its budget and review of program performance.

The City submits the 2010 five-year Consolidated Plan and one-year action plan to HUD on April 15, 2010. A draft copy of the 2010 Consolidated Plan is made available March 15, 2010 for a thirty-day public comment period. The City Council holds a public hearing on the draft 2010 Consolidated Plan on March 23, 2010. The City's Community Development Committee holds the public hearings for the Consolidated Plan and the Consolidated Annual Performance Report (CAPER), and the full City Council holds the public hearing and receives comments on the proposed budget during the annual Truth-in-Taxation hearing.

4. Notification and Access to Hearings

To assist in obtaining broad-based participation, a Consolidated Plan mailing distribution list of approximately 230 names is used. The list includes public, private and social service agencies and individuals that request notices of meetings and hearings. Information on meetings and hearings is sent using the Consolidated Plan mailing list. Staff publishes public notices for both public meetings and hearings in Finance and Commerce, in accordance with City notification practices. Electronic copies are also available on the City's website at <http://www.ci.minneapolis.mn.us/grants/consolidated-plan.asp>.

Printed notices list locations where copies of the Consolidated Plan are available and invite persons to speak at the public meetings and hearings and/or submit written comments. 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 public hearing, call (612) 673-2219, or for sign language interpreting, TTY (612) 673-2626.

The City can provide all Consolidated Plan materials in alternative formats upon request. If you need this material in an alternative format, or if you need disability related accommodations, please contact Matt Bower at (612) 673-2188 or Matthew.Bower@ci.minneapolis.mn.us. TTY: 612-673-2626.

Attention: If you want help translating this information, call - Hmong - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673-2800; Spanish - Atención. Si desea recibir asistencia gratuita para traducir esta información, llama 612-673-2700; Somali - Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac 612-673-3500

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 made to the City Clerk's Office, or the Office of Grants and Special Projects. The number to call for language assistance is (612) 673-2043.

6. Proposed Funding Processes

The City's method for allocating Consolidated Plan funds varies according to the funding source. Further information on 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	Matt Bower, Grants & Special Projects (612) 673- 2188
HOME	Project Developers	Donna Wiemann, CPED (612) 673-5257
ESG	Project Developers	Donna Wiemann, CPED (612) 673-5257
HOPWA	Minnesota AIDS Project (MAP); Metropolitan Council HRA	Peter O'Toole, Grants & Special Projects, (612) 673- 5456

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 the City's response and 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 considers existing policies designed to minimize displacement in the CDBG program as the Consolidated Plan is developed. 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 follows 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. The City will provide public notification of specific replacement plans for the demolition of any affected low and moderate income housing units to the Minneapolis HUD CPD office. This notification will be done through the course of submitting project proposals to the City Council for their approval with a copy of the petition provided to the local HUD CPD office. For relocation information, contact Kaye Anderson of CPED at (612) 673-5051.

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

Current Consolidated Plans are available for review at the Minneapolis Grants and Special Projects Office (Room 307M City Hall, enter at the door for Room 301M), all Public Libraries in Minneapolis, and at the Legal Aid Society of Minneapolis. A limited number of copies of the Consolidated Plan will be available for pickup.

Consolidated Plan information is also placed on the following website link for review: <http://www.ci.minneapolis.mn.us/grants/consolidated-plan.asp>. 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) 673-2043 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 (MPHA), Hennepin County, and Minnesota Housing (formerly the Minnesota Housing Finance Agency). Nonprofit organizations include nonprofit developers and community housing development organizations, the Family Housing Fund, and the Funder's Council. Private sector partners include local financial institutions, for-profit developers, faith-based organizations 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.

The Minneapolis Public Housing Authority is not a troubled agency and is classified as a Moving to Work agency by HUD.

E. Monitoring (91.230)

This section 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. The City, through continual collaboration between the Finance and Grants Offices provides an overall level of assurance that grant programs implemented by the City and

Subrecipient programs implemented by community-based organizations are being carried-out as intended in the Consolidated Plan.

Programmatic, regulatory and contract compliance is achieved through the City's administrative structure, its offices of contract management, and through Finance/Grants and the Grants Office. Programmatic and Financial monitoring is one of the primary methods the City uses to determine whether grant funds are being spent in compliance with the City's contracting and financial framework and federal regulations. These are structured reviews conducted on-site to ensure consistency with the contract, for determining the adequacy of program performance and to ensure that reported information is accurate. Monitoring records, and in the case of finance audit records, are maintained in an easily understandable format by the Grants Office and by the Finance department respectively. The Grants Office monitors the overall levels of program compliance and performance, provides technical assistance to grant-funded program managers, and together with Finance/Grants implements the funding draw-down process.

Further, compliance monitoring is achieved implicitly through the Grants Office semi-annual process of communication city-wide with each respective program manager in the implementation and development of the Consolidated Plan and the year-end Consolidated Annual Performance and Evaluation Report (CAPER). Through these processes, communication is established and sustained by Grants Office and Finance/Grants personnel with program managers city-wide. Also, the parallel process of City budget development by Finance, and Consolidated Planning through the Grants Office explicitly provides a control mechanism assuring a program-by-program systematic match. This system provides awareness of new programming and programming that is removed on a year-to-year basis.

In addition to the monitoring process described above, Consolidated Plan programs that are implemented through third-party Subrecipients are monitored for HUD compliance by the respective program managers, within their area of expertise. Grants Office staff conducts systematic reviews across programmatic areas to ensure consistency with regulatory compliance and that HUD national objectives are being met. This framework allows for an effective oversight of the monitoring and technical assistance process. As a matter of course, this strong communication link, together with guidance offered from the Minneapolis HUD Field Office, provides the capacity to identify the potential risk of serious issues that may arise.

Program managers are responsible for sustaining contractual compliance according to the policies of HUD and of City of Minneapolis. Grants Office staff and Finance/Grants staff provide technical assistance to assure regulatory and contract compliance. Subrecipient relationships and programmatic monitoring are achieved through this contract compliance framework. Monitoring is carried out

by Grants and Finance/Grants personnel, scheduled regularly and randomly, and documented in a standard format throughout the program year. Throughout their auditing and monitoring processes, the Finance and Grants office respectively identify potential issues of non-compliance and implement a corrective action based on City policy when such issues arise. To prevent continuance of a violation and to mitigate adverse effects of violation, a monitoring letter stating the condition, criterion, effect, cause and corrective action is presented to the program manager and possibly the director for a 30-day response. Additionally, technical assistance is provided to program managers as the need is identified or requested.

The Grants Office and the Finance Department monitor Consolidated Plan programs using standard financial checklists and HUD guidelines to systematically identify and monitor programming based on a combination of risk, perceived weakness and identified need. The Grants office uses a monitoring checklist which includes standard HUD monitoring guidelines; the Finance department monitors compliance using a checklist specific to minimum standards generally accepted in the accounting profession and as included in this section, below. If any grant funded program is out of compliance with the City's established financial policies, or perceived to be out of compliance with federal regulations, follow-up corrective actions are implemented immediately with the contract manager and the department director.

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 using a systematic approach on a proactive basis by city staff within their area of expertise. 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 may be monitored on a request basis identified by, for example, City Council members or subrecipient Boards, or also based on the judgment of someone other than Program or Finance Department staff.

Under current staffing, subrecipients meeting the following criteria do not necessarily need to 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.

Monitoring review is done using the contract as a guide with the summary of results and recommendations from each visit prepared in memo form and provided to the responsible Program Office manager(s) for resolution.

The City monitors Consolidated Plan projects to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements. For example, with the HOME program, the City conducts monitoring on an ongoing basis, depending on the type of project, for 5 to 20 years, to assure requirements are met related to rents, income of tenants, affirmative marketing and fair housing, condition of the property, and resale/recapture provisions.

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 being 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).

The Civil Rights Department monitors city-funded projects (including HOME) through its Contract Compliance unit for Davis Bacon and Section 3 and sets development participation goals for women/minority-owned businesses through its Small and Underutilized Business Program.

Routinely, the City reviews new and existing grant contracts. Grants, Finance, Health, Civil Rights, and Community Planning and Economic Development (CPED) offices provide on-site visits to contract agencies on a schedule, provide visits to new agencies to review their accounting systems, and offer technical assistance, and will conduct a review of the agency's grant accounting and documentation in the event of an issue or problem.

Each contract details the requirements for the project to ensure that projects are program eligible and have clear performance expectations. Contract managers maintain contact with the agencies throughout the project period, and visit sites as needed to meet with those managing the programs and/or clients served.

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 how priorities are assigned, and some obstacles 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 funding of eligible projects 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.

- ◆ 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 welcomes 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.

- ◆ HUD 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 either through completion or alternative local resources.

2. Obstacles to Meeting Underserved Needs

Limited resources are the primary obstacle to meeting underserved needs identified in the Consolidated Plan. Minneapolis is continually challenged with identifying needs, identifying priorities and making improvements to its housing opportunities, community development, public services and employment opportunities. There are obstacles to meeting underserved needs across the entire city, which include aging infrastructure, funding challenges, economic crisis and high costs for development. This document provides a comprehensive analysis and strategy for overcoming various obstacles, to the extent possible, and meeting the City's underserved needs. The Executive Summary, and more specifically throughout this document, City states how it intends to utilize its HUD entitlement funds in the areas of housing, community development and public services. Chapter 6 describes its funding outlays and how Minneapolis will undertake a variety of activities to address its priority needs for the next year. Minneapolis examines the demographic data, and integrates broad public involvement into developing priorities. This is a collaborative accomplishment within an environment of limited resources, to address underserved needs through sustainable partnerships and leveraging opportunities. Tables 3, 3A and 3B in this document, identify the specific programming, objectives, goals and outlays that have been developed through Minneapolis' internal organizational structure and through an external environment network of sustainable relationships. The solution to these challenges is being achieved by actively engaging other community development partners and recognizing and sharing local priorities to address underserved needs. The reader will find examples of this work in the partnership discussions throughout the Plan. Other efforts are cited throughout the Consolidated Plan where participants at different levels of government demonstrate a shared vision of how to address needs.

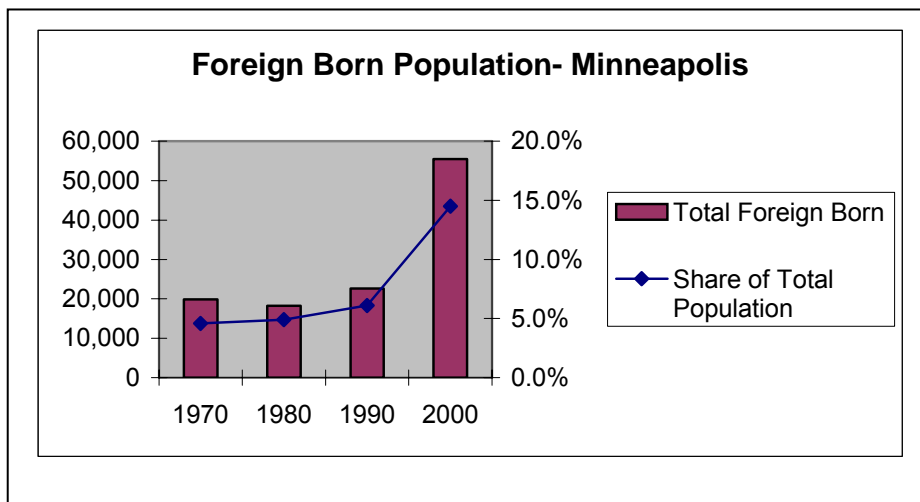
G. Lead-based Paint (91.215 (g))

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 2010-14 Consolidated Plan housing chapter specifies these needs and actions.

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.

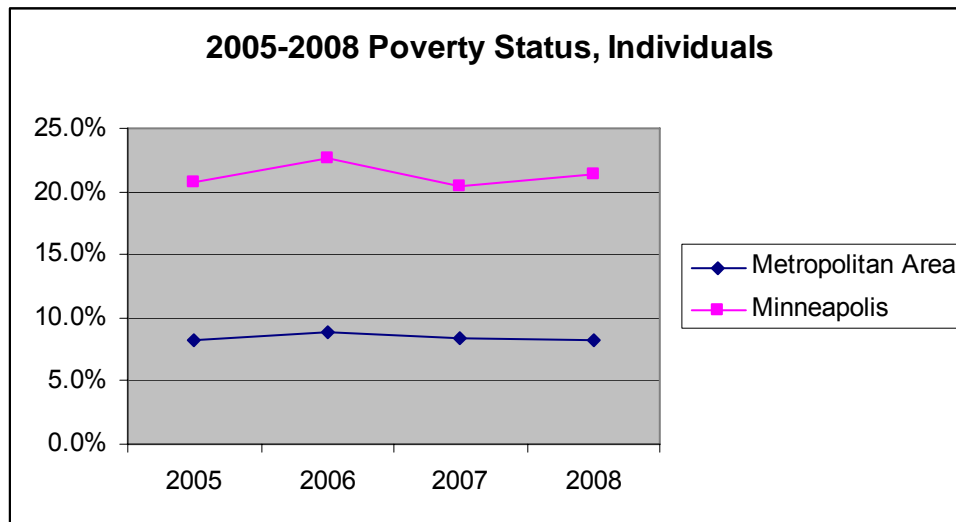
H. General Community Demographics and Income

According to the 2000 US Census, the City's population increased 3.9% to 382,618 from 1990, and based on American Community Survey data the 2008 population increased 1.9% to 390,131 over 2000. This increase is typical among traditional "Rust Belt" central cities while reversing a decades-long trend of decline. The increase in the City's population in 2000, and through 2008, can be attributed to an influx of foreign-born residents. Based on the American Community Survey data this demographic trend has continued through 2008, where the Latino population increased 1.8% to 9.2% between 2000 and 2008; over that same period the White population increased 1.2% to 62.2%, while the Black or African American population increased 0.3% to 17.7% of the total Minneapolis population. 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 during the 1990s by 135% (1990: 23,624, 2000: 55,475).¹ More recent data available from the U.S. Census Bureau ACS (a nationwide survey designed to provide communities more frequent demographic data than the Census can), estimates Minneapolis foreign-born population to be 16.6% of the estimated population for 2004.

The poverty rate for Minneapolis residents has varied 11 and 24 percent since the 1960s. Over the same period, the rate has been between two to three times higher the metropolitan area as a whole.² ACS data for the period between 2000 and 2008 indicate that this trend has continued.



Source: Census Bureau ACS data: 2005-2008

The following table shows the percentage of Minneapolis households in poverty in 2005 and 2008 according to Census Bureau annual American Community Survey data. Particularly notable is that 1 in 4 children in families live in poverty. Nearly one-half of female-headed family households are in poverty with 63 percent of female-headed family households with children under the age of five in poverty.

Poverty Status, Persons and Families, 2005 and 2008 by Percentage (%)

	2005	2008
All persons	20.8	21.3
Related children < 5 years	34.1	28.0
Related children 5-17 years	29.4	28.6
Related children < 18 years	31.1	28.4
Persons 18 and over	17.8	19.5

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

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

All families	14.6	14.1
Families with related children under 18 years	24.3	23.3
Female headed families with related children under age 18	47.6	45.0
Female headed families with related children under age 5	52.6	63.1

Source: Census Bureau ACS data: 2005, 2008

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>
Very Low-Income (extremely 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 the most recent, income limits and the full-time hourly wage required to achieve income levels. The following FY2010 numbers became available from HUD May 20, 2010:

FY 2010 Median Family Income – Single		
Minneapolis-St. Paul, MN-WI MSA		\$84,000
Annual Income & Equivalent Full-Time Wage/Hour*		
A single person at 30% MFI would earn... **	\$17,650	\$ 8.49/hr
A single person at 50% MFI would earn... **	\$29,400	\$ 14.13/hr
A single person at 80% MFI would earn... **	\$45,100	\$ 21.68/hr

FY 2010 Median Family Income – Family Minneapolis-St. Paul, MN-WI MSA			\$84,000
Annual Income & Equivalent Full-Time Wage/Hour***			
A family of four at 30% MFI would earn... **	\$25,200		\$ 12.12/hr
A family of four at 50% MFI would earn... **	\$42,000		\$ 20.19/hr
A family of four at 80% MFI would earn... **	\$64,400		\$ 30.96/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 2010 the 30 percent income measure for a family of four is \$25,200, calculated from the current metropolitan median family income of \$84,000. 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. However, according to 2009 American Community Survey, 34,515 households were at or below 30 percent MFI, indicating that 22% of households are in the very low-income category, or a 3.3% percent increase since the 2000 Census.

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 \$42,000 calculated from the metropolitan median family income of \$ 84,000. 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 \$64,400, calculated from the metropolitan median family income of \$84,000. 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.

In Chapter 2, discussion of housing needs will use updated estimates from the Comprehensive Housing Affordability Strategy which has been refreshed with American Community Survey data from the U.S. Census Bureau. The above demographic data discussion will be updated likely in the 2011 and 2012 Consolidated Plans as new data from the 2010 U.S. Census count becomes available.

I. Low-Income and Minority Concentrations

Concentrations of low-income and minority persons is being defined as in the Hollman versus 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 poverty concentrated areas 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

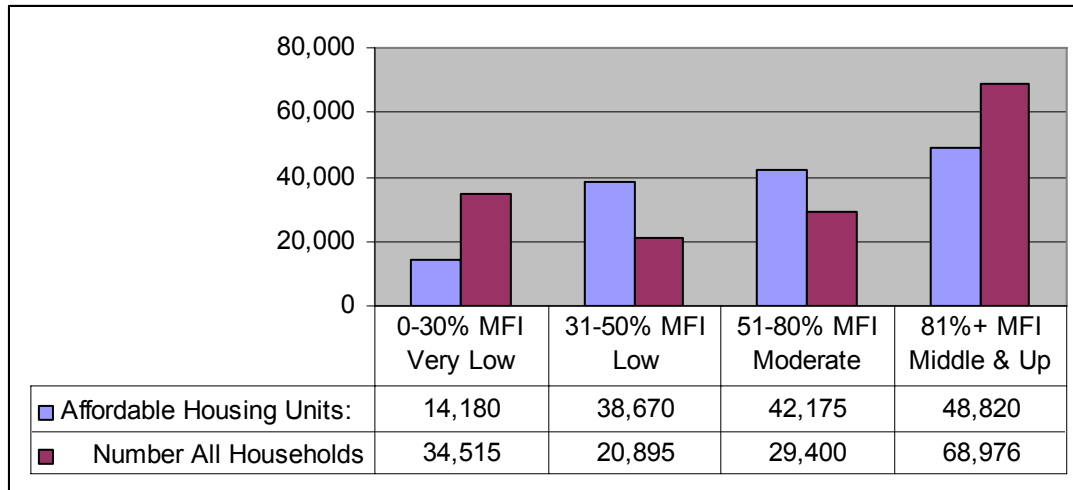
This section reviews the housing needs experienced by low and moderate income Minneapolis residents. It discusses a housing market analysis that touches on the options available to the City in addressing the needs and gaps in the housing supply for HUD client populations. The majority of housing data presented is taken from interim HUD Comprehensive Housing Affordability Strategy (CHAS) compiled since the 2000 U.S. Census. Please note, interim CHAS data is based on American Community Survey data with a relatively high margin of sampling error in several instances. HUD requires communities to document their local affordable housing needs upon this data. The housing data included is from HUD's Comprehensive Housing Affordability Strategy (CHAS) data for formulating the City's housing needs. This data is interim demographic and housing information that is used to inform the decisions for the use of this funding. Updated City housing data available after the 2010 U.S. Census will be provided in subsequent updates to this document.

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	27,605	13,525	14,260	15,135
Owners	6,910	7,370	15,140	53,841
Number All Households	34,515	20,895	29,400	68,976
Percent All Households	22%	14%	19%	45%
Affordable Housing Units:				
Rental Occupied	13,610	29,830	22,305	4,780
Owner occupied	n/a	4,700	16,975	42,390
Rental Vacant	570	3,710	1765	370
Owner Vacant	n/a	430	1130	1280
Affordable Housing Units:	14,180	38,670	42,175	48,820
(Shortage)/Surplus)	(20,335)	17,775	12,775	(20,156)

MFI = Median Family Income



Source: CHAS Tables 2009

From the table above, based on interim 2009 CHAS data, twenty-two percent, or 34,515 of the city's households have very-low incomes and face a shortage of affordable housing. The data indicate that there is a shortage of 20,335 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 potentially 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 13,995 affordable rental units (complete ownership data is not available for this income group). This type of housing shortage situation produces an outcome of overcrowding (as indicated in a subsequent table). 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 disproportionate to this income level.

Nineteen percent city's households have moderate-incomes. The table above shows there are 42,175 housing units available in Minneapolis that are affordable to moderate-income households for a surplus of 12,775 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.

Based on the table above, forty-five percent or 68,976 of the city's households have middle-incomes and above. The table shows there are 48,820 housing units available in Minneapolis that are affordable to households at middle-income and above. The data shows a shortage of 20,156 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 15,135 (21.5%) of all renters in the city and 53,841 (64.6%) of all owners fall into this income category. The shortage represented in this category may indicate a potential greater demand for higher priced rental and owner housing units than is available to the number of middle-income and above renters and owners.

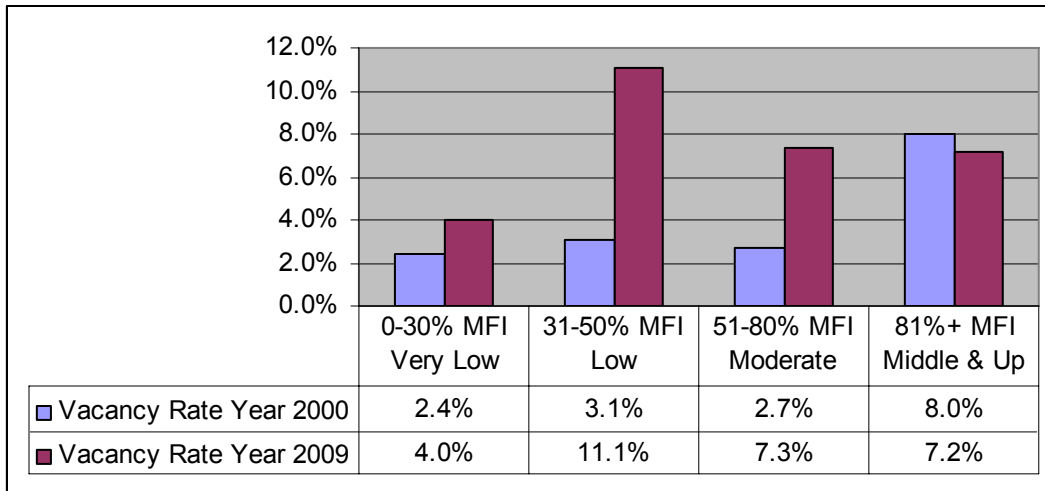
Renter and Owner Comparisons within Income Classifications
Source: HUD Chas Data 2009

	0-30% MFI Very Low	31-50% MFI Low	51-80% MFI Moderate	81%+ MFI Middle & Up
Renters	27,605	13,525	14,260	15,135
Owners	6,910	7,370	15,140	53,841

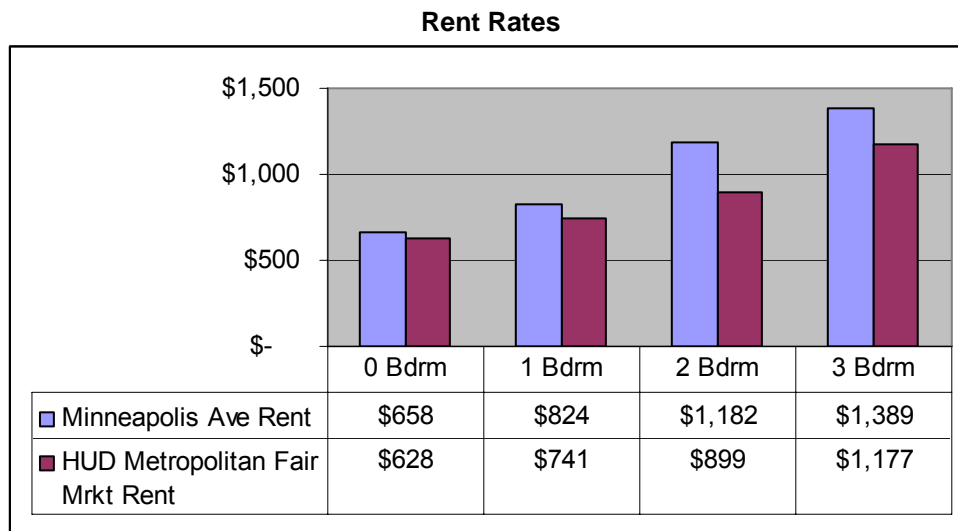
According to HUD CHAS data, 27,605 renters (39.1% of all renters), and 6,910 homeowners (8.3% of all homeowners) fall into the very-low income category. While rental units provide most of the affordable units available to very-low income households, renters in this income category still face a shortage of 13,995 units, as previously noted. Based on 2009 CHAS survey data, there are 14,180 affordable rental housing units available in Minneapolis that are affordable to very-low income households. There is a higher level of renters in this income category than there are available affordable units. The demand potentially exceeds the supply as indicated by the shortage in the table above. There are, according to HUD's 2009 interim CHAS survey data, approximately

2,700 fewer rental-housing units affordable to very-low income households than in 2000, and note in the comparison below, vacancy rates have increased over the same time. Again, it should be noted this American Community Survey data contains a relatively high margin of sampling error in several instances.

Rental Vacancy Rates by Affordability Classification
Source: HUD CHAS Survey Data, 2009



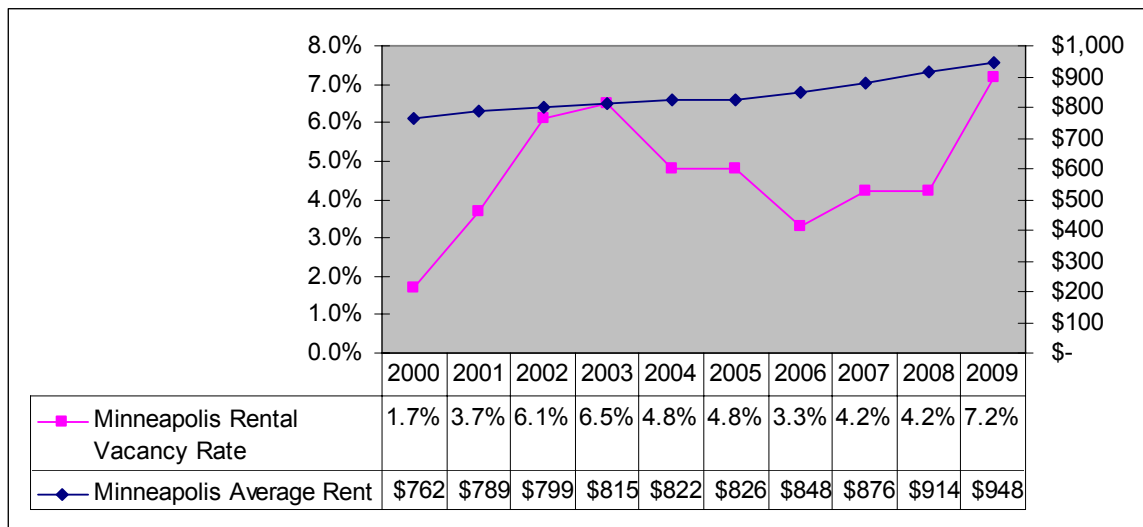
The following table identifies the average rent rate surveyed privately compared with data provided by HUD for HOME program rents based on the size of the rental units.



Source: U.S. Department of HUD January 2010 HOME Program Rents and 2009 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' third quarter 2009 Minneapolis Trends 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**

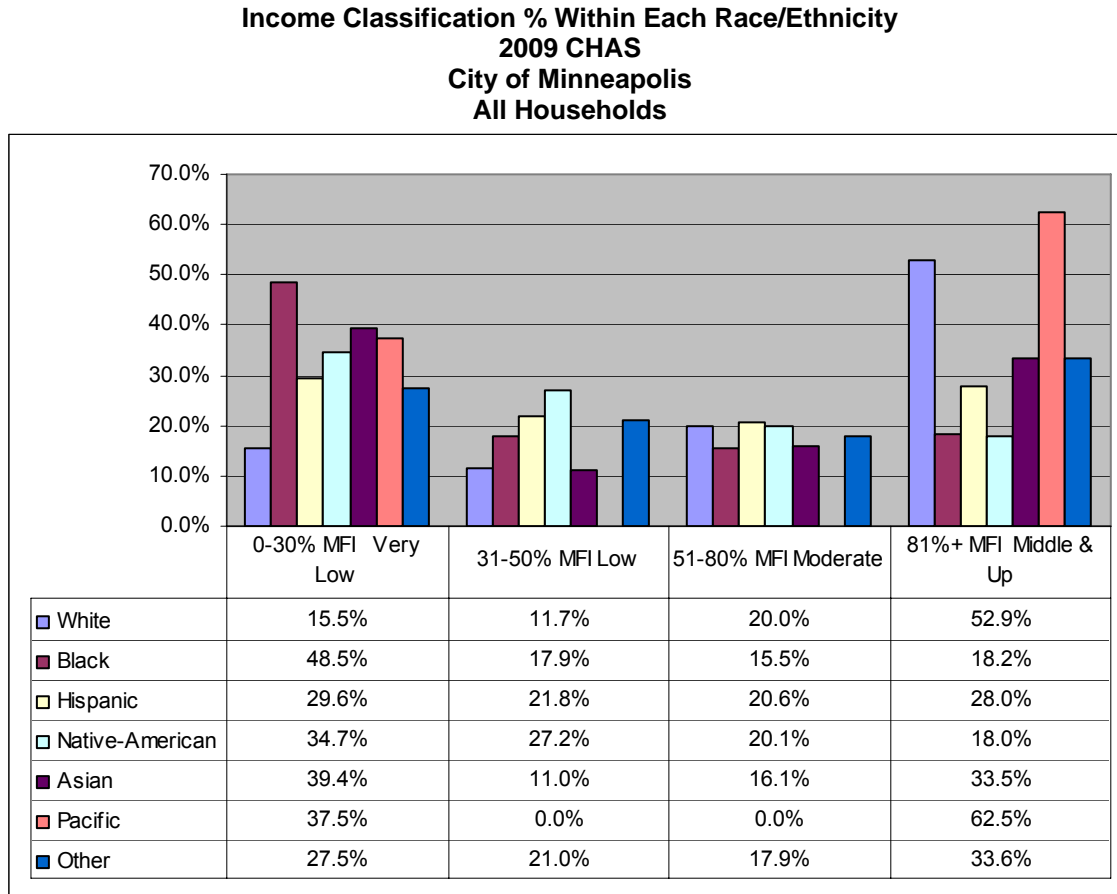


Source: GVA Marquette, Private Non-random Survey

In GVA Marquette-sampled housing developments, rent levels grew by 3.7% in Minneapolis from 2008 to 2009. Over the five-year period from 2004 to 2009, Minneapolis rents rose 15.3%. Vacancies in sampled Minneapolis rental buildings have varied, independently from the rent rate, over the ten-year period from 2000 to 2009. From *Minneapolis Trends* fourth quarter 2009, the Minneapolis vacancy rate increased 3 percent from the previous year. This may be the result of conditions of high unemployment and sharing the cost of renting with others. However, rental prices have not dropped.

1. Housing Need Race/Ethnicity

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



Source: HUD CHAS survey data 2009

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 in the Very Low income category are the Hispanic and Pacific Islanders. Across several income categories 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

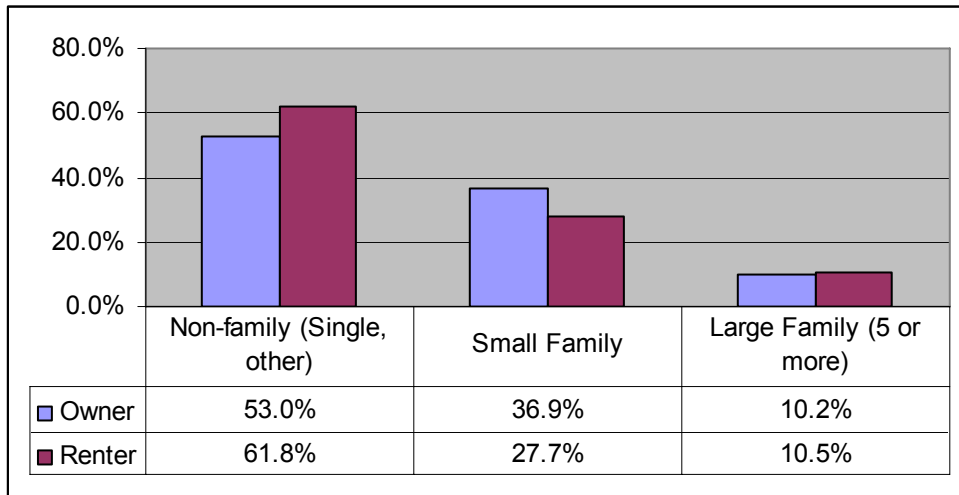
Income Group:		0-30% MFI Very Low			31-50% MFI Low			51-80% MFI Moderate			81% + Middle & Up		
		Total Households	Households with Any Problems		Total Households	Households with Any Problems		Total Households	Households with Any Problems		Total Households	Households with Any Problems	
Renters - All		28,335	22,155	78%	13,620	9,720	71%	14,440	4,080	28%	15,255	1,090	7%
	White	12,230	9,425	77%	7,200	5,230	73%	10,105	2,810	28%	11,035	620	6%
	Black	10,850	8,395	77%	3,430	2,305	67%	2,135	600	28%	1,700	35	2%
	Hispanic	2,370	2,230	94%	1,760	1,310	74%	1,170	395	34%	1,035	265	26%
	Native Am	395	225	57%	350	215	61%	150	95	63%	55	-	0%
	Asian	1,875	1,450	77%	360	240	67%	605	170	28%	825	95	12%
	Other	605	420	69%	525	420	80%	305	25	8%	365	45	12%
	Pacific	15	15	100%	-	-	0%	-	-	0%	25	-	0%
Owners - All		6,950	6,030	87%	7,420	4,880	66%	15,205	8,225	54%	53,940	9,175	17%
	White	5,050	4,275	85%	5,830	3,595	62%	12,170	6,280	52%	47,855	7,425	16%
	Black	880	805	91%	910	735	81%	1,610	980	61%	2,695	680	25%
	Hispanic	400	360	90%	285	250	88%	760	645	85%	1,535	665	43%
	Native Am	115	115	100%	50	50	100%	145	85	59%	210	35	17%
	Asian	320	295	92%	255	210	82%	310	145	47%	925	215	23%
	Pacific	-	-	0%	-	-	-	-	-	-	-	-	0%
Elderly Renter		2,405	1,335	56%	1,000	455	46%	755	235	31%	705	50	7%
Elderly Owner		1,255	1,075	86%	1,650	925	56%	2,325	580	25%	5,750	720	13%

Notes: Highlighted blocks indicate race/ethnicity groups with 10% higher housing problems within the income 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 Comprehensive Housing Affordability Strategy (CHAS) Data, 2009

Households by type, income, and housing problems

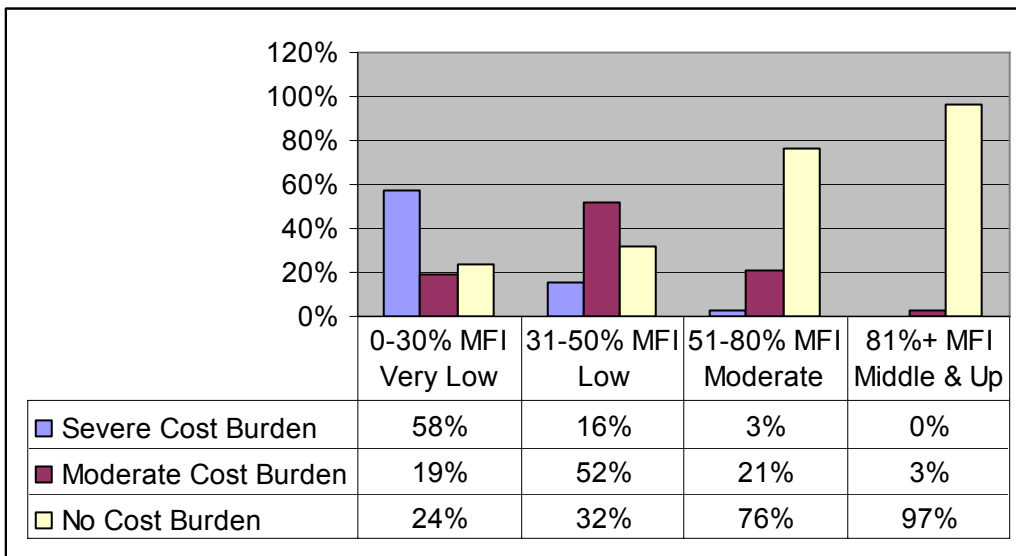
The following table illustrates the impact of housing problems on particular household types, including large families and single parent families. Household size is broken into large (5+) and small (4 or less). The table lists the percentage of households by type and illustrates to what degree each type is affected by housing problems. The percentage of renters with housing cost burdens, as determined by HUD survey data, is greater among non-family and single households. Over 61% of renters with housing cost burdens are non-family or single households. Over 36% of small families who own homes experience housing cost burdens among all owners experiencing housing cost, and over 27% of small families who rent experience cost burdens compared with others in that group who rent.

Percentage of Cost Burden by Household Type for Renters and Owners
Source: HUD CHAS Data 2009

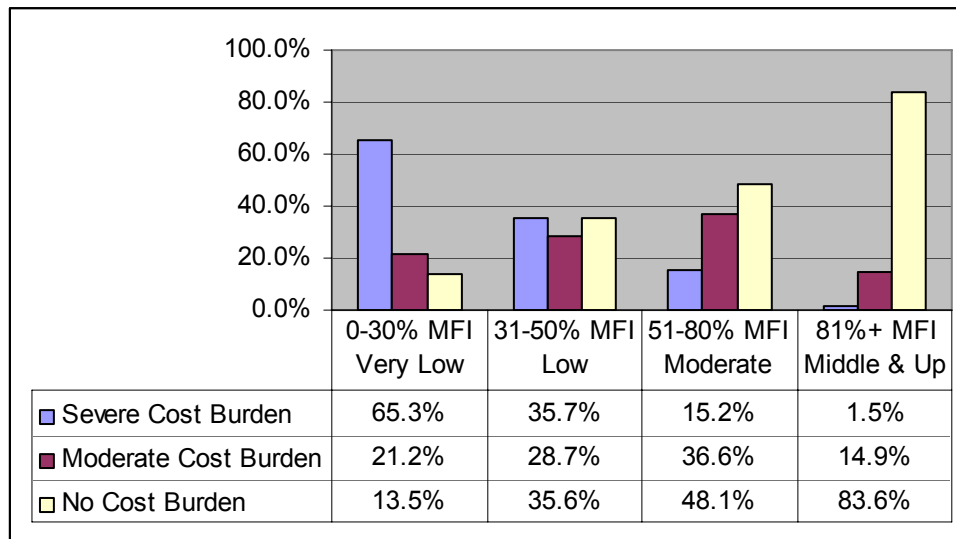


The following two tables illustrate the percentage of renters and owners with housing cost burdens. A greater percentage of owners than renters experience severe cost burdens at the very low, low and moderate income categories.

Percentage of Renters with Housing Cost Burden
Source: HUD CHAS Data 2009

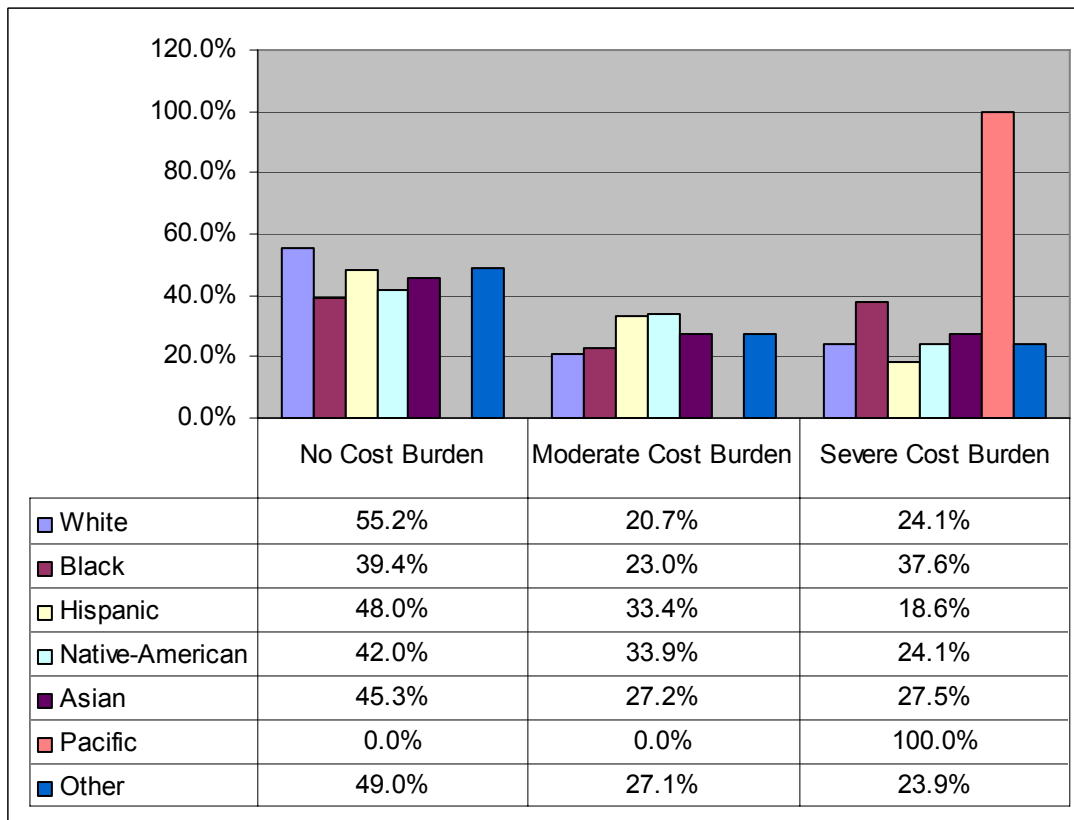


Percentage of Owners with Housing Cost Burden
Source: HUD CHAS Data 2009



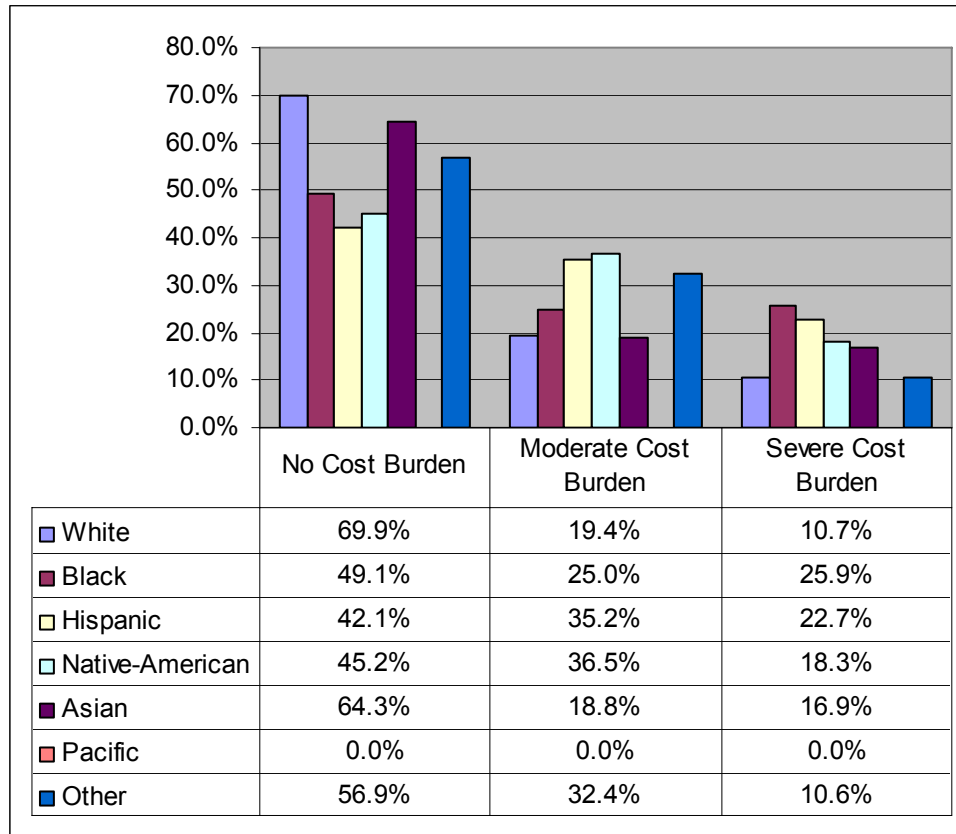
The following two tables illustrate the prevalence of housing cost burden among both renters and owners by race. These numbers are from HUD's analysis of 2009 HUD CHAS survey data information, the latest data treatment of this sort available to the city.

Percentage Cost Burden Prevalence of Housing by Race, Renter
Source: HUD Chas Data 2009



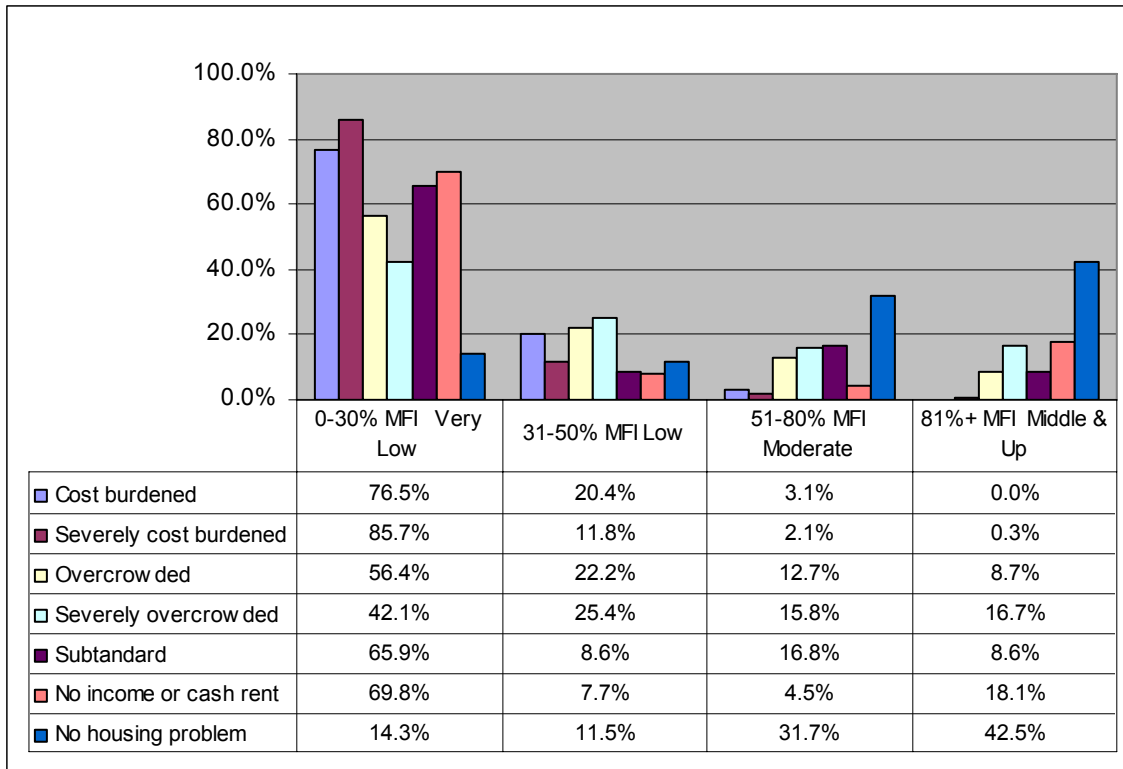
Source: HUD CHAS Data 2009; please note the size of the “Pacific” population represents only 15 households.

Percentage Cost Burden Prevalence of Housing by Race, Owner
Source: HUD Chas Data 2009



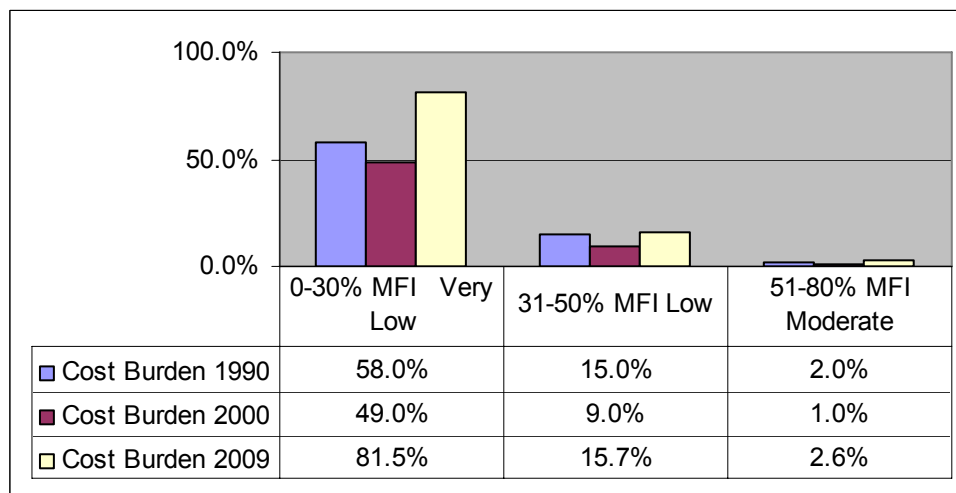
The following table distinguishes between the various housing unit problems. The various housing problems are ranked from most severe to least severe by income category. The implication of the data is that households at the lower income spectrums experience a variety of overwhelming burdens while households with incomes at higher levels have the ability to solve their housing problems, or that equity in the property allows for privately subsidized improvements.

Percentage Cost Burden Prevalence of Housing by Severity
Source: HUD CHAS Survey Data, 2009



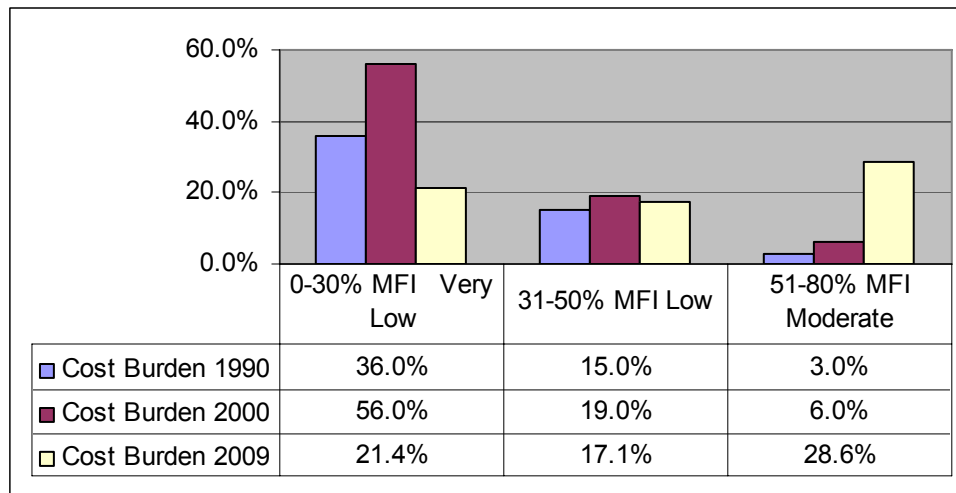
The following two cost burden tables present prior years, 1990 and 2000, census data with interim 2009 CHAS survey information. The data provides information that must be interpreted carefully considering the prevalent margin of error with 2009 interim survey CHAS data. Renter cost burden data from 2009 indicates a significant increase in households within 0-30% Very Low income experiencing cost burdens.

Renter Household Cost Burden Compared
Source: HUD Chas Data 1990, 2000, 2009



Interim survey data for 2009 indicate significantly fewer owner households are experiencing cost burdens in the lowest income category compared to each prior period. However, the data from 2009 indicates a significant increase in owner households experiencing cost burdens at the Low and Moderate categories.

Owner Household Cost Burden Compared
Source: HUD Chas Data 1990, 2000, 2009



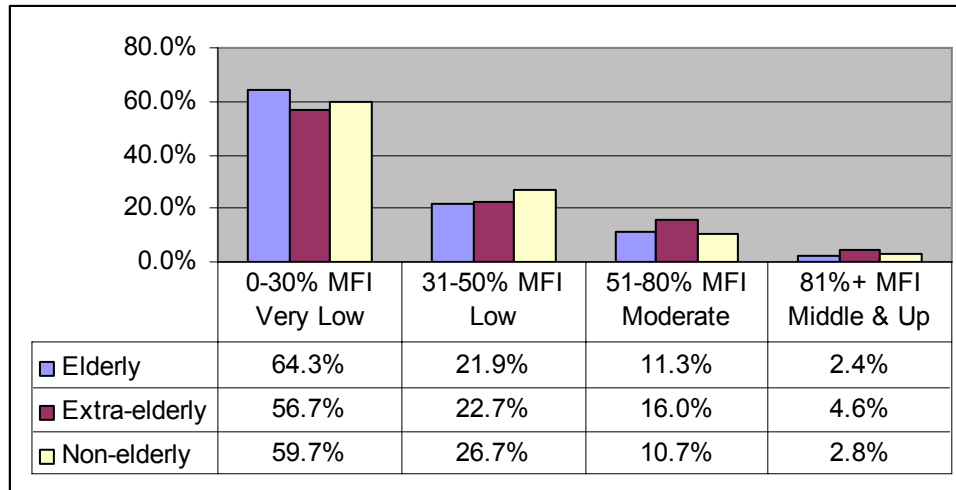
Source: HUD CHAS Data 1990, 2000, HUD CHAS interim survey data 2009

2. Elderly

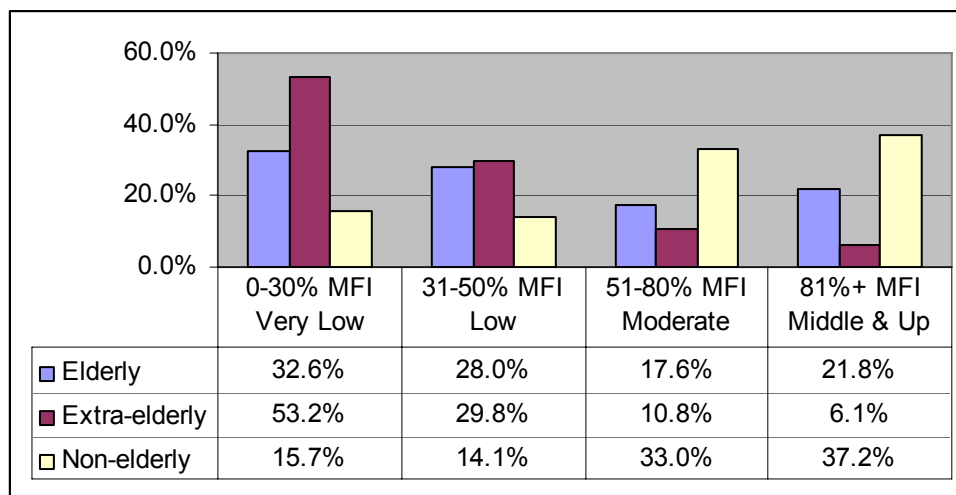
According to the 2009 CHAS interim census survey there are 10,085 Minneapolis residents 62 years of age or older who are experiencing housing problems. HUD defines households with individuals 62-74 years old as elderly, and those 75 or older, due to the special care often needed, as extra-elderly. About 60% of the total elderly experiencing housing problems own their home and over 45% of that group is extra-elderly. The level of extra-elderly among those who rent is slightly more than 48%.

Over 53% of extra-elderly residents who own their homes are within the lowest income category, compared with 15.7% for non-elderly. Based upon the number of senior residents that face severe housing cost burdens, it can be safely assumed that a majority of the residents age 85+ are paying more than 30% of their income for housing (supportive or private).

Housing Problems for Elderly Households - Renters
Source: HUD Chas Data 2009



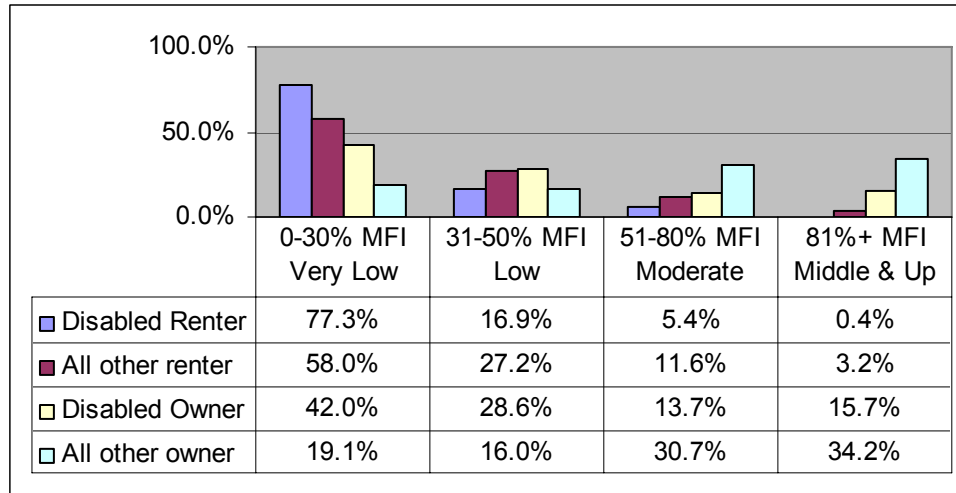
Housing Problems for Elderly Households - Owners
Source: HUD Chas Data 2009



3. Persons with Disabilities

HUD data from the 2009 CHAS survey shows that there are 6,280 households with housing problems that include a person with a disability in the city of Minneapolis. The definition of disability used for this survey is based on questions regarding mobility and self-care limitations. 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 of Persons with Disabilities Income Distribution
Source: HUD Chas Data 2009



4. Persons and Families with HIV/AIDS

Grantee Overview

The Minnesota Department of Health (MDH) received funding for housing for people living with AIDS statewide beginning in 1994. At that time, a comprehensive needs assessment and the first five-year plan for HIV/AIDS housing was completed. The Coalition for Housing for People with HIV (now referred to as Minnesota HIV Housing Coalition) was designated as the advisory group to assist with identifying the housing needs for persons living with HIV/AIDS, and to recommend priorities for the distribution and expenditure of HOPWA funds.

The number of AIDS cases for the Twin Cities metropolitan area surpassed a threshold in 1995 and the City of Minneapolis, the metropolitan area's largest municipality, was designated by HUD to be the HOPWA grantee for the metropolitan area (Minnesota Department of Health remains a separate recipient of a much smaller HOPWA grant for state-wide distribution.) The City of Minneapolis receives the annual HOPWA formula allocation as part of its annual Consolidated Plan process and this funding is restricted to a thirteen county Eligible Metropolitan Area (EMA). The EMA includes 11 Minnesota Counties: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright, and the 2 Wisconsin counties of St. Croix and Pierce.

The City of Minneapolis makes these HOPWA formula funds available each year through the Consolidated Plan process. Following the priorities identified by the Minnesota HIV Housing Coalition (Coalition), acting 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 through a City RFP process.

For most of the past ten years, the majority of HOPWA resources have been used for the provision of tenant-based rental assistance (TBRA), in response to Coalition recommendations and responses to the City's HOPWA RFP. The TBRA programs include client advocacy and case management services. The beneficiary individual or family at risk of homelessness is provided a choice for where to live throughout the EMA. The program design for this type of HOPWA assistance has been effective throughout the country for meeting the housing needs of families and persons with HIV/AIDS. This population's need to obtain or keep affordable housing is great and providing stable housing is as important as health care access for this population. The sponsors for this HOPWA program, Minnesota AIDS Project and Metropolitan Council HRA, work together offering a continuum of intake, case management and TBRA housing assistance to persons with HIV/AIDS. Housing specialists work with these clients, including referrals from the two Wisconsin Counties of Pierce and St. Croix, through a waiting list, to implement short-term, then permanent housing options. This tenant-based housing program (THP) provides housing advocacy, and referrals to landlords, helps clients plan for permanent housing through goal-setting assistance, provides housing education so that clients learn the skills needed to maintain housing and finally, it facilitates the transition to permanent housing through short-term rental assistance. All participants will choose the location and type of housing that best meets their needs and will have the opportunity to achieve and maintain housing stability, which in turn will be a key factor in optimizing their health.

Since 1996, approximately \$2.2 million of Minneapolis HOPWA funding has been leveraged throughout the EMA for capital projects including new construction and rehabilitation of housing for persons living with HIV/AIDS at risk of homelessness. Ongoing consideration is given to capital projects using HOPWA entitlement funding depending on responses to the City's annual request for proposals (RFP). As previously noted, HOPWA funding and the ongoing priority needs are identified through input from the Minnesota HIV Housing Coalition and responses to the City's RFP.

Planning

The City of Minneapolis works with program sponsors, funding partners and the Minnesota HIV/AIDS Housing Coalition to identify and develop its funding plans and priorities for HOPWA expenditures. During the earlier years of HOPWA

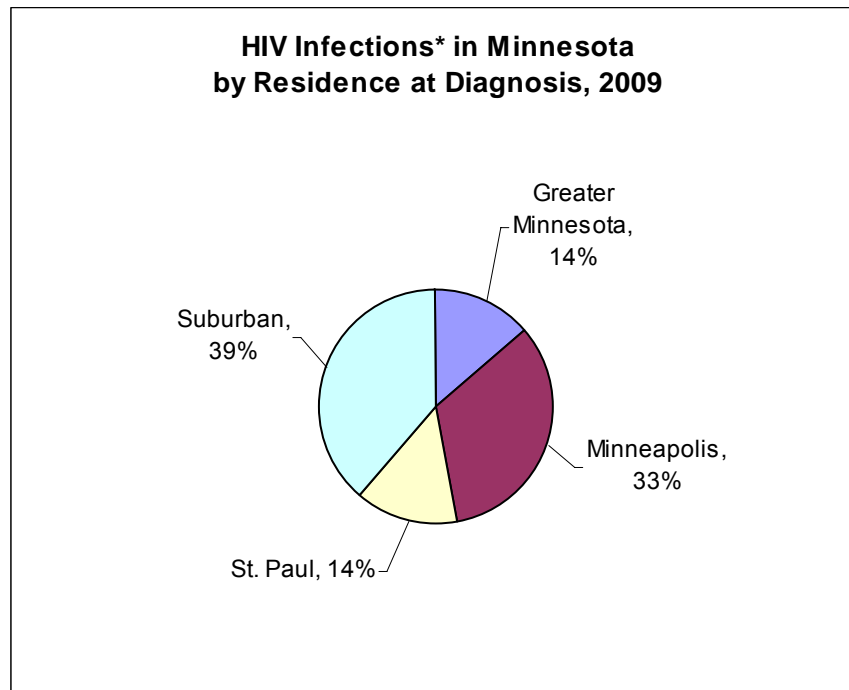
much of the funding planning efforts included identifying the stakeholders within the HIV/AIDS community and their housing needs. As the HOPWA program, and HOPWA programming strategies have matured over a fifteen year period the City of Minneapolis and the Coalition have gained a better understanding of the HIV/AIDS community and how to best meet their housing needs. Needs assessments were developed in the earlier years, with the last one completed in 2003. A more recent needs analysis has been developed – *as a process* – through the MN HIV Housing Coalition over a period from 2007 through 2008. The current needs are summarized by the Coalition in a *two-page status report* that was developed as the result of a 2007 HUD-sponsored technical assistance in-service. HUD representatives reviewed the Coalition's existing framework and provided guidance for further alignment of the Coalition's goals and objectives to meet the housing needs of the HIV/AIDS community. This *two-page status report* is updated by the Coalition and distributed semi-annually to stakeholders to identify the housing supply and the perceived demand by those within the HIV/AIDS community at risk of homelessness. It includes information about funding sources, housing inventory/availability and HIV/AIDS epidemiology trends for the metropolitan area, and for the State.

The Coalition is receptive to the needs and concerns brought to it, through stakeholders, to identify the greater needs and priorities pertinent to its mission to improve the accessibility and expansion of housing options for HIV positive individuals. Its goal is to accomplish this through advocacy, education and the use of best practices. In addition to maintaining the *two-page status report*, collaborative opportunities are pursued by the Coalition, for example, through involvement with the National HIV Housing Coalition and the Minnesota HIV Services Planning Council (Ryan White).

Community Overview

The Minneapolis HOPWA-funded community is comprised of the metropolitan area, the EMA, which includes two counties in Wisconsin. According to the Minnesota Department of Health Surveillance Report, as of December 31, 2009 a cumulative total of 9,176 persons have been diagnosed and reported with HIV infection in Minnesota. This number includes only persons who reported Minnesota as their state of residence at the time of their HIV and/or AIDS diagnosis. Data does not include HIV-infected persons who have not been tested for HIV. Of the 9,176 cumulative persons diagnosed/reported, 3,003 are known to be deceased. An estimated 3,518 persons were assumed to be living with HIV infection and 3,092 are living with AIDS in Minnesota at the end of 2009. Additionally, within the EMA, 59 persons with HIV, less than 1% of the total, live in the two Wisconsin counties of Pierce and St. Croix. In 2009 there were 368 new HIV cases in Minnesota, an increase of 13% from 2008, marking a 17-year high. For example, there were 95 cases reported among 15-24 year olds in 2009, up from 59 cases in the same age group from the previous year. New HIV cases are concentrated within the metropolitan area, with Minneapolis experiencing a

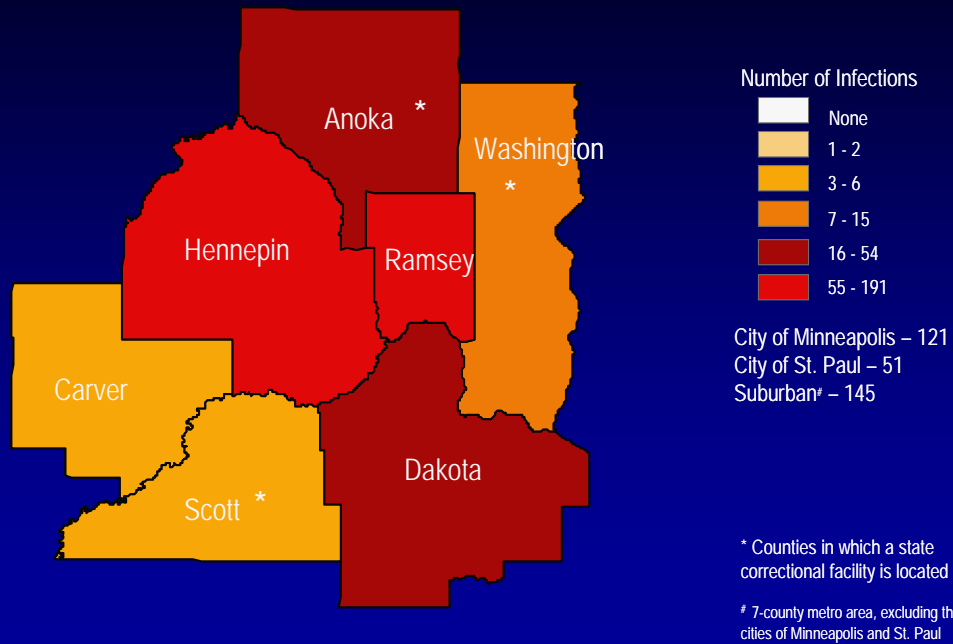
slight decrease. Compared with the rest of the nation, Minnesota is considered to be a low to moderate HIV/AIDS incidence state. For example, from information provided from the Minnesota Department of Health, in 2007, on a state-specific study, AIDS rates ranged from 1 per 100,000 in Vermont to 24.9 per 100,000 in New York. Minnesota ranked 11th lowest at 3.8 per 100,000.



Source: Minnesota Department of Health

To help curb the rise in HIV cases in Minnesota, MDH is working with a wide variety of community partners and state and local agencies to address the increases in new infections. For example, using federal grant money, MDH has expanded HIV prevention and HIV testing programs targeting young and adult men who have sex with men, young heterosexuals, particularly African-American youth, and African-born persons. Additional activities include consultation with community partners, developing educational materials, and a summit with area health providers and community members in February 2010.

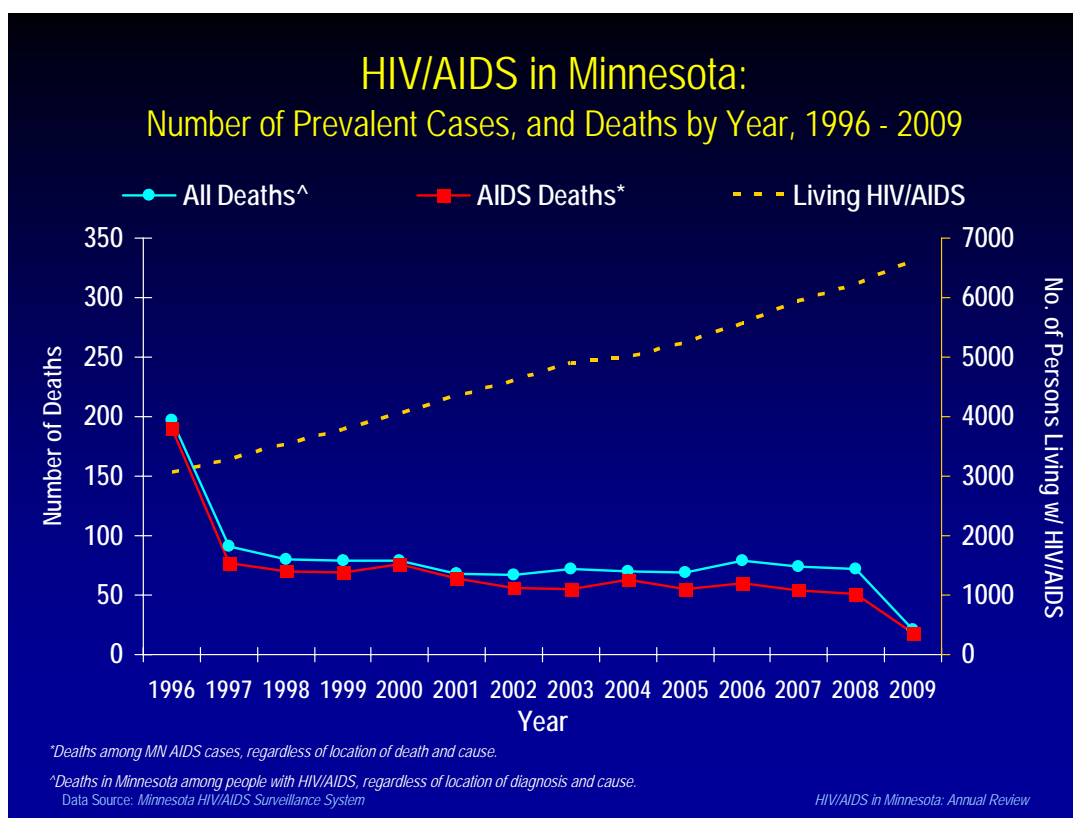
Map of Metro Area: HIV Infections[†] by County of Residence at Diagnosis, 2009



Data Source: Minnesota HIV/AIDS Surveillance System

HIV/AIDS in Minnesota: Annual Review

Despite the incidence of HIV/AIDS cases diagnosed, it appears more people are living with HIV/AIDS for longer periods and, therefore, requiring more varied diverse types of housing for indefinite periods.



Historically, about 90% of new HIV infections diagnosed in Minnesota have occurred in Minneapolis, St. Paul and the surrounding seven-county metropolitan area. This has not changed over time, and HIV or AIDS has been diagnosed in over 90% of the counties in Minnesota. Males comprise the majority of new HIV infections diagnosed each year, although the number and proportion of cases among females have increased. Men and women of color continue to be disproportionately affected by HIV/AIDS (see *Rate* in chart below) although there is no biological reason for this disparity.

Number of Cases and Rates (per 100,000 persons) of HIV Infection by Race/Ethnicity - Minnesota, 2009			
Race/Ethnicity	Cases	%	Rate
White, non-Hispanic	188	51%	4.3
Black, African-American	84	23%	50.1
Black, African-born	40	11%	80-113.7
Hispanic	35	9%	24.4
American Indian	8	2%	9.9
Asian/Pacific Islander	7	2%	4.2
Other	6	2%	x
Total	368	100%	7.5

*Other = Multi-racial persons or persons with unknown race

Data Source: Minnesota HIV/AIDS Surveillance System

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

The HIV/AIDS community stakeholders, including the HOPWA programming through the City of Minneapolis, comprise the MN HIV Housing Coalition. This group identifies priorities based on housing needs and housing opportunities. A coordinated effort is sustained through its sensitivity to the HIV/AIDS housing waiting list maintained by the Minnesota AIDS Project (MAP). MAP Transitional Housing program (THP) serves HOPWA metropolitan area (EMA), including the two counties in Wisconsin, St. Croix and Pierce, to assist those with HIV/AIDS who are homeless and at risk of homelessness. HIV Case Managers refer their clients to MAP's Transitional Housing Program. Clients are then placed on the wait list. When an opening is available the client is assigned to a THP Housing Specialist who works with the client on obtaining and maintaining housing. Various types of housing resources are available to this EMA for the HIV/AIDS community and are available among the following housing types, identified in the table below (from the Coalition *two-page status report*):

- Adult Foster Care
- Permanent Supportive Housing
- Units Addressing long-term homelessness
- Rental Assistance

Facility	Address	Housing Type	# of Units
Clare Midtown *	Minneapolis	Permanent Supportive Housing *	45
<u>Clare Apartments</u>	Minneapolis	Permanent Supportive Housing	32
<u>Clare Housing (six sites)</u>	Minneapolis	Adult Foster Care	24
<u>Ford House (Common Bond)</u>	Minneapolis	Permanent Supportive Housing	11
<u>Hope House</u>	Stillwater	Adult Foster Care	4
<u>Lydia House</u>	Minneapolis	Permanent Supportive Housing	6
<u>MLK Court (St. Paul Urban League)</u>	St. Paul	Permanent Supportive Housing for Families	8
Metropolitan Council HRA Housing Assistance Program	Scattered Site – Metropolitan Area	Permanent Rental Assistance	55
Minnesota AIDS Project Transitional Housing Program	Scattered Site – Metropolitan Area	Transitional Rental Assistance	70
<u>Project Cornerstone (Clare Housing)</u>	Minneapolis	Permanent Supportive Housing	20
<u>St. Christopher Place (Cath. Charities)</u>	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
<i>TOTAL (includes housing vouchers)</i>			294

* In development, expected to open in 2011. Note: Not all of these are HOPWA funded.

5. Single Persons

Minneapolis Single Residents by Income Classification according to the table below, compiled from 2000 HUD CHAS data. This is the most recent data of its exact kind available. Single persons made up 45 percent of all households in Minneapolis in 2000. 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
HUD CHAS Census 2000 data

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
HUD CHAS Census 2000 data

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 Moving to Work Annual Plan (MTW). 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

Public Housing and Section 8 Waiting List

	Number of Families	Percentage of Total Families
Waiting list total	4,701	100%
<=30% MFI	4,115	88%
>30% to <=50% MFI	539	11%
>50% to <80% MFI	47	1%
Families w/ Children	2,626	56%
Elderly Families	393	8%
Families w/ Disabilities	605	13%
White	728	15%
Black	3,556	76%
Native American	132	3%
Asian	285	6%
Hispanic	32	1%
Non-Hispanic	4,669	99%

Source: MPHA database as of March 12, 2010

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	12,125	100%	740
<=30% MFI	4,765	39%	
>30%- <=50% MFI	3,387	28%	
>50% - <80% MFI	762	6%	
> 80% MFI	3,211	26%	
Families w/ Children	NC	NA	
Elderly Families	NC	NA	
Families w/ Disabilities	3,601	30%	
White	2,078	17%	
Black	8,451	70%	
Native American	577	5%	
Asian	295	2%	
Hispanic	671	6%	
Non-Hispanic	11,240	93%	

Source: MPHA database as of March 12, 2010

MPHA has 6,207 public housing units comprised of 753 scattered site units, 184 family units in its Glendale family development, 4,958 units in its 41 highrise facilities and 312 public housing units that are part of various mixed financed developments throughout the City of Minneapolis and various neighboring metropolitan jurisdictions.

Under the new Asset Management rule these units have been divided into nine Asset Management Projects (AMPs). MPHA owns and manages units in seven of these AMPs, the other two AMPs are owned and managed by various partnerships and management agents for which MPHA holds the Annual Contributions Contract (ACC) on the 312 mixed financed units.

The following chart provides a breakdown of these units by development (AMP) and bedroom size.

Current Housing Units								
Bedroom Size								
Asset Management Project	0	1	2	3	4	5	6	Total
1 – Glendale		26	70	70	18			184
2 – Scattered Site *			149	351	201	43	9	753
3 – North	252	1036	8					1,296
4 – Northeast	190	749	5					944
5 – Hiawathas	398	484	7					886
6 – Cedars	152	736	7					895
7 – Horn	2	929	6					937
8 – Heritage Park			91	76	23	10		200
9 – MHOP (Metropolitan Housing Opportunities Program)			45	42	25			112
Total	674	4,277	388	539	267	53	9	6,207

Source: MPHA Moving to Work Annual Plan (October 14, 2009)

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	86,400,000
Modernization	(included above)	
Rehabilitation	(included above)	
Other (Specify)		
Management and Operations	H	\$182,000,000
Improved Living Environment		

Neighborhood Revitalization (non-capital)		0
Capital Improvements	H	\$10,500,000
Safety/Crime Prevention/Drug Elimination	H	\$13,500,000
Other (Specify)		
Economic Opportunity		
Resident Services/ Family Self Sufficiency	H	\$5,000,000
Other (Specify)		
Total		\$297,400,000

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 6,207 units, while privately owned, subsidized housing consists of 4,444 units for a total of 10,651 units.

a. Publicly Owned Housing

The MPHA owns and manages the city's stock of public housing. As of October 2009, Minneapolis had 6,207 units of public housing. Four general types of public housing are available: high-rise units, scattered site units, family units, and mixed finance developments.

Currently there are 41 high-rise buildings located throughout the city that provide 4,958 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. MPHA owns 937 units that are single-family homes, duplexes, or fourplexes. These homes are rented to low-income families.

Physical Condition of Public Housing

Minneapolis Public Housing Authority's (MPHA) housing stock is comprised of 41 high-rises (4,958 total units), 753 scattered site homes, and 184 rowhouse units. Forty of the forty-one high-rise building in MPHA's inventory were built in the 1960's and early 1970's; the age range of MPHA's single-family homes is 2 – 100+ years old, and the single remaining rowhouse development is nearly 60 years old. The most comprehensive needs analysis indicates an unmet capital need of approximately \$245 million over the next ten years for these 5,875 public housing units. Due to their age, the infrastructure at many buildings is beginning to fail.

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 seventeen 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.

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 was first conducted 1992, later in 1996 and 2001, and most recently in 2006. The most recent comprehensive needs analysis indicates an unmet capital need of \$266 million over the next ten years.

To aid in capital planning, MPHA considers two factors in its needs data, classification and remaining useful life. Another way MPHA assesses the condition and tracks the performance of properties is by utilizing the Facility Condition Index (FCI). The FCI is a measurement that takes into account the capital renewal needs year over year and measures it against the replacement value of an asset ($FCI = \text{Need} / \text{Asset Value}$). The building FCI is calculated as a percentage and will fall within one of the following four ranges: Good (0% - 5%), Fair (6% - 10%), Poor (11% - 30%), or Critical (Over 30%).

Under historically insufficient capital funding, MPHA's facilities have and will continue to be in the "Poor" rating of FCI. As properties age, needs continually surface, and Capital Fund Program (CFP) appropriations continue to decline. MPHA plans to implement the following strategies to supplement the CFP funding in order to address the \$266 million capital need.

- Moving to Work Reserves
- Energy Performance Contracting
- Development
- American Recovery and Reinvestment Act
- Other grants

MPHA's ten-year strategy for addressing capital needs covers FY 2010 through FY 2019. Approximately \$188 million in capital work will be implemented over

this ten-year period; the plan addresses many of the building systems, as well as other high priority items such as retrofitting highrises with sprinkler systems.

During the next 5 years, MPHA plans on dedicating \$86.4 million of HUD funds to capital improvement projects. The total planned work of \$114.4 million during this period will use the aforementioned HUD resources, implementation of an Energy Performance Contracting agreement (EPC) valued at \$33.6 million, and \$500,000 in State of Minnesota funds. By implementing this and other strategies, MPHA is able to reduce its overall capital needs by almost 65% within the next five years, resulting in an improved FCI rating (13% in Year 5 and 10% in Year 10).

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, 146 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, 23 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

For each year assessed 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.

Improving the Living Environment of Public Housing Residents

MPHA has a strong history and commitment to resident involvement and collaboration. MPHA works with 41 highrise resident councils, a city-wide Minneapolis Highrise Representative Council and two family based resident organizations. There are two resident members on the MPHA Board of Commissioners. MPHA also works with the Tenant Advisory Committee (TAC)

that meets prior to each board meeting and comments on issues presented to the MPHA Board. In addition, the MPHA Board of Commissioners appoints a Resident Advisory Board (RAB) that has helped to develop MPHA's annual Agency Plan and now assists with developing its Moving to Work (MTW) Plan. MPHA also works with various other resident committees including the Security Advisory Committee (SAC), Modernization, Maintenance and Management (MMM) Committee and other committees where residents and participants collaborate with MPHA on various projects and issues. MPHA intends to continue to improve these collaborations under MTW.

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 eleven buildings, including approximately 1,863 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 nine assisted living and housing with services programs within the highrise communities, providing a continuum of care as MPHA residents age. Through a partnership between MPHA, Hennepin County and assisted living providers, program participants receive on site staffing two to three shifts per day, nursing services, medication monitoring, at least two meals a day seven days per week, housekeeping and laundry services, assistance with bathing, social and recreational activities, emotional and personal supports, social work services and other supportive activities as needed. These programs are offered through Accessible Space, Inc., Ecumen, Volunteers of America, Korean Service Center and Augustana Community Partners. Assignment of assisted living by slot as opposed to hard unit, allows residents to remain in their own apartment instead of having to move to receive needed services.

Over 185 families have purchased homes through MPHA's various homeownership programs. 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. HOME and Moving Home (Section 8 Homeownership Demonstration Program) will be revised and combined with a Foreclosure Prevention Initiative that will assist some low-income families in avoiding foreclosure. MPHA will partner with community agencies to provide one-on-one counseling, mortgage support, down payment assistance and post purchase follow up to participating families. Residents are also eligible to participate in City homeownership programs such as Homeownership Works.

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 4,500 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.

Section 8 Tenant Based Assistance

Section 8 Housing Choice Voucher Program

The Housing Choice Voucher Program (HCV) 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 HCV. Housing assistance is provided to property owners on behalf of the participant family. In 2009 MPHA had 4,444 HCV under lease and intends to increase that number to 4,534 plus ten (10) additional homeownership vouchers for a total of 4,544.

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, effective June 1, 2009, are MPHA's Payment Standards for the Housing Choice Voucher Program:

Bedroom Size

0

Payment Standard

\$ 634

1	\$ 769
2	\$ 960
3	\$ 1,257
4	\$ 1,412
5	\$ 1,624
6	\$ 1,835

Section 8 HCV Mobility Voucher Program

MPHA created a Mobility Voucher program to encourage low-income families to move to non-concentrated areas to find safe, decent and affordable housing in an environment conducive to breaking the cycle of poverty. This initiative responds to HUD's goal of deconcentrating families who live in poverty.

This program is structured to increase housing choices for families on the MPHA Section 8 Waiting List who currently live in areas concentrated by poverty and who are willing to move into non-concentrated areas. In addition, these families will receive a priority for MPHA's Section 8 Family Self-Sufficiency program and for participation in MPHA's homeownership programs.

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 91 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.

MPHA currently has 685 project based vouchers.

Section 8 Home Ownership

MPHA, through its MTW authority, operates two homeownership programs and a foreclosure prevention program: Home Ownership Made Easy (HOME), Moving Home, a Section 8 Housing Choice Voucher mortgage support program, and Saving Home. Since 1993, 185 public housing and Section 8 families have purchased homes through its two homeownership programs. MPHA has recently initiated 'Saving Home' a mortgage foreclosure prevention 'demonstration' program and has made Section 8 Housing Choice Vouchers available for selected North Minneapolis and current MPHA homeownership families under threat of foreclosure.

c. Hollman vs. Cisneros Consent Decree

MPHA took the lead in the implementation of the *Hollman vs. Cisneros* lawsuit settlement achieved in early 1995 -- providing families with broader choices in affordable housing in Minneapolis and the metro area, while also contributing to the future revitalization of the City's near northside. MPHA replaced 770 units of family public housing including 200 units in Heritage Park in North Minneapolis.

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

MPHA has a strong history and commitment to resident involvement and collaboration. MPHA works with 41 highrise resident councils, a city-wide Minneapolis Highrise Representative Council and two family based resident organizations. There are two resident members on the MPHA Board of Commissioners. MPHA also works with the Tenant Advisory Committee (TAC) that meets prior to each board meeting and comments on issues presented to the MPHA Board. In addition, the MPHA Board of Commissioners appoints a Resident Advisory Board (RAB) that has helped to develop MPHA's annual Agency Plan and now assists with developing its Moving to Work (MTW) Plan.

e. MPHA Special Programs

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.

MPHA has proposed to implement a new public housing FSS program targeted for families who seek to become homeowners. This program will be limited to 50 families and have participation requirements to meet MPHA's homeownership program eligibility requirements.

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

MPHA 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 58 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 (2010)

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, over a third of all housing units are sited in developments of greater than four units. Eleven percent of all housing units are owner-occupied multifamily units.

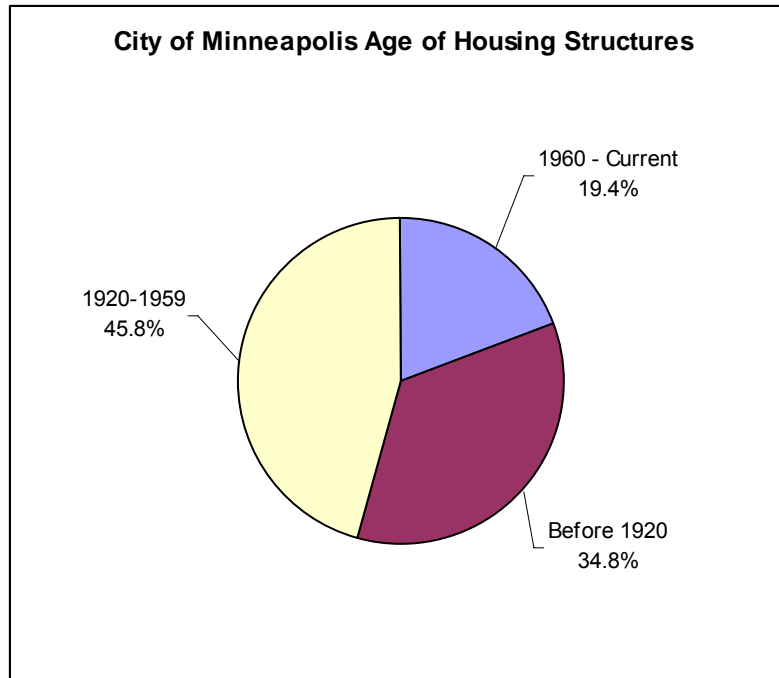
Community Housing Profiles (2010)

	Calhoun-Isles	Camden	Central	Longfellow	Near North	Nokomis	Northeast	Phillips	Powderhorn	Southwest	University
Total Residential Properties	8,552	10,311	7,697	9,399	7,456	15,060	11,580	2,738	13,000	17,554	5,459
Homestead Properties	5,937	7,281	4,523	7,991	4,070	13,046	8,891	1,476	9,082	14,924	3,159
% Properties Homestead	69.4%	70.6%	58.8%	85.0%	54.6%	86.6%	76.8%	53.9%	69.9%	85.0%	57.9%
# or Units	18,123	11,467	18,991	13,455	10,989	16,603	16,559	6,875	23,156	21,569	13,382

% Units Homestead	32.8%	63.5%	23.8%	59.4%	37.0%	78.6%	53.7%	21.5%	39.2%	69.2%	23.6%
# Structures	8,547	10,394	7,744	9,445	7,782	15,170	11,643	2,854	13,132	17,644	5,549
# Structures Built Before 1920	3,803	2,501	1,595	3,845	3,648	1,486	4,984	1,693	7,377	5,112	2,160
% Structures Built Before 1920	44.5%	24.1%	20.6%	40.7%	46.9%	9.8%	42.8%	59.3%	56.2%	29.0%	38.9%
# Structures Built 1920-1959	2,299	6,892	554	4,339	2,416	12,445	4,943	285	3,882	11,191	1,084
% Structures Built 1920-1959	26.9%	66.3%	7.2%	45.9%	31.0%	82.0%	42.5%	10.0%	29.6%	63.4%	19.5%
# Structures Built 1960-Current	2,442	1,000	5,595	1,259	1,714	1,239	1,715	874	1,872	1,339	2,303
% Structures Built 1960-Current	28.6%	9.6%	72.2%	13.3%	22.0%	8.2%	14.7%	30.6%	14.3%	7.6%	41.5%
# Structures Above Average Condition	3,830	1,326	4,996	1,407	1,181	3,597	1,697	878	2,006	5,796	1,927
% Structures Above Average Condition	44.8%	12.8%	64.5%	14.9%	15.2%	23.7%	14.6%	30.8%	15.3%	32.8%	34.7%
# Structures Average Condition	3,539	7,017	2,428	6,871	3,437	9,872	8,053	964	7,057	9,844	2,695
% Structures Average Condition	41.4%	67.5%	31.4%	72.7%	44.2%	65.1%	69.2%	33.8%	53.7%	55.8%	48.6%
# Structures Below Average Condition	1,178	2,051	320	1,164	3,163	1,701	1,913	1,012	4,069	2,000	925
% Structures Below Average Condition	13.8%	19.7%	4.1%	12.3%	40.6%	11.2%	16.4%	35.5%	31.0%	11.3%	16.7%

Age of Housing Structures

Approximately 80 percent of the city's housing structures were built before 1959. However, the average year of construction varies by housing type. About 65 percent of duplexes and triplexes, and 38 percent of four- and five-unit buildings were built prior to 1920. Nearly three-quarters of condominium/townhouse units and over a third 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 2010

	Single-family Units	Condo Townhouse Units	Duplex Triplex Units	Apartment Over 3 Units	Total
All Residential Properties	75,054	18,868	11,641	3,243	108,806
Homesteaded Properties	62,812	12,120	5,224	224	80,380
% Properties Homesteaded	83.7%	64.2%	44.9%	6.9%	73.9%
# of Units	75,054	18,868	24,303	52,944	171,169
% Units Homesteaded	83.7%	64.2%	21.5%	0.4%	47.0%
# Structures	75,486	19,000	11,742	3,676	109,904
# Structures Built Before 1920	26,146	3,015	7,644	1,399	38,204
% Structures Built Before 1920	34.6%	15.9%	65.1%	38.1%	34.8%
# Structures Built 1920-1959	43,803	2,271	3,348	908	50,330

% Structures Built 1920-1959	58.0%	12.0%	28.5%	24.7%	45.8%
# Structures Built 1960-Current	5,527	13,712	749	1,364	21,352
% Structures Built 1960-Current	7.3%	72.2%	6.4%	37.1%	19.4%
# Structures Above Average Condition	15,528	11,748	893	450	28,619
% Structures Above Average Condition	20.6%	61.8%	7.6%	12.2%	26.0%
# Structures Average Condition	47,260	5,969	6,562	1,986	61,777
% Structures Average Condition	62.6%	31.4%	55.9%	54.0%	56.2%
# Structures Below Average Condition	12,694	1,279	4,287	1,236	19,496
% Structures Below Average Condition	16.8%	6.7%	36.5%	33.6%	17.7%

Homestead Status

The 2010 citywide homestead rate is 74 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 83.7 percent of properties while attached rate for single-family homes such as condominiums and townhouses is 64.2 percent. Only 44.9 percent of duplex/triplex properties and 6.9 percent of apartments of four-units-or-greater 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 0.4 percent per year between 2010 and 2030, with total household additions of

16,700 approximately in the same period³. In the last decade, the Metropolitan Council estimated that the city's population added an average of about 900 people per year between 2000 and 2008. Households grew at a rate of about 800 per year in the same period, while they became smaller. But the city has increasingly become more diverse and, although maturing, it has a sizeable young and vital population:

- New immigrants from Latin America (especially Mexico), Africa, Eastern Europe and Asia found and created 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 significantly, from 6 percent in 1990 to 15 percent in 2000. However, according to ACS, this proportion dropped to 13 percent in 2008.⁴
- Several institutions of higher education continue to attract a young, college bound population, which live in the city for a few years before leaving. However, this group comprising 18 to 24 year olds, contracted from 14 percent in 2000 to 13 percent in 2008.
- There were more elderly people (over 65 years-old) living in the city, but the number of the very elderly (those more than 80 years old) decreased. This segment of the population may move away attracted by greater senior housing opportunities in the suburbs or to be close to relatives.

But the group increasing fastest in the City was for those between 45 and 64 years old, the age-group born immediately after World War II known as “baby boomers”. They were 18 percent of the total population in 2000. In 2008 this segment made up 23 percent of the city's population. This is a group of people with more than average income levels, already established and many of them with grown-up children in college. Some of them are approaching retirement age and they have other kind of social demands such as needs for culture and entertainment, travel, amenities and accommodation other than standard single-family housing.

In the foreseeable future these demographic trends are expected to continue, albeit at a slower pace. “Baby boomers” would age and while some may choose to stay in the city and grow old in the same place, others would move away, especially if the city does not offer enough housing facilities for the care of the very elderly. The next generation is expected to become smaller overtime due in part to lower birth rates of the previous generation. Another group that was increasing at fast rate, are people from abroad, facing more legal restrictions and a slow job market, may prefer to avoid the immigration route.

³ Metropolitan Council, 2030 *Regional Development Framework- Revised Forecasts as of December 31, 2009*.

⁴ Census Bureau, *American Community Survey, 1-year estimate 2008*. Most of the statistical information in this section is from ACS, except when noted.

Another factor affecting the impact of demographic changes upon the supply and type of housing stock is the changes in family size and composition. While the proportion of families living in the city is stabilizing, the proportion of people living alone appears to be increasing. The proportion of families declined from 48 percent in 1990 to 45.5 percent in 2000. In 2008 they were 45 percent of the total number of households. Meanwhile, the proportion of individuals living alone increased from 38.5 percent in 1990 to 40 percent in 2000 and to 42 percent in 2008.

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 21 percent in 1990 to 23 percent in 2008 and the Census Bureau expects this trend to continue. 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.

In the 1990's, many people moved to Minneapolis from other states because there were plenty of available jobs, but during the 2000's immigration slowed down. ACS reports that between 2000 and 2008 more than 74 percent of the population every year lived in the same home a year before. Between 14 and 15 percent of the same population moved within the same county. About 5 percent moved from another state and about 1 percent moved from abroad. Some factors have resulted in the city retaining more people. In the first place, with a fall in housing prices, it is more difficult to sell one's house. Secondly, the job market around the nation does not offer enough opportunities to relocate. In comparison to other areas and in the context of a national recession, Minneapolis experienced a lower unemployment rate than national and state averages.

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 ACS (American Community Survey.) For purposes of the Consolidated Plan the most necessary source of income and poverty data will result from the 2010 U.S. Census, which will be utilized for the development of the 2011 Consolidated Plan next year.

In the 1990s 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 6.7 percent in 1990 to 5.8 percent in 2000. In 2008 however and after two recessions, the unemployment rate climbed to 8.2 percent. Median household income increased only 4 percent in real terms in the first 8 years of the current decade, and income per capita increased by only 1 percent. In the nineties, median household income grew for the minority population sometimes 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. But all minorities still had much lower income than the majority of the population in 2000. The black population 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 1989 to 16.9 percent in 1999. But by 2008, according to ACS, the percent of individuals below the poverty level had increased to more than 21 percent.

Additional data shows the poverty rate for families dropped from 14 percent in 1989 to 11.9 percent in 1999. However, in 2008 it was back to the 1989 level of 14 percent. Children are more likely to live in poverty than adults; and, as in previous decades, the poverty rate for children increased at a greater rate than poverty rate for adults. In 2008 children in poverty were almost 29 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.

At the beginning of the decade more people became homeowners, and increasing demand for housing pushed up housing values and prices. The market pushed upward until prices could not be sustained. The housing market imploded nationwide followed by a deep recession at the end of 2007. A wave of foreclosure which began in 2006 peaked in 2008. Based on data from the Minneapolis Area Association of Realtors, in 2008 median housing prices in real dollars had already begun declining. In Minneapolis they were about 1 percent below prices in 2000, and in 2009 they were 10 percent below.⁵ In many cases mortgage values were higher than the price a property would clear in the market. The fall of the housing market fueled a negative economic circle in which many people lost their jobs and therefore couldn't pay for the cost of housing, including mortgages or higher rents. Vacancy rates in the rental market increased steadily through 2009 rising with higher unemployment. The vacancy rate in the rental market jumped from a low of 2.4 percent in 2001 to 6 percent in 2009, according to GVA Marquette Advisors, a real estate firm⁶. The fall in housing prices made housing affordable for some segments of the population, especially first-time buyers with a steady income. People with those characteristics may receive help from the City government in the form of monetary incentives which tried to cushion the wave of foreclosures and its negative impacts on neighborhoods. In the aftermath of the economic crisis housing was not affordable for 50 percent of renters and for 38 percent of homeowners who paid 30 percent or more of their household income in rent and monthly mortgages respectively. With soaring unemployment and job scarcity, homeownership was no longer a possible alternative for many people.

Income tends to concentrate in some areas. The geographic distribution of median household income reveals that, generally, areas along the border of the

⁵ Minneapolis Area Association of Realtors, *2008 and 2009 Residential Real Estate Activity Report*

⁶ Based on GVA Marquette Quarterly *Apartment Trends* report

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.

Relative to income and poverty are the evolving economic structures of the last years after 2000. During this period, the City is seeing the graying of the population as baby boomers begin to retire, but many of them continue to work even past retirement age. At the same time, immigrants that came during the 1990s have slowly integrated into the mainstream society and some who were hit by the economic situation have returned home. The population remains highly skilled and educated. More than 44 percent of the population 25 years-old and over are college graduates. The economic crisis was a blow for the information technology industry, but it had more of an impact in traditional sectors such as transportation and warehousing, manufacturing, utilities, wholesale, retail and administrative services⁷. These are sectors that may not require college level graduates in many of their positions, may pay average low salaries and affect blue collar and unskilled workers the most.

The housing boom of the last few years fuelled the growth of the real estate industry. But the management of companies continued to grow at steady pace and so did arts and entertainment, health care and educational services. Food services and hotels also grew and continued to be a source of labor-intensive job positions. To meet the needs of the urban population who are in this job market the housing market requires a supply of housing that is not the traditional single-family detached house, such as multifamily or attached units in a higher density environment.

Although more multi family units (many of them rentals) have been built in the last few years, Minneapolis housing is still mostly designed for single-families, with 45 percent of the total units being single-family detached dwellings. About 52 percent of the housing stock was built before WW2 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 took place in relatively modest neighborhoods and in downtown near the riverfront. Urban renewal projects made land available for

⁷ MN Department of Employment and Economic Development (DEED), *Quarterly Census of Employment and Wages (QCEW)*

new construction (for example, Heritage Park in the Northside community), and the riverfront with its proximity to downtown was attractive to “baby boomers” and young professionals with relatively high incomes.

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.

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 reflective of the current economic downturn with vacancy rates higher, however, a low supply of available units affordable at low income levels prevails.

4. Vacancy Rates and Rent Levels

The housing market has recently experienced the effects of an economic downturn resulting in higher vacancy rates for all rental housing. Over the longer term availability of affordable housing persists. While vacancy rates have risen, vacancy rates for subsidized or affordable rental housing remains tight.

Average Annual Rent and Vacancy for Minneapolis (all rental housing)

	Average Rent	Vacancy Rate
2006	\$842	2.7%
2007	\$868	2.8%
2008	\$929	3.6%
2009	\$908	6.5%

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

The following table shows 2009 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

	2009	HUD Rate	Fair Market	Percentage Difference
Studio	\$664	\$554		+ 1%
1 BR	\$788	\$713		- 7%
2 BR	\$983	\$912		-15%
3+ BR	\$1,274	\$1,233 (3 BR only)		- 5%

Source: GVA Marquette Advisors (market rates); HUD

5. Housing Prices

The median sale price of a Minneapolis single-family detached home sold during the first quarter of 2006 was \$209,000. By 2009 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 2006-2009*

	2006	2007	2008	2009	2006-2009 Change
Median Price, 1 st Qtr	\$209,000	\$225,000	\$225,000	\$216,500	4%
# Reported Sales, 1 st Qtr	993	748	406	305	-69%
Median Price, Full Yr	\$219,900	\$229,900	\$220,000	\$209,000	-5%
# Reported Sales, Full Yr	4,668	3,347	2,357	1,924	-59%

*All figures reflect current dollars unadjusted for inflation. Only includes valid, arms-length, non-bank sales

Median single-family home sale price for 2006 ranged from \$170,000 for the Camden Community to \$510,000 in the Calhoun-Isles Community. Between 2006 and 2009 the incidence of weakest sales-price growth (or actual decline) occurred in the communities with the lowest home values – in Near North and Phillips Communities single-family home sales prices declined 36% and 29% respectively.

Annual Single-Family Home Median Sale Prices by Community

Community	2006	2007	2008	2009	2006-2009 Change
Calhoun Isles	\$510,000	\$532,000	\$561,900	\$406,500	-20%
Camden	\$170,000	\$164,000	\$135,000	\$122,900	-28%
Longfellow	\$213,300	\$217,000	\$206,000	\$195,000	-9%
Near North	\$185,000	\$171,500	\$148,000	\$118,000	-36%
Nokomis	\$230,000	\$234,000	\$225,500	\$219,000	-5%
Northeast	\$210,000	\$205,000	\$194,000	\$182,000	-13%
Phillips	\$200,000	\$175,000	\$164,000	\$143,000	-29%

Powderhorn	\$205,800	\$200,500	\$188,500	\$183,000	-11%
Southwest	\$300,000	\$332,800	\$300,000	\$300,000	0%
University	\$243,500	\$253,500	\$222,800	\$209,500	-14%

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 Paint (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.

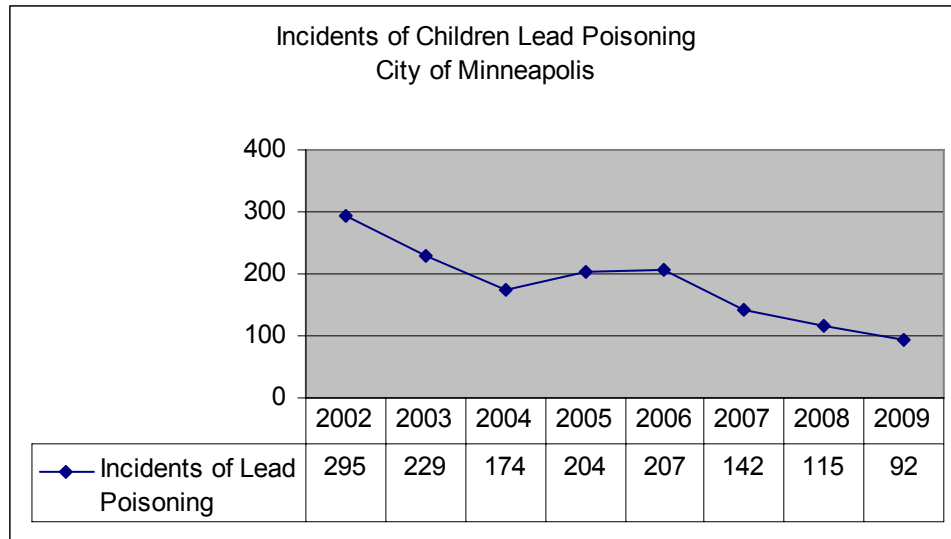
**HUD Estimate of Incidence of Lead-Based Paint (LBP) in Minneapolis
Residential Housing Units for 1990**

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

The following chart represents the decline of incidents of children lead poisoning based on vein-drawn blood sampling in Minneapolis. The City of Minneapolis tests for lead based on a lower level (10 ug/dbl) than the mandated by the State of Minnesota. This resulted in 45 properties being investigated for lead hazards in 2009. Minneapolis has been awarded \$4.2 million in federal grant money and over \$50,000 in state grants to reduce lead hazards; this includes the \$3 million HUD grants awarded in November 2008 for lead prevention and abatement.



Source: State of Minnesota analyzed by Regulatory Services in its Results Minneapolis December 8, 2009 report

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 and extent 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 the city of Minneapolis unless otherwise noted.

B. Nature & Extent of Homelessness

In 2006, the City of Minneapolis and Hennepin County adopted a 10-year plan to end homelessness, entitled "Heading Home Hennepin." The plan was developed by the Minneapolis/Hennepin County Commission to End Homelessness; a commission of business and civic leaders, human service support agencies, advocates, and individuals who have experienced homelessness. Heading Home Hennepin is the City of Minneapolis and Hennepin County 10-year plan to end homelessness by 2016.

The five major goals in the plan are:

- Preventing homelessness
- Providing coordinated street outreach
- Developing housing opportunities
- Creating system changes through better service delivery
- Building capacity for self-support

Current challenges in Minneapolis and Hennepin County:

- Increasing numbers of families and individuals are falling into homelessness because of the economy, foreclosures on rental property, and the loss of employment. These families and individuals are remaining homeless longer, primarily due to the lack of employment opportunities and the tight housing market.
- There is a shortage of both affordable housing and of rental assistance to assist with housing affordability.
- While supportive housing is a proven model for ending homelessness for all populations, we cannot find an ongoing and reliable source of service funding.
- Transportation assistance is needed to help people connect people to jobs and services.

The most recent survey of homelessness was done in 2006. Hennepin County was included in this “point-in-time” statewide survey of homeless persons conducted on October 26, 2006 by the Wilder Research Center. Survey results are detailed in the April 2007 report, “Overview of homelessness in Minnesota 2006.” The full report and data tables for Hennepin County are available on the website for the Amherst H. Wilder Foundation at-
<http://www.wilder.org/homelessness.html>.

Wilder commissioned another survey in October 2009. Full results will not be available until May 2010. The 2009 Survey results will be included in the 2011 Consolidated Plan next spring. However, the initial survey findings conclude that homelessness has risen since the 2006 survey.

Based on survey results and shelter counts the Wilder Foundation estimated that there were 9,200 to 9,300 homeless Minnesotans on any given night in 2006.

Selected survey results from the data tables for Hennepin County include:

- Almost one-half of all homeless respondents reported Minneapolis (42.5 percent) or St. Paul (6.6 percent) as their last “regular or permanent housing.” Of homeless individuals from Minnesota, but not from Minneapolis or St. Paul, 186 (48 percent) were from suburban Hennepin County. 40 percent cite their inability to afford housing as the reason for their homelessness.

- Of those who are homeless, 8.5 percent have been “without a regular or permanent place to live” for less than one month, but 26 percent have been homeless for one or more years and 25 percent have been homeless for more than three years.
- The average monthly income reported by respondents was \$485.
- Over one-third (36.2 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.
- Half (50 percent) of all **chronically homeless** individuals in Minnesota lived in Hennepin County.

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

- 2,083 adults/youth age 18 and older were homeless and sheltered or unsheltered as follows-
 - 898 were in emergency shelter (male- 656 or 72.1% and female- 242 or 26.9%.)
 - 75 were in a domestic abuse shelter.
 - 765 were in transitional housing (male- 303 or 39.5 % and female- 463 or 60.5%.)
 - 168 were in informal shelter (male- 93 or 55.4% and female- 75 or 44.6%.)
 - 176 were unsheltered or on the street (male- 127 or 72.2% and female- 49 or 27.8%.)
 - 243 were age 18-21 (youth.)
 - 1,100 or 53.4% were African American, 479 or 23.2% were White, 209 or 10.1% were American Indian, the balance of 275 or 13.3% identified themselves as multi-racial, African Native, Asian or Pacific Islander or other.
 - 1,233 or 59.3% were high school graduates or more.
 - 1,288 or 62% had lived in Minnesota for 6 or more years. Of this group, more than one-half had lived in Minnesota over 20 years.
 - 655 or 31.7% were currently on a waiting list for Section 8 housing or other type of rental assistance program.
 - \$310 was the average amount people reported they could pay for housing each month, including rent and utilities.
 - 1,061 or 51% reported their last regular housing was in Hennepin County. 875 or 82% last lived in Minneapolis and 186 or 18% last lived in suburban Hennepin County.
 - 340 or 16% reported their last regular housing was in Minnesota but outside Hennepin County.

- Top four reasons people reported as preventing them from getting housing now:
 - 'Lack of job or income' (35%)
 - 'There was no housing one could afford' (23%),
 - 'Credit problems' (14.2%),
 - 'Criminal background' (13%).

In addition to the Wilder Foundation, the Minnesota Department of Human Services, Hennepin County Human Services Department, Minneapolis Public Schools and others collect data on homeless households in Hennepin County through a variety of methods. Counting homelessness can be difficult, as many persons do not access the shelter system or government services. They are however, the most reliable information available and can give the best approximation of the scope of homelessness in Hennepin County. They are also regularly and uniformly measured.

Singles

- 2006 Wilder Survey. Data from the survey indicates that there were approximately 1,404 single adults in Hennepin County who were homeless.
- State quarterly shelter survey. Data collected in January 2009 suggests that approximately 1,326 single adults and unaccompanied youth were sheltered on one night.
- Unsheltered survey. Data collected in January 2009 suggests that approximately 192 unsheltered single adults and 34 youth were sleeping outside.

Families

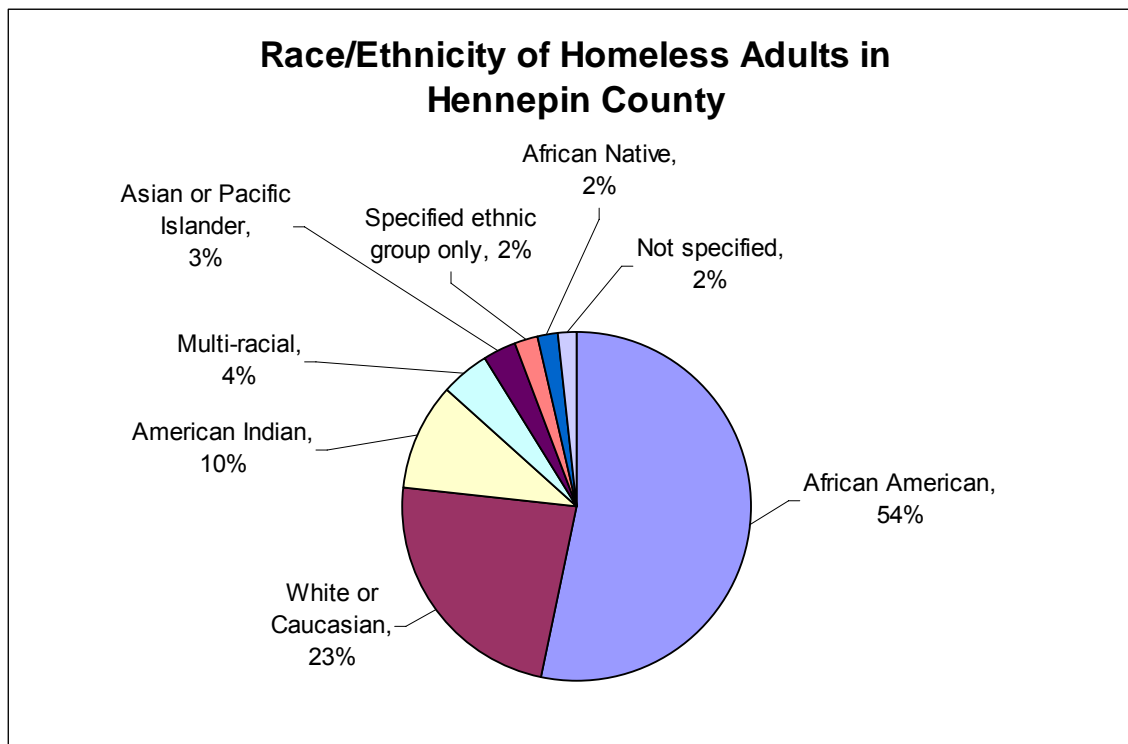
- 2006 Wilder Survey. Data from the survey indicates that there were approximately 481 homeless families, including 1,121 children, in Hennepin County on one night.
- State quarterly shelter survey. Data from the January 2009 suggests that approximately 489 families, including 1,200 children, were sheltered in Hennepin County on one night.
- Unsheltered survey. Data collected in January 2009 suggests that approximately 9 families, including 20 children, were unsheltered on one night.
- Emergency shelters in Hennepin County. Data collected from emergency shelters indicates that approximately 1,785 homeless families were sheltered in one year in 2009.
- Minneapolis Public Schools. Data gathered from Minneapolis Public Schools and Hennepin County suburban school districts in 2008-2009 suggests that there were approximately 3,683 unduplicated K-12 school-children in Hennepin County that were homeless in that school year.

Youth

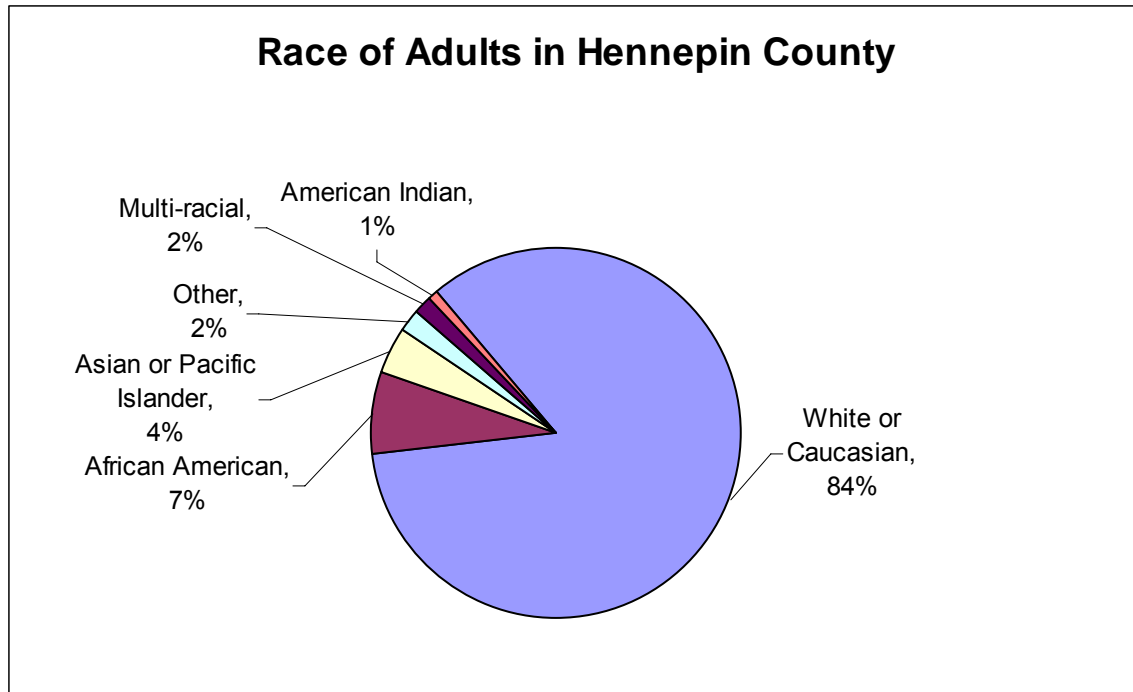
The youth community estimates that approximately 8,000 youth in Hennepin County experience homelessness each year to such a degree that they either seek support or warrant community intervention. The estimate is based on the following data:

- 2006 Wilder Survey. Data from the survey indicates that there were approximately 196 unaccompanied youth in emergency shelter or transitional housing, and another 122 unsheltered or in temporary informal arrangements (couch hopping) on a single night.
- In 2009 there were 2,540 unduplicated youth in Hennepin County contracted programs alone. This doesn't include programs like The Bridge for Youth, Hope Street, Bridge 365, Freeport transitional living program, and others.

Race/Ethnicity and Homelessness



Source: Data from the Wilder Foundation 2006 homeless survey data tables: Hennepin County.



Source: Data from the 2000 Census.

Based on the Wilder Foundation 2006 homeless survey data tables for Hennepin County 6.8% of adults answered “yes” to the question – “Are you of Hispanic, Latino, or Chicano origin?” Data from the 2000 census identifies 4% of the adults in Hennepin County as Hispanic or Latino.

According to the Heading Home Hennepin Plan experts do not have a clear explanation for the fact that people of color, particularly African Americans and American Indians, are overrepresented among the homeless. According to the Plan the overrepresentation of people of color is most likely linked to several factors, including:

- Underemployment due to racial discrimination in the job market.
- Lack of access to affordable housing due to racial discrimination in the housing market.
- Overrepresentation of people of color in the criminal justice system.
- Disparity in poverty rates.

Gaining a better understanding of racial disparity among the homeless will ultimately lead to a better understanding of homelessness overall.

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 the Minneapolis/Hennepin County Commission to End Homelessness.

This work involved the comprehensive collection of data on housing and service needs of the homeless as well as housing and services currently available. Through a series of meetings and public testimony task force members and other community members analyzed information collected to identify gaps in the continuum of care. 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 Heading Home Hennepin plan and listed in the following section- Priority Homeless Needs. Housing needs and their relative priority are identified in Table 1A.

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 Homeless Inventory section of this chapter.

E. Priority Homeless Needs

Priorities were developed from the Heading Home Hennepin planning process and Table 1A- Homeless and Special Needs Populations Charts (below). Consistent with the National priorities, the highest priority of the use of HUD Continuum of Care funding is to end chronic homelessness. Detail on all goals and priorities are contained in the 2009 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 unmet goals in the Heading Home Hennepin plan adjusted to meet the requirements of Table 1A.

NOTE: The City's portion of the county goal is determined to be 82 percent. This is based on information in the 2006 Wilder Homelessness Survey. Data showed 18 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, 82 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- 37 beds for individuals, including unaccompanied youth. -0- beds for families.

Transitional Housing- No goals were established for transitional housing in the Heading Home Hennepin Plan.

Supportive Housing- 1,517 beds for individuals, including unaccompanied youth. 3,023 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 2009	Under Development in 2009	Unmet Need/Gap 2010-14
Individuals (includes unaccompanied youth)				
Beds	Emergency Shelter	860	-0-	45*
	Transitional Housing	364	-0-	-0-**
	Permanent Supportive Housing	1,645	64***	1,850
	Total	2,869	64	1,895
		Current Inventory in 2009	Under Development in 2009	Unmet Need/Gap 2010-14
Persons in Families With Children				
Beds	Emergency Shelter	1,087	-0-	-0-
	Transitional Housing	861	-0-	-0-
	Permanent Supportive Housing	1,688	24***	3,687****
	Total	3,636	24	3,687

Sources:

- Inventory and under-development data comes from the 2009 Continuum of Care- Exhibit 1.

- Unmet Need/Gap data based on unmet goals in Heading Home Hennepin Plan to End Homelessness as of 12/31/09 adjusted to meet the requirements of Table 1A.

*Youth goal only.

**No transitional housing goals established in the Heading Home Hennepin Plan.

***Capital funded units closed by 12/31/09.

****Goal equals 1,229 units times 3-beds each.

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

Part 1: Homeless Population <i>(based on statistically reliable, unduplicated counts or estimates at a one-day point in time)</i>	Sheltered (bed capacity)* <i>((A) Administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates.)</i>		Unsheltered** <i>((A) Administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates.)</i>	Total
	Emergency	Transitional		
1. Homeless Individuals (includes youth)	955 (N)	371 (N)	225 (N)	1,551 (N)
2. Homeless Families with Children	267 (N)	219 (N)	9 (N)	495 (N)
2a. Persons in Homeless Families with Children	965 (N)	734 (N)	31 (N)	1,730 (N)
Total (lines 1 + 2a)	1,920	1,105	256	3,281
Part 2: Homeless Subpopulations***	Sheltered		Unsheltered	Total
1. Chronically Homeless	670 (S)		105 (S)	775 (S)
2. Seriously Mentally Ill	813 (S)		127 (S)	940 (S)
3. Chronic Substance Abuse	459 (S)		74 (S)	533 (S)
4. Veterans	247 (S)		20 (S)	267 (S)
5. Persons with HIV/AIDS	64 (S)		6 (S)	70 (S)
6. Victims of Domestic Violence	192 (S)		20 (S)	212 (S)
7. Youth (under 18 years of age)	43 (S)		34 (S)	77 (N)

Source: Continuum of Care: Exhibit 1. data- survey of sheltered & unsheltered persons 1/28/2009.

*Numbers are based on the actual number of sheltered homeless persons on January 28, 2009 reported by service providers.

**Numbers are based on number of face-to-face interviews conducted with unsheltered homeless persons on January 28, 2009.

***Numbers with "(S)" are based on subpopulation data reported in the 2006 Wilder Homelessness Survey.

F. Priority/Goals

Heading Home Hennepin: The Ten-Year Plan to End Homelessness in Minneapolis and Hennepin County

The Heading Home Hennepin plan, developed through the community planning effort described at the beginning of this chapter, contains six broad goals, thirty recommendations, and fifty concrete actions steps. Successful implementation of the Plan will prevent homelessness whenever possible, provide outreach to get people off the streets, and provide stable housing for men, women, and children, and the support services they need to succeed. Benchmarks have been established to track progress in implementing plan goals and recommendations. The Hennepin County Office to End Homelessness is responsible for implementing the Plan and an Executive Committee coordinates the activities of various Committees.

The Executive Committee is comprised of representatives from faith, business, government, and philanthropic sectors, nonprofit service providers and people experiencing homelessness. Working Committees are organized around major goal areas: prevention, outreach, services, housing, service delivery and systems improvements, and self-support and involve providers from over 125 agencies throughout Hennepin County.

The complete Heading Home Hennepin plan is available at-
<http://headinghomeminnesota.org/hennepin/>

Continuum of Care – Heading Home Hennepin Plan goals and recommendations:

GOAL ONE: PREVENT HOMELESSNESS

Recommendations:

- 1) Expand Hennepin County's Family Homeless Prevention Assistance Program for single adults, youth, and families with children.
- 2) Adopt a zero tolerance policy for discharging people from public systems into homelessness.
- 3) Increase conflict resolution and other services for at-risk youth and their families.
- 4) Prevent and end homelessness for refugee individuals and families.

GOAL TWO: PROVIDE COORDINATED OUTREACH

Recommendations:

- 1) Develop a 24/7, coordinated system of outreach to those on the streets in Minneapolis.

2) Increase medical outreach and access to primary care and mental health services.

3) Increase number of youth outreach workers to suburban-area alternative schools.

GOAL THREE: DEVELOP HOUSING OPPORTUNITIES

Recommendations:

1) Preserve current stock of affordable and supportive housing, creating 5,000 new “housing opportunities” for youth, singles and families with children over the 10-year implementation period of the plan, and provide the support services people need to maintain housing stability.

2) Promote housing opportunities that create more locational choice and Transit Oriented Development (TOD) for homeless singles, families, and youth.

3) Develop and maintain good landlord relationships to enhance capacity for utilizing existing private housing market.

4) Increase the support that homeless families receive from the neighborhoods/communities in which they are moving.

5) Increase the number of housing case managers available to work with homeless and at-risk youth.

6) Expand out ability to rapidly re-house more single adults, underserved families, and youth.

7) Track and effectively communicate vacancies in existing affordable and supportive housing for youth, singles, and families with children.

8) Reduce barriers to developing a variety of housing options.

GOAL FOUR: IMPROVE SERVICE DELIVERY

Recommendations:

1) Connect people to the services they need to escape homelessness.

2) Encourage early intervention by providing the option of care for children whose parents need in-patient treatment.

GOAL FIVE: BUILD CAPACITY FOR SELF-SUPPORT

Recommendations:

- 1) Connect homeless adults with living wage jobs.
- 2) Connect homeless and at-risk youth, ages 16-21, with post-secondary education, job training, and employment.
- 3) Enhance the “financial literacy” of singles, families, and youth.
- 4) Ensure that eligible individuals and families apply for the Earned Income Tax Credit and the Working Family Credit.
- 5) Increase access to transportation for youth, families with children, and single adults so they can keep appointments, maintain or find employment, and go to school.

GOAL SIX: IMPLEMENT SYSTEM IMPROVEMENTS

Recommendations:

- 1) Improve effectiveness of current shelter system.
- 2) Improve collaboration among family providers throughout Hennepin County.
- 3) Enhance truancy interventions for at-risk and homeless youth.
- 4) Enhance cultural competency across the system to ensure access to quality services for all groups.
- 5) Offer increased access to financial assistance for youth.
- 6) Support metro-wide regional efforts to end homelessness.
- 7) The Executive Committee for implementation will recommend to the City of Minneapolis and Hennepin County an annual legislative agenda that supports the goals of this plan.
- 8) Develop accurate data system to track and evaluate progress on the 10-Year Plan.

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. Whenever possible, people are assisted into permanent housing, with ongoing support services for those that need them.

1. Existing Facilities

The following is derived from information in Table 1A and the 2009 Housing Inventory Chart.

Emergency Shelter:

- 1,947 year-round and secure waiting beds, includes 1,087 family beds and 860 beds for single individuals, including 40 beds specifically for youth.

Transitional Housing:

- 1,225 beds, includes 861 family beds and 364 beds for single individuals, including 48 specifically for youth.

Permanent Supportive Housing:

- 3,333 beds, includes 1,688 family beds and 1,645 beds for single individuals, including approximately 107 specifically for youth. In 2009, an additional 88 supportive housing units were under development.

New units are added to the inventory each year. To track housing development against goals, the Office to End Homelessness maintains a database of new housing projects from their earliest pre-development stage through completion and occupancy. 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.

2. Existing Services

Prevention Services:

Prevention is the first goal in our plan to end homelessness. Our strategies fall into two major categories: keeping people in the housing they have and ensuring people do not become homeless when leaving public institutions. The Family Homeless Prevention and Assistance Program (FHPAP) serves as the primary prevention services system in Hennepin County to keep people in the housing they have. In addition, FHPAP provides rapid re-housing assistance to quickly exit families, singles, and youth from shelter into stable housing. 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 Federal Homelessness Prevention and Re-Housing Program (HPRP) is allowing us to expand and improve upon our already existing program. We expect to serve approximately 3,080 households countywide over the course of the three-year program.

HPRP resources can only be used for homeless prevention and rapid re-housing services. Of the approximately 3,080 households to be served countywide, approximately 2,464 will be in Minneapolis. Of these, approximately 1,005 will receive homeless prevention services and 1,459 will receive rapid re-housing services.

HPRP activities include expanding prevention services in the Minneapolis Public Schools to identify and work with homeless children and youth and target renters whose property owners are in foreclosure to ensure families and individuals can be relocated into another housing unit and avoid entering shelter.

Discharge Planning:

In addition to preventing people from losing their current housing, we are also improving the way our public systems discharge people. The Office to End Homelessness has hired a full-time Adult Discharge Planning Coordinator who works directly with Hennepin County Corrections and the Hennepin County Medical Center to improve discharge strategies and outcomes. The Discharge Coordinator offices at Hennepin County Medical Center two days a week and coordinates the discharge of homeless patients to the most appropriate settings. There are currently 20 respite beds for patients coming out of the hospital, with 15 more in development. There are 42 board and lodging programs contracted by Hennepin County. Many of these board and lodge programs serve individuals with mental illness. The board and lodging programs are available to homeless or non-homeless persons.

Outreach Services:

Outreach to homeless persons living on the streets:

The Heading Home Hennepin plan called for an increase in the scope and coordination of street outreach. A new outreach team was developed to work specifically with the Minneapolis Police Department to identify people experiencing homelessness who are cycling through the criminal justice system

because of livability crimes related to being homeless including loitering, public urination, public intoxication, panhandling, etc. The goals of the new outreach system are to improve outcomes for people living on the streets and to reduce unnecessary arrests of people experiencing homelessness. Since the new outreach team's inception in October 2007, they have successfully housed 141 people directly from the streets that had an average length of homelessness of 10 years. In addition, the police department has reported a marked decrease in the amount of time they are spending on homelessness issues and have reduced arrests of people with no permanent address by 14 percent.

Hennepin County has additional 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: St. Stephen's Street Outreach Program (outreach efforts described above), People Incorporated - Metro Homeless Outreach Program, Hennepin County - PATH/Access, Minnesota AIDS Project (MAP) and the Streetworks Collaborative for Youth (a broad collaborative of extensively trained youth outreach workers from multiple agencies in Hennepin County).

In addition to these services the Office to End Homelessness has recently created an "in-reach" position to identify youth (up to age 24) staying in adult shelters and connect them to age-appropriate services.

The Office to End Homelessness, in collaboration with over 400 service providers, is hosting the 9th Project Homeless Connect even in March 2010. Project Homeless Connect has engaged thousands of volunteers from corporations and faith communities to assist people experiencing homelessness in our community. An average of 1,500 guests are served at each event and receive assistance with housing, employment, medical care, state identification, benefits assistance, dental care, and more. There are two Project Homeless Connect events each year.

Based on the success of Project Homeless Connect, Hennepin County has provided funding for the creation of two Opportunity Centers, which will serve as one-stop-shop services centers for single adults and youth. Both centers will open in 2010.

Outreach to Chronically Homeless:

Consistent street-based outreach and engagement is a core service and will inform all levels of policy and development. Currently outreach is provided at locations where homeless individuals are known to congregate or visit. Through community and street-based outreach efforts, professionals are able to develop relationships with individuals, understand their service and housing preferences, and create "best practices." Outreach staff can also recommend changes in policy and/or resource development priorities. Hennepin County has a strong

commitment towards outreach and engagement and will continue to prioritize funding for this area.

In addition to the agencies listed above, outreach is also provided by organizations identified in table below. Many of these organizations provide outreach services to persons with special needs, including mental illness, chemical dependency, HIV/AIDS, domestic abuse, and unaccompanied youth.

Bridge for Runaway Youth Inc.	Freeport West
Homeless and Refugee Children, Inc.	Education Liaisons
Nystrom and Associates Limited	Lutheran Social Services – Families first
Teens Alone	U.S. Department of Veterans Affairs- Health Care for the Homeless
YouthLink	Hennepin County Economic Assistance Staff
Minnesota Assistance Council on Veterans	Hennepin County - 1800 Chicago Access Unit
Metro Homeless Outreach Program	Hennepin County - Crisis Stabilization
PATH – Access Unit	Hennepin County Medical Center- Psychiatric Services
PATH – Hennepin County Mental Health Coalition	Making Old Things New
Hennepin County- Health Care for the Homeless	Health Care for Homeless Veterans
HOPE Ministries	Chamberlin Edmonds Consultants

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 informal and formal referral processes 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 Continuum of Care provides a full description of these services.

Chapter 4 Community Development

A. Introduction

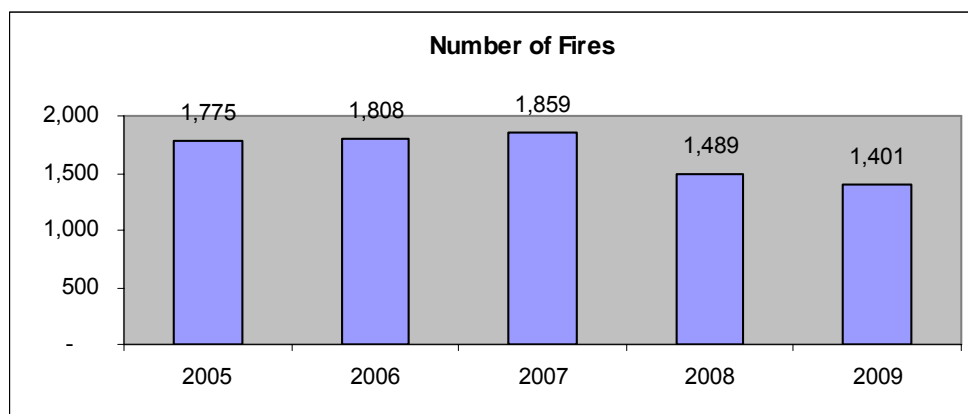
The City will pursue a variety of strategies in non-housing community development areas such as economic development, infrastructure improvements, public services, and public facility improvements. These strategies are designed to create a vibrant, diversified living experience for its citizens. They 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 public safety, 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 used past CDBG funding to support the development and sustainability of public facilities in the community. Public facilities serve low and moderate income city residents by providing space for a variety of community-based services and programming. Examples of public facilities include childcare facilities, senior centers, youth centers and assisting public facilities with Section 504 compliance work. With reductions in the level of local ability to pay for fire fighting equipment, the City will be using CDBG resources over the five year strategy in purchasing fire fighting equipment which is an eligible public facility funding category in CDBG regulations. CDBG will allow for a reliable source of funding in combination with other one-time federal competitive grants.



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 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 2010-14 five-year capital plan, 103 capital requests were made, totaling \$ 574 million.

The following table details City Council approved eligible HUD CDBG categorical public facility requests in the 2010-14 capital budget.

Public Facility/Improvement	2010-2014 Adopted Capital Budget
Sewer Improvements	\$112,198,000
Streets (paving, streetscapes, lighting, bridges)	\$ 246,130,000
Sidewalks	\$15,110,000
Parks/Recreation Facilities	\$28,087,000

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

Project Type	Project Name	Funded Year				
		2010	2011	2012	2013	2014
Paving	33 rd Ave SE and Talmage Ave		X	X		
Paving	Franklin, Cedar and Minnehaha Ave. Improvement Project		X			
Paving	Nicollet Ave (31 st St. E – 40 th St E)			X	X	
Paving	Snelling Ave. Ext.					X
Paving	Garfield Ave. (31 st to 32 nd St W)		X			
Paving	Chicago Ave. (8 th St -28th St.)	X				
Sewer	Combined Sewer Overflow Improvements (various locations)	X	X	X	X	X
Sewer	Flood Area 22 Sibley Field		X			
Bike Trails	18th Ave. NE Parkway	X				
Bike Trails	Hiawatha LRT Trail Lighting/Trail Extension				X	

Bike Trails	Riverlake Greenway (East of I-35W)	X				
Heritage Park Infrastructure	Heritage Park	X	X			
Bridges	St. Anthony Bridge over BNSF		X	X		
Bridges	Camden Bridge Rehab	X	X			
Bridges	Nicollet Ave Reopening				X	
Bridges	Midtown Corridor Bridge Preservation Program			X		
Park Board	Capital Infrastructure at various locations throughout the city	X	X	X	X	X

3. Public Services

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.⁸ 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

⁸ Recommendations from the Blue Ribbon Panel on Public Health in Minneapolis February 2004.

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 has recently risen with the average rate from 2005 to 2007 being 6.8 deaths per 1,000 live births. This is higher than the 6.5 average rate for the previous three-year period. The goal for 2008-2010 is to see an average rate of 4.5 per 1,000 live births for Minneapolis residents.

Teen pregnancy rates in 2007 were 49.4 pregnancies per 1,000 girls. This is an increase from 45 pregnancies per 1,000 girls in 2002.

Health Insurance Coverage- The 2006 Hennepin County SHAPE survey reports that 12.3% of Minneapolis residents indicated no health insurance coverage of any type (public or private).

Behavioral Risk Factors

Behavioral Risk Factors of Minneapolis & Hennepin County Adults, 2006

% Reporting:	Minneapolis	Hennepin County
High Blood Pressure/Hypertension	20.2	20.5
Smoking (Every day/occasional)	21.1	17.1
Overweight	31.6	35.0
Obesity	19.8	19.1
Inadequate Physical Activity (30 minutes of moderate exercise less than 5 days/week)	38.8	36.4
Binge Drinking (5+ drinks/day)	7.2	4.4

Source: 2006 Hennepin County Health Department SHAPE survey.

For purposes of the 2010 CDBG funding cycle, the city again used its Public Health Advisory Committee (PHAC) to develop principles, priorities, and process for public service funding in the areas of health.

Beginning in June 2008, the PHAC reviewed public services needs for program years 2009 and 2010. The Committee revised the funding principles identified in the previous process (detailed below), and modified the recommendations for

funding priorities that further targeted funds toward the highest needs in three areas.

At the conclusion of their process, the PHAC approached the City Council with their recommended set of guiding principles and priorities. The Council approved all the PHAC recommendations to be included in the Request for Proposals for 2009 CDBG funding.

Guiding principles developed were as follows:

- 1. Family support:** Proposals should focus services towards activities that support the whole family, and not just an individual, when feasible or beneficial.
- 2. Culturally Competent:** Proposals must clearly identify the target community(ies) to be served, and should illustrate how the proposed activities will be culturally competent. Applicants need to demonstrate their ability to reach the populations they propose to serve through a description of their track record with the targeted community, their staff and board composition, and specific outreach activities.
- 3. Involvement of clients in the design and governance of the project:** Proposals should clearly articulate how clients to be served have been and will continue to be involved in the design and governance of the project.
- 4. Reducing Health Disparities:** Proposals should clearly articulate the population to be served and the health status disparities they experience, and describe how the applicant will address inequities in services, access to resources, or other conditions that affect the well being of communities or individuals.
- 5. Strength of Evidence for Selected Approach:** Proposals should clearly describe the evidence of effectiveness for the activities they plan to implement, and how these will address the specific needs of the target population.

There were three funding priorities identified:

- 1. Youth Violence Prevention:** Provide education programs for parents, guardians, or caregivers of youth ages 8-18 years who are at risk for engaging in violence. Program activities must include support, education, and skill-building opportunities for the parents served by the program, and must include components that address mental health and substance use. Proposals that target services solely to youth are ineligible for this funding.

Programs funded under this priority will be selected based on their alignment with recommendations from the Blueprint for Action: Preventing Youth Violence in Minneapolis. <http://www.ci.minneapolis.mn.us/dhfs/yv.asp>

- a) Increase the number of training and support programs available for parents of youth so they have the knowledge, tools, and resources to recognize early warning signs and raise teens that do not condone or engage in violence.
- b) Increase training and support programs for parents of at-risk youth, including those involved with the juvenile justice system or re-entry, so that these parents have the knowledge, tools and resources they need to get their children back on the right track.

2. Teen Pregnancy Prevention: Provide programs to prevent initial or repeat teen pregnancies. Activities may be focused on health or youth development services, and applicants must describe how these services are designed to reduce teen pregnancy.

3. Assure Maintenance of Health Safety Net for Underserved/Vulnerable Seniors: Provide programs that increase the ability of underserved and vulnerable seniors to live independently and be connected with others in their community to reduce social isolation (including those who are culturally or linguistically isolated).

Based on the development of these public service priorities, the city issued a Request for Proposals in October 2008 to fund public service activities. In response to the City's request for proposal (RFP) to distribute CDBG Public Service funds community-wide, 47 community based organizations submitted applications. Through an appointed-committee process, all applications were ranked and funding awards were made available totaling \$552,000 from a pool of community-based applicants with a total funding request of \$3,006,488. CDBG public services guidelines and national objective requirements were followed. Of the 47 proposals submitted, 32% related to teen pregnancy prevention, 34% youth violence prevention, and 34% services to seniors.

For 2010, these same public service programs will be funded with CDBG resources at a reduced level to facilitate increased funding of public safety related public services with CDBG.

Crime

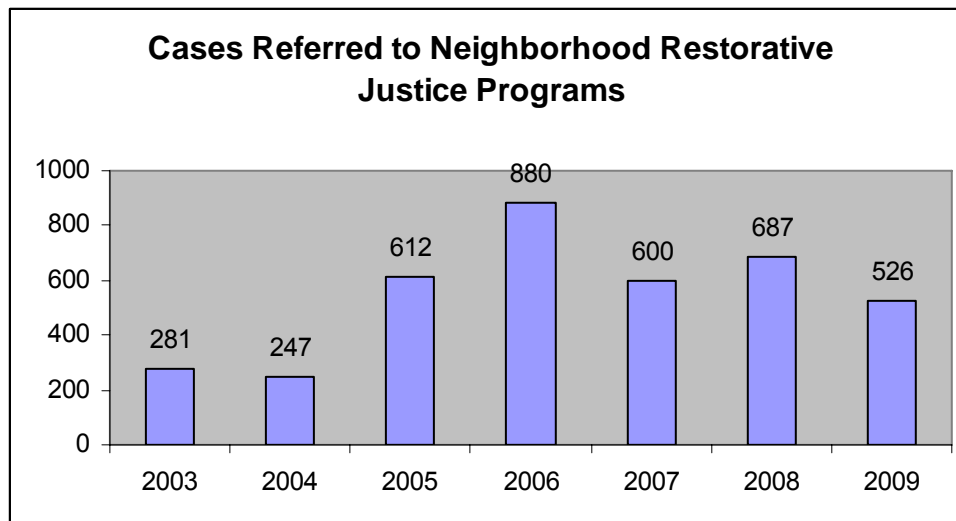
The crime rate in the city has gone down in recent years, mirroring trends in other major cities. Crime still is a major influence on safety perception for city residents. The following table shows annual numbers of Part I and II criminal offenses. Part I crimes are major offenses such as homicide, rape, aggravated assault, burglary, robbery, auto theft, theft, arson. Part II crimes are other lesser offenses that include crimes such as simple assault, curfew violations and truancy, larceny, public intoxication and vandalism that affect neighborhood livability.

Offense Classification	2003	2004	2005	2006	2007	2008	2009	% Change 2003-09
UCR Part I	25,306	25,466	28,324	29,458	28,485	25,894	22,478	
UCR Part II	38,926	37,000	36,676	40,294	38,184	35,135	33,168	
Total All Crimes	64,232	62,466	65,000	69,752	66,669	61,029	55,646	

Source: Minneapolis Police Department, Uniform Crime Reports – UCR Part I crimes are Major Offenses, UCR Other Offenses are reported as Part II crimes

A 2007 random survey of Twin Cities residents by Wilder Research for purposes of the Twin Cities Compass data indicators project found that 31 percent (31%) of respondents indicated that they had been a victim of a property crime within the previous year. This compares with 19 percent (19%) of similar respondents for the Twin Cities area.

The City works to bring lower level criminal offenders into alternative judicial resolutions such as restorative justice programs in order to allow offenders an opportunity to repay the community through community service and to permit preserving criminal justice resources for higher level crimes. The following chart illustrates the number of cases that have been sent to neighborhood restorative justice programs.



Source: City Attorney Office Results Minneapolis Report January 2010

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.

The following statistic illustrates the childcare market in the city, 71.8 percent of city family households with children under the age of six have both parents in the labor force.

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 \$2,515. As the following table shows, childcare costs exceed this affordability measure. For a very low income family of four, approximately 30 percent (30%) of income would be devoted to childcare costs. 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

2009 Average Weekly Licensed Child Care Rates by Age Type

Type of Care	Infant	Toddler	Preschool	School Age
Family Child Care Home	\$176	\$167	\$157	\$138
Child Care Center	\$302	\$254	\$220	\$200

Source: Resources for Child Caring, April 2009 survey

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. Resources for Child Caring inventories the number and capacity (slots) of childcare programs. The following table illustrates the current number of childcare providers by programming type. The current vacancy rate is 17 percent.

Minneapolis Licensed Child Care Providers, March 2010

Type of Care	Number	Licensed Capacity	Vacancy Rate
---------------------	---------------	--------------------------	---------------------

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

Head Start/Early Head Start	8	1,278	N/A
Family Child Care	289	3,248	23%
Child Care Center	95	6,101	16%
Preschool	18	799	2%
School Age Program	40	1,840	15%
Total	442	11,988	17%

Source: Resources for Child Caring

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.

Since 2000, the city has seen job declines in manufacturing, transportation and warehousing, Retail and Wholesale Trade and Utilities at a faster rate of decline than the metropolitan area as a whole. There has been a decline in the job base for public administration, professional/technical services and the finance and insurance industries while those same industries have grown in the metropolitan area. The City does outpace the metro area in job growth in Management, Real Estate/Rental/Leasing and Arts and Entertainment areas.

For the timeframe of 2004 to 2008, job change as been 2 percent in Minneapolis compared with 2.4 percent in the metropolitan area and 3 percent in the State.

Percent Growth/Decline by Sector in Number of Jobs since 2000

Metro Growth = 0.7%; Minneapolis Growth = (6.1%)	% Growth (decline) in Minneapolis	Change in Number of Jobs since 2000 in Minneapolis	% Growth (decline) in Metropolitan Area
Management of Companies and Enterprises	24.8%	3,442	(1.1%)
Accommodations and Food Service	11.8%	2,481	10.7%
Real Estate and Rental and Leasing	32.5%	1,492	6.0%
Arts, Entertainment, Recreation	21.2%	977	16.1%
Health Care and	15.1%	5,977	30.5%

Social Assistance			
Educational Services	11.0%	2,784	19.1%
Public Administration	(5.9%)	(784)	10.1%
Professional and Technical Services	(5.6%)	(1,828)	1.2%
Finance and Insurance	(8.8%)	(2,639)	5.4%
Other Services	(6.8%)	(761)	0%
Utilities	(33.9%)	(1,532)	(15.7%)
Wholesale Trade	(24.8%)	(3,060)	(0.7)
Administrative and Waste Services	(18.3%)	(3,375)	(5.9%)
Retail Trade	(21.6%)	(4,091)	(5.2%)
Transportation and Warehousing	(34.7%)	(4,134)	(14.6%)
Information	(33.6%)	(4,418)	(20.0%)
Manufacturing	(27.2%)	(6,192)	(17.9%)

Source: DEED data analyzed by CPED in its Results Minneapolis February 16, 2010 report, Numbers through 2008

Unemployment Statistics

Unemployment statistics show that Minneapolis residents generally have a higher rate of unemployment than the metropolitan area. However, the city has been able to close and reverse that trend in recent years.

Unemployment Rate Minneapolis and Metropolitan Area

	Minneapolis Percentage (%)	Metropolitan Area Percentage (%)
2002	4.8	4.3
2003	5.1	4.6
2004	4.9	4.3
2005	4.2	3.8
2006	3.9	3.7
2007	4.3	4.2
2008	5.1	5.1
2009	7.3	7.5

Source: DEED data analyzed by CPED in its Results Minneapolis February 16, 2010 report

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

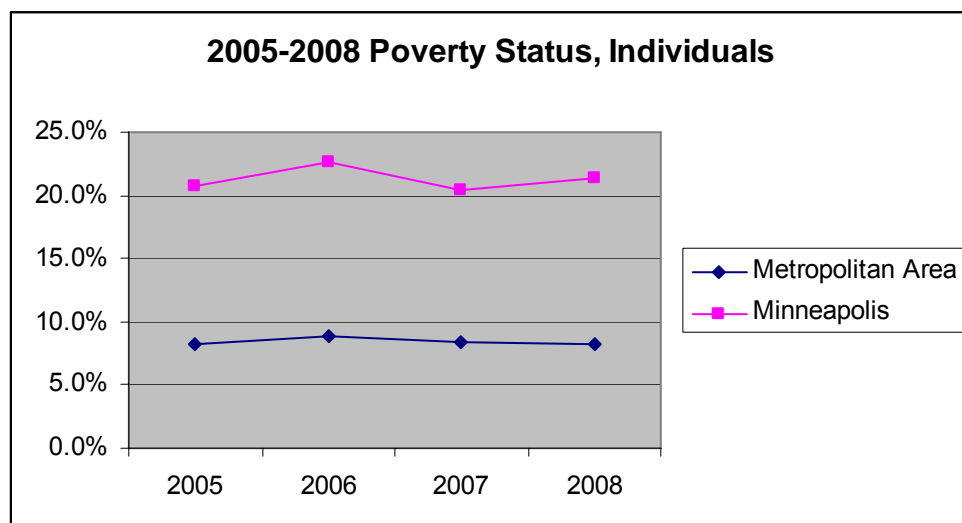
retention of job opportunities, especially living wage job opportunities. The City also works in coordination with the County and the social non-profit network to facilitate program supports for families and individuals in poverty.

The following table shows the percentage of Minneapolis households in poverty in 2005 and 2008 according to Census Bureau annual American Community Survey data. Particularly notable is that 1 in 4 children in families live in poverty. Nearly one-half of female-headed family households are in poverty with 63 percent of female-headed family households with children under the age of five in poverty.

Poverty Status, Persons and Families, 2005 and 2008 by Percentage (%)

	2005	2008
All persons	20.8	21.3
Related children < 5 years	34.1	28.0
Related children 5-17 years	29.4	28.6
Related children < 18 years	31.1	28.4
Persons 18 and over	17.8	19.5
All families	14.6	14.1
Families with related children under 18 years	24.3	23.3
Female headed families with related children under age 18	47.6	45.0
Female headed families with related children under age 5	52.6	63.1

Source: Census Bureau ACS data: 2005, 2008



Source: Census Bureau ACS data: 2005-2008

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.

Generally, these facilities and services assist persons who may or may not be homeless but require supportive housing, and help ensure that persons returning from mental and physical health institutions receive appropriate supportive housing. Persons are linked to these services through after-care provided by the mental and physical health institutions.

Chapter 5 Five-Year Strategy (2010-2014)

A. General

Development of the five-year Consolidated Plan Strategy references 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 for Sustainable Growth

The Minneapolis Plan for Sustainable Growth is a comprehensive plan setting forth recommendations about how future growth, development and sustainability in the city should occur. The Plan was developed in 2008 and received final City Council approval in the fall of 2009. It establishes a framework to reference city

plans against and assists in the evaluation of those planning efforts. In the words of the Plan, it addresses economic and development changes within the City, and serves as a reference document to which regional, state, county, and other public or private agencies can relate their respective planning and development discussions. It relates to the development and interrelationship of land uses, transportation, housing, economic development, public services and facilities, environment, parks and open spaces, heritage preservation, arts and culture and urban design. The Minneapolis Plan for Sustainable Growth responds to the Metropolitan Council's regional planning requirements.

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 a strategic plan that provides the framework for city strategic decision-making. 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.
- ◆ Communicate goals and strategic directions to the broader public

The City approved new City Goals in April 2010. They are:

1. A Safe Place to Call Home
2. Jobs and Economic Vitality
3. Livable Communities, Healthy Lives
4. Many People, One Minneapolis
5. Eco-Focused
6. A City that Works

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 for use in HUD competitive supportive housing programs. 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.

Heritage Park

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.

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.

The redevelopment is anticipated to be completed in 2011.

The above planning processes influence Consolidated Plan priorities to a certain extent as well as annual budget and program decisions. 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 and are reflected in the Consolidated Plan.

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 either through completion or alternative local resources.

2. CDBG Target Area Map

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. From this data, the City developed an updated CDBG target area map that serves to highlight areas of CDBG programmatic focus though not exclusively.

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 CDBG target area map is located in the Appendix.

3. 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 2010-14 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 of 2000 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.

It is noted that the above Minneapolis Comprehensive Plan references are for the previous 2000 Comprehensive Plan and not the most recent 2008 Minneapolis Plan for Sustainable Growth. However, the most recent Comprehensive Plan housing chapter reflects the above discussion and expands the discussion on how affordable housing fits into the City's future development plans. The housing chapter for the Minneapolis Plan for Sustainable Growth can be found on-line at

http://www.ci.minneapolis.mn.us/cped/docs/03_Housing_100209.pdf

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 City works with community organizations such as Legal Aid Society of Minneapolis to research fair housing issues, publicize affirmative practices and enforce federal, state and local fair housing laws.

In October 2009, a Regional Analysis of Impediments to Fair Housing was developed by the Fair Housing Implementation Council on behalf of HUD Consolidated Plan entitlement jurisdictions in the Twin Cities. The Regional Analysis is for the 2010-14 Five Year Strategy. A regional study 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. The Fair

Housing Implementation Council (FHIC) consists of the metropolitan Consolidated Plan jurisdictions along with fair housing advocates, stakeholders and housing industry representatives. It oversees the development and implementation of the Regional Analysis and its associated strategies.

The FHIC will implement action recommendations for the jurisdictions over the course of the 2010-14 Five Year Strategy. 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 and delivering through on the suggested actions prescribed below. The 2009 Regional Analysis of Impediments to Fair Housing is found on the following website:

www.ci.minneapolis.mn.us/grants

The following impediments to fair housing were identified as being experienced by Minneapolis residents.

- Lack of sufficient fair housing outreach and education
- Insufficient system capacity
- Policies and practices that have contributed to concentrations of protected classes in selected areas of the community
- Disproportionately high home purchase denial rates for racial and ethnic minorities
- Home purchase denial rates disproportionately high in lower income areas
- Originated HALs disproportionately targeted to minority racial and ethnic groups
- Discriminatory rental terms and conditions for racial and ethnic minorities
- Discrimination and harassment in rental markets
- Discrimination of Section 8 voucher holders
- Poor documentation of housing compliant responses
- Disproportionate shares of racial and ethnic minorities in selected areas

These impediments are not necessarily due to government actions, but are within the City's housing market.

Some identified actions to address these impediments are:

- Stimulate additional fair housing outreach and education activities
- Enhance coordination of fair housing activities, including better referral system
- Enhance homebuyer education.
- Encourage inclusive housing location policies for both private and public housing providers
- Enhance outreach and education to rental housing providers and continue supporting compliant-based testing and enforcement

- Set up a system that produces quantitative documentation related to activities
- undertaken with fair housing resources.
- Encourage local government actions that are more in the spirit of affirmatively furthering fair housing, such as minimizing NIMBYism.

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 (2010-2014)					
Capital			Income	Priority	5-Year Goals
Renters	Small Related (0-2 BR)	Rehabbed	0-30% MFI	H	630
			31-50% MFI	H	360
			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	210
			31-50% MFI	H	140
			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 (Rental)		Rehabbed	0-80% MFI	H	180 (Included in Numbers Above)
		New/Conversion			210 (Included in Numbers Above)
Section 215 Goal		Renter			2,590
		Owner			140

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 will 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 and its partners anticipate receiving the following sources of funding to support affordable rental housing strategies.

- CDBG
- HOME
- Federal Low Income Housing Tax Credits
- MHFA Rental Production
- MHFA LIHTC
- Met Council LCDA
- Met Council LHIA
- Housing Revenue Bonds
- Hennepin Affordable Housing Incentive Funds
- Hennepin Transit Oriented Development
- Neighborhood Stabilization Program

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	840	500	350
New/Positive Conversion	H	660	590	300
Total		1,500	1,090	650

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.
- ◆ 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 and stabilization 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, MHFA SF housing, Metropolitan Council LHIA, TIF, Neighborhood Stabilization Program.

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%MFH.
- ◆ 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. 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.

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 development scheduled to have their federal subsidies expire during 2010-2014. This represents a comprehensive summary of all expiring HOME, Housing Tax Credit and CDBG affordability requirements. Expiring requirements do not always, in fact rarely, result in loss of affordable units. Highlighted in yellow are those projects whose affordability appears in doubt as a result of expiring federal subsidies at this current time. Expiring CDBG often results in the potential loss of affordability, 80% AMI however updated housing policy requires more restrictive affordability at 50% threshold. Of those yellow-highlighted projects with potential loss of affordability, it is very possible that affordability of these units will be preserved through restructuring terms of the maturing debt to extend affordability periods and/or thru additional HOME / CDBG rehab funding. In the event the City is able to extend terms and/or provide additional rehab funding on these projects, it would likely result in increased affordability outcomes.

Expiring Federal Subsidy Projects										
Affordability Requirement Expires	Project Name	Project Address	Assisted Funding Source	# Assisted Units	HOUSING UNIT SIZE					Total Project Units
					0BR	1BR	2BR	3BR	4BR	
2011	Tension Envelope	123 N 2nd St	HTC	8			8			31
2011	Anishinabe Wakiagun	1600 19th St E	HTC	40	40					40
2014	Riverside Homes	617 19th Ave S	HTC	191	4	46	105	34	2	191
2009	Exodus Redeemer	3131-3133 1st Ave S	HOME	12			8	4		12
2010	Zinsmaster	2900 Park Ave S	HOME	36		5	18	13		36
2010	Fremont Flats	1814-22 Fremont Ave N	HOME	10			8	2		10
2013	Lydia Apts	1920 LaSalle Ave	HOME	40	40					40
2013	Success Family Housing	910-16 25th Ave S	HOME	8			4	4		8
2014	Loring Towers	15 E Grant St	HOME	230	189	41				230
2014	St. Joseph's Hope (aka HOPE III)	2026 Oakland Ave S	HOME	10	1	1	4	4		10
2014	Bossen Park Apts	5710 Bossen Terrace	HOME	101		80	4			110
2014	Phillips Townhomes (assumed under Phillips Redesign)	2312-14 Bloomington Ave S	HOME	10				2	8	10
2014	Hawthorne Childcare	2725-2801 Lyndale Ave N	HOME	3				3		3
2014	Portland House	515 E Grant St (1300 Portland Ave S)	UDAG	17	2	13	2			85
2013	Bell Building	816 21st Ave N	CDBG	25			19	6		25
2013	Lowry Hill East	2406 Lyndale Ave S	CDBG	2				2		10
2013	Franklin Commons	2109 Blaisdell Ave S	CDBG	16			16			16
2013	Saint Anthony Place	215 NE 5th St	CDBG	14		1	13			21
2013	Arbor Commons	1301 22nd St E	CDBG	16			7	9		16
2012	Elliot Apts	1819-23 Elliot Ave S	CDBG	24		6	18			24
2011	Morgan Arms Apts III	1400-1406 E 25th St	CDBG	4			4			4

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 Regulatory Services 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.

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 working with property owners to develop rehabilitation agreements and can escalate 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. The city continues to update unnecessary regulation in housing development. The city no longer limits the pool of contractors that can enter the city to facilitate housing development, which encourages a more competitive pricing environment.
- 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. Construction Code Services waives the deposit on condemned buildings when the housing agency or the county requests to rehabilitate these buildings. The Minnesota Conservation Code has given the building official the opportunity to extend greater discretion when rehabilitating existing buildings.
- Truth in Sale of Housing and Code compliance staff work closely with real estate and mortgage industries to address issues brought on by the many foreclosures. Truth in Sale of Housing reports are cancelled with the foreclosure, allowing the bank to proceed with a new report to sell to a new buyer. Code compliance information on condemned properties is emailed to agents so they can apply for the inspection before marketing the property.
- The City's Truth in Sale of Housing program is now web-based. Both sellers and buyers have greater access to the report, repair checklists, and certificates needed for sale. Real estate agents and closers also have access to the documents they need for marketing or closing 24/7. The program is trying to help maintain the housing stock by identifying housing deficiencies and requiring that certain life-safety items be repaired when a property is sold.
- Construction Code Services staff work closely with Problem Properties staff when there are new buyers of boarded, condemned properties, to assist them with the different program requirements including code compliance inspections and VBR (vacant building registration) fees.
- 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).
- During 2008 a 30% density bonus was made available (versus the normal 20% outlined above) for developments in the Transit Station Area Pedestrian Oriented Overlay Districts – basically, near the LRT line.
- In 2009, the City increased the amount of residential density allowed in most of the city's zoning districts; most affordable housing projects are

- multi-family units (increased density usually means more financially feasible and less needed subsidy).
- The city continues to refine its program guidelines and funding criteria to support growth and increase densities and mixed uses in areas designated for growth in the City's Comprehensive Plan and Access Minneapolis, the ten-year transportation implementation plan. These include activity centers, transit station areas, commercial corridors and other areas. Several programs are specifically designated for affordable housing development and preservation.
 - 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 lenders 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.
 - The City is participating in the Family Housing Fund's new Preservation of Supportive Housing for Families Initiative, also called the Stewardship Council. A broad group of funders (FHF, CPED, MHFA, HUD, Hennepin County and Mn DHS) has been convened to focus on the stabilization of family supportive housing. In addition to financing the stabilization of individual properties, there is an emphasis on asset management, organization capacity, and healthy families initiatives. There is a core relationship to the State Business Plan to End long Term Homelessness and ongoing monitoring of City production progress as it relates to the Heading Home Hennepin plan.
 - CPED's recently developed land acquisition programs (Higher Density Corridor Program for multifamily housing projects and Capital Acquisition Revolving Fund for mixed-use projects) address a key barrier to affordable housing – the need to assemble sites for development. These initiatives allow the city to gain control of land for disposition to developers for affordable and mixed-income development on the city's corridors, creating a critical linkage between affordable housing, jobs and transit.
 - 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. The city is taking a two-pronged approach to eliminate childhood lead poisoning. City 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. The elevated blood lead response program continues to perform risk assessments and write corrective orders. The city implemented an administrative citation program to levy fines against property owners who do not comply with written orders in a timely manner. Our program combines CDBG funds

with HUD lead hazard control grant which is performing risk assessments and making properties lead safe in a targeted neighborhood traditionally high for lead poisonings. The city continues to use CDBG funds with HUD Lead Hazard Control Grant funds to make residential units safe. We also continue our cooperation with Hennepin County in providing risk assessments and case management on elevated blood lead cases. Hennepin County uses their HUD grant funds to provide lead hazard reduction on the residences of these children.

- The city continues to work together with CPED and Regulatory Services to restore dilapidated property where appropriate and demolish it where the economic feasibility justifies removal. The city successfully develops and sells properties to low and moderate income buyers.
- The Department of Regulatory Services works to facilitate the rehabilitation of vacant homes through the Restoration Agreement program. These agreements waive the Vacant Building Registration fee in exchange for completing the rehabilitation in a timely manner. In addition, this process pairs property owners with an inspector who is able to help them through the rehabilitation process. Through the waiver of fees and the assistance of staff, this program makes it easier for low to moderate income property owners to rehabilitate and reoccupy vacant homes in Minneapolis.

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 has also amended 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".
- The Minneapolis Plan for Sustainable Growth, the City's Comprehensive Plan, was adopted by the City Council on October 2, 2009. The Plan and its corridor housing implementation programs support the development of affordable and mixed-income housing in close proximity to transit service, especially near Light Rail Transit stations and along high frequency bus routes.
- A higher density corridor housing initiative provides funding sources for public (CPED) acquisition of sites for multifamily housing development on or near community, commercial and transit corridors as defined in the Minneapolis Plan for Sustainable Growth. This funding source is used to assemble larger sites for new mixed-income rental and ownership multifamily housing development.

- The comprehensive plan states that Minneapolis will implement steps to integrate development with transit stations, concentrating highest densities and mixed-use development nearest the transit station and/or along commercial corridors, community corridors and/or streets served by local bus transit. This supports the development of new housing types and recruitment of land uses that value convenient access to downtown Minneapolis or other institutional or employment centers that are well served by 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. The Minneapolis Public Housing Authority in partnership with the City of Minneapolis has utilized Project Based Section 8 to stabilize over 560 units of low income housing serving homeless families, people with HIV/AIDS, and others.
- Along the line of keeping private housing affordable, the city provides funding for programs preventing mortgage foreclosures. Minneapolis CDBG funds are used to leverage mortgage foreclosure programs where foreclosures are prevented at rates exceeding 50% where households receive intensive counseling. The program provides financial assistance in the form of a no interest-deferred loans to reinstatement mortgages for families. In addition funds are leveraged from other public and private sources to reinstate mortgages. This project provides intensive marketing and outreach to underserved populations.
- The City will continue to advocate for full federal and state financial participation in its affordable housing efforts. This includes full financing of the Section 8 Housing Voucher program. Other legislative items that the City supports include: state income tax credits for affordable housing, initiation of a state-supported land trust project, and continued review of the property tax code to encourage affordable housing production and preservation.
- The MPHA continues to manage and preserve over 5000 units of public housing serving low income families and over 4500 Section 8 vouchers. Additionally, MPHA acts as a financial fiduciary for several local homeless shelters and battered women shelters.

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 in the Heading Home

Hennepin plan. The plan is currently being implemented by the Hennepin County Office to End Homelessness.

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 Heading Home Hennepin Plan to End Homelessness

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

	Individuals (includes unaccompanied youth)	Families with Children
Emergency Shelter	49***	0
Transitional Housing****	0	0
Permanent Supportive Housing	1,078	492
Total	1,127	492

*Unit numbers are the unmet Heading Home Hennepin goals as of 2009 Continuum of Care. HUD requires goals to be expressed as "beds". Goals for individuals: 1 bed = 1 unit. Families: 3 beds = 1 unit.

**Numbers in this table are for Minneapolis only.

***Youth only.

****No goals established for transitional housing in the Heading Home Hennepin plan.

To support Continuum of Care and Heading Home Hennepin 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 Minneapolis/Hennepin County Commission to End Homelessness, as well as the current efforts of the Heading Home Hennepin plan Executive Committee and Hennepin County Office to End 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. 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 City's annual RFP process together with recommendations from the Minnesota HIV Housing Coalition.

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 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 facilities initiatives in CDBG target and majority low/moderate income neighborhoods

Medium Priority Strategies:

Public Facilities (General)

Use Capital Improvement Plan to guide city investment in public facilities. Support CDBG investments in procurement of fire fighting equipment.

Senior Centers

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

Child Care Centers

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

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

Neighborhood Facilities

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

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

Medium Priority Strategies

Child Care Services

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

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

Goal CD-4	Meet Community Public Safety Needs
Objective CD-4a	Use CDBG resources to address crime prevention and restorative justice in CDBG target and majority low/moderate income neighborhoods

Medium Priority Strategies

Public Services (General)

City will decide on appropriate funding needs for public services on case-by-case basis. City will target low- and moderate-income areas for crime prevention and restorative justice services.

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 University Research Park and 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 used to reduce the number of poverty-level families was implemented through its Empowerment Zone program. The Federal Empowerment Zone

designation officially ended December 31, 2009. The program is now in a phase of programmatic close out and reporting. Several programs will continue beyond the close out date including the ongoing monitoring of the program income loan portfolio. The program is set to receive an additional \$6,203,471 between 2010 and 2047 through the loan portfolio repayments. These funds will be available for use in areas outside the designated Empowerment Zone neighborhoods in Minneapolis. The Empowerment Zone Governance Board and Staff are currently in the process of determining future role and structure of the Governance Board and use of funds. With the Federal changes in EZ funding streams as well as the demographic changes based upon past work and external conditions, the EZ will focus on sustaining and leveraging existing and remaining funds, and targeting conditions of poverty and unemployment as they relate to EZ residents, businesses, and organizations.

The city mandates those businesses that receive financial assistance from city agencies in excess of \$100,000 to hire city residents at livable wage levels. The city defines a living wage as a worker earning 110% of the federal poverty level for a position with health benefits, 130% of federal poverty level for positions not offering health benefits.

The Department of Community Planning and Economic Development (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 Neighborhood and Community Relations Department Multicultural Services staff 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 Section 3 promotion and enforcement monitoring is delivered through the Civil Rights Department.

5. Service Needs of Persons Who are Not Homeless and May or May Not Require Supportive Housing

Minneapolis does have populations of people that are not homeless, but are in need of supportive services to allow them to remain in their current housing situations or retain a sustainable living environment. While Hennepin County is the primary provider of most non-housing social services, the City does provide for some of these needs through use of its CDBG funds. Money spent for such programs as lead based paint removal, Greater Minneapolis Council of Churches Handyworks Program, visiting block nurse programs, community health clinics, and foreclosure prevention assistance are all part of the fabric of supportive services to keep people in affordable housing appropriate to their needs.

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 Funder's Council. 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 2010 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 2010 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 supporting the 2010-14 Consolidated Plan. As further performance measurement criteria evolve, they will be included in future Consolidated Plan updates. Outcome-based performance measures as known are noted in HUD Table 3-Proposed Projects as well as referred to in the Executive Summary. Throughout this chapter, proposed Consolidated Plan projects that support individual goals and objectives will be listed. Project level detail can be found in the HUD Table 3- Proposed Projects table.

City actions for the 2010 Consolidated Plan will be in conjunction with the strategies detailed in the 2010-14 Consolidated Plan Five-Year Strategy listed in Chapter 5 of that document. In summary, 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 Heading Home Hennepin Plan to End 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-2a	Provide support to City's senior citizens
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 facilities initiatives in CDBG target and majority low/moderate income neighborhoods
Goal CD-4	Meet Community Public Safety Needs
Objective CD-4a	Use CDBG resources to address crime prevention and restorative justice in CDBG target and majority low/moderate income neighborhoods
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.

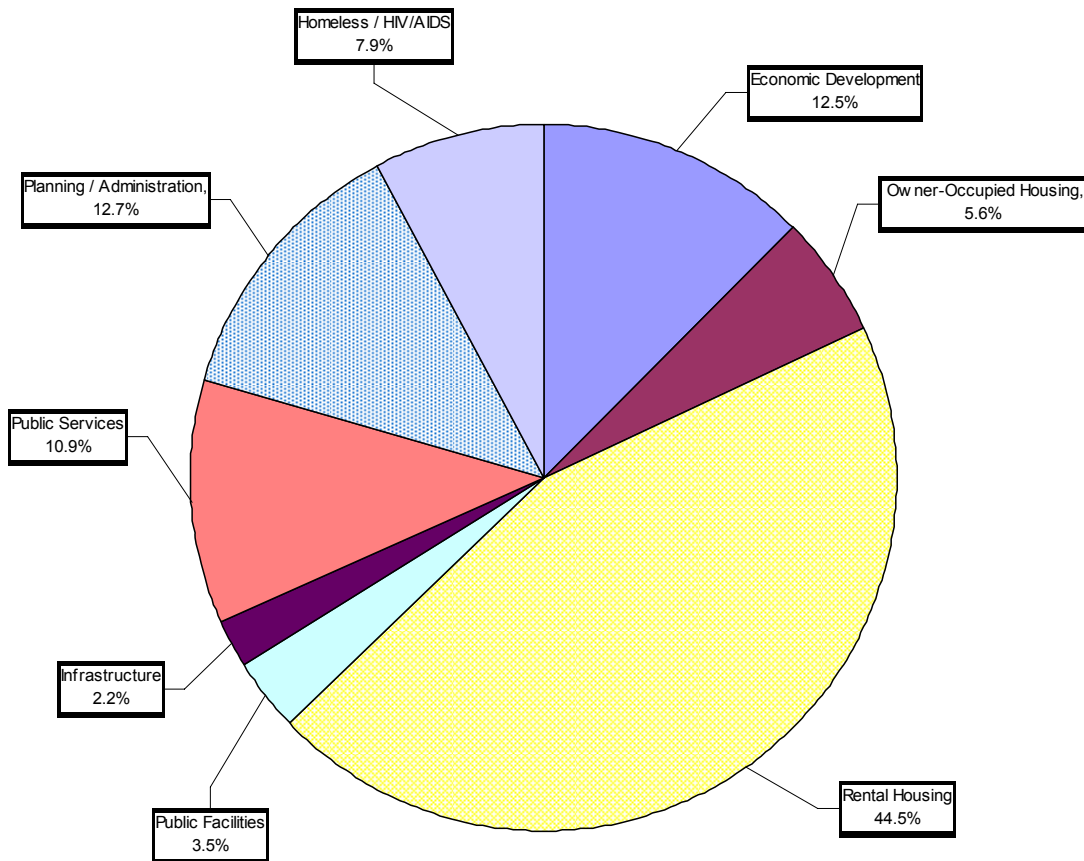
The available federal resources include the five entitlement fund programs that HUD provides to the City covered by this Consolidated Plan. They are Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons with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

Each year the dollar amounts for the Consolidated Plan grant projects/programs are estimated until HUD provides the actual appropriation. The City expects to receive the 2010 Congress-passed appropriation in mid-March. Until then, the City's 2010 actual formula grant appropriation is based on the City's estimate included in the City's 2010 annual budget. When the appropriation amount is provided to the City from HUD City staff will adjust the estimated grant amounts to reflect the actual grant amount from HUD. If there is an increase in CDBG over the funding level approved by the City Council in December, the City Council has

directed that 85 percent (85%) of additional CDBG be budgeted for the Affordable Housing Trust Fund. The balance of 15 percent (15%) of any increased CDBG will be budgeted for the Community Crime Prevention program. The 2010 Consolidated Plan estimated budget available to the City consists of the following awards:

CDBG	\$ 14,439,575
HOME	\$ 3,780,884
ESG	\$ 587,765
HOPWA	\$ 977,370

2010 Consolidated Plan Budget



The federal appropriation for the 2010 Consolidated Plan is \$19,785,594, 5.8% higher than the level of funding for 2009. However, Consolidated Plan funding has declined 8.8% since 2004 when it was \$21.7 million. The City is concerned about the impact of a reduced level of funding through these programs and the effect it will have on the CDBG program and on the vulnerable residents,

principally low- and moderate-income persons. Because of the overall level of reductions, the programs and projects funded by CDBG, and the number of residents served by these activities has been reduced as well. These reductions affect the City's long-term business plan and strategic outlook for community and business development, public service and affordable housing, for the poorest and most vulnerable citizens of Minneapolis.

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 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 2010 Consolidated Plan year will be MHFA, the State's Metropolitan Council, Family Housing Fund, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, low income housing tax credits, and the McKinney-Vento Homeless Assistance programs. The City will support any organization's application for state or federal assistance that is consistent with this Consolidated Plan.

Neighborhood Stabilization Program (NSP)

In December 2008, the City amended its 2008 Consolidated Plan to account for the receipt of special CDBG funding known as Neighborhood Stabilization Program (NSP) funds. These NSP funds were authorized by the Housing and Economic Recovery Act of 2008, Title III, Section 2301 – Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes. The Congressional intent for these funds is to provide cities and states funding to address the effects of abandoned and foreclosed upon homes and residential properties. The City of Minneapolis is a direct grantee of these NSP funds and will receive \$5,601,967. Additionally, the State of Minnesota has awarded the City \$8,401,272 of its NSP funding allocation for use in the city. In February 2010, the City was an award recipient of an additional \$15,424,156 of NSP funding made available under the American Recovery and Reinvestment Act of 2009 (NSP II).

The federal intent for NSP funds is to address the redevelopment and rehabilitation of abandoned and foreclosed upon home and residential properties. The funding is not intended for foreclosure prevention.

HUD has determined several eligible activities that a grantee can pursue with NSP funding. Eligible activities need to be carried out in areas affected by:

- The greatest percentage of home foreclosures;
- The highest percentage of homes financed by a subprime mortgage related loan; and
- Likely to face a significant rise in the rate of home foreclosures in the next 18 months

The City will seek to meet two national benefit objectives through the Neighborhood Stabilization Program. An activity can be of benefit to an area composed of at least 51% of low-, moderate-, and middle-income residents at or below 120% of area median income (LMMA), or it can be of benefit to low-, moderate-, and middle-income residents at or below 120% of area median income (LMMH). Other national benefits available to the City are the low-, moderate-, and middle-income jobs (LMMJ) and low-, moderate-, and middle-income limited clientele (LMMC) benefits.

The Neighborhood Stabilization Program requires that 25% of the funds received must be targeted to households at or below 50% of the area median income. The City of Minneapolis will make at least 25% of the NSP allocation available for acquisition/rehabilitation/resale or rental serving households at or below 50 percent of area median income.

The City will evaluate project proposals for their ability to assist the City in meeting the 25% target. Likely ways that a project could assist the City in providing at least 25% of its NSP funding for housing those at or below 50% of area median income can include:

- Assist a low-income family with purchase/rehab of a property;
- Support through gap financing a non-profit or public agency redevelopment of a vacant and boarded residential property into affordable rental housing;
- Acquire a property for use by a non-profit for permanent supportive housing;
- Link NSP-assisted housing activities to other affordable housing resources such as Section 8 vouchers

The City implements NSP funding through two agencies. The Minneapolis Community Planning and Economic Development Department (CPED) will implement the housing redevelopment strategies. The Minneapolis Department of Regulatory Services will implement the demolition budget of the proposed NSP I strategy.

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 also will continue to support and assist the MPHA in developing its public housing programs throughout the City. The City works with MPHA to site 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. Funding priorities are determined through the Minnesota HIV/AIDS Housing Coalition and through an annual RFP process.

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 works to site more publicly assisted housing units in non-impacted areas of the City.

C. Addressing Obstacles in Meeting Underserved Needs

As stated throughout Chapter 5 of the 2010-14 Consolidated Plan Five-Year Strategy, the City will be pursuing a variety of initiatives to meet underserved needs identified in the Plan. Specific Consolidated Plan initiatives for 2010 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. 2010 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. Summary of 2010 Citizen Participation Process

City of Minneapolis Citizen Participation Plan FY 2010 Consolidated Plan	
April 22-24, 2009	Fair Housing Analysis of Impediments Focus Groups
May 20, 2009	Fair Housing Analysis of Impediments Community Forums
August 7, 2009	Fair Housing Analysis of Impediments Draft made available for 30-day public review
August 13, 2009	Mayor's Proposed 2010 Budget
August 13-27, 2009	Public Comment period on 2008 Consolidated Annual Performance and Evaluation Report (CAPER)
August 18, 2009	Public Hearing on 2008 CAPER
August 19 and 20, 2009	Fair Housing Analysis of Impediments Public Presentations
August 28, 2009	2008 CAPER submitted to HUD
November 19 and December 7, 2009	Public Hearings on 2010 Proposed Budget including Consolidated Plan
December 7, 2009	2010 Consolidated Plan Budget Approved (based on estimated HUD awards)
March 15 - April 13, 2010	Public Comment period on Draft 2010 Consolidated Plan
March 23, 2010	Public Hearing on 2010 Consolidated Plan adoption and approve 2010 Consolidated Plan
April 15, 2010	City submission of 2010 Consolidated Plan to HUD
April 30, 2010	2010 Consolidated Plan Budget Approval (based on HUD final appropriation notification)
June 1, 2010-May 31, 2011	Year 36 CDBG Program Year, FY 2010 Consolidated Plan Year
August 2010	Public Hearing on FY 2009 CAPER
August 2010	Submission of FY 2009 CAPER to HUD

F. 2010 Institutional Structure

The institutional structure through which the City carries out its housing and community development plan consists of public, private and nonprofit partners, including social service agencies, community and faith-based organizations. 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 Funder's Council. Private sector partners include local financial institutions, for-profit developers, faith-based organizations and the foundation community. The City and Hennepin County's 10 year plan to end homelessness, Heading Home Hennepin, has been a collaborative effort driven in large part by the efforts of social service agencies and faith-based organizations who have taken the lead in providing services for the chronically homeless in our community.

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.

The Minneapolis Public Housing Authority is not a troubled agency and is classified as a Moving to Work agency by HUD.

G. 2010 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.

H. 2010 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
- The City has lowered the mandatory inspection trigger of a blood lead level of 15 micrograms per deciliter of blood (ug/dbl) to 10 ug/dbl as permitted by state law.
- 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.
- Housing inspections continues to emphasize paint condition and during rental license inspections and requires property owners issued interior corrective orders on paint condition to take the Lead Safe Work Practices class.
- Continue reduction of lead hazards identified 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 requests lead risk assessments in assisted 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.

Consolidated Plan Program

- *Lead Hazard Reduction Program (CDBG) – 100 Housing Units*

I. Housing

The City will be addressing the following housing strategies with Consolidated Plan funding with 2010 funding. Further project level detail is found in HUD Table 3-Proposed Projects found in the Appendix.

Table 3B
ANNUAL HOUSING COMPLETION GOALS
(with expected resources)

Grantee Name: Minneapolis, MN Program Year: 2010	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)		To be reflected in 2010 Annual Performance Report				
Homeless households (capital development/rehab only)	166 (new) + 446 (rehab) = 612		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	N/A		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households (capital development/rehab only)	42 (new) + 36 (rehab) = 78		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)	Units may be counted multiple times among strategies					
Acquisition of existing units	10		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	320		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Rehabilitation of existing units	338		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	125		<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Total Sec. 215 Affordable Rental	793		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)	Units may be counted multiple times among strategies					
Acquisition of existing units	10		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Production of new units	52		<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitation of existing units	18		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	7		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	87		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)	Units may be counted multiple times among strategies					
Acquisition of existing units	10		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	372		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Rehabilitation of existing units	356		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Homebuyer Assistance	7		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Housing	745	“Geographic Distribution of Consolidated Plan Assistance”	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL HOUSING GOALS	Source: 2010-14 Consolidated Plan Table 2A					
Annual Rental Housing Goal (HUD Table 2A Section 215 goal)	518		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annual Owner Housing Goal (HUD Table 2A Section 215 goal)	28		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2A Section 215 goal)						
Total Annual Housing Goal	546		☒	☒	☒	☒

1. 2010 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%MF.I.
- ◆ 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%MF.I.

Consolidated Plan Programs

- *Affordable Housing Trust Fund (CDBG/HOME) – 200 Housing Units*

- *Housing Development Assistance (CDBG/HOME) – 10 Organizations*
- *High Density Corridor Housing (CDBG) – 10 Housing Units*
- *HOME Multifamily Rental (HOME) – 80 Housing Units*

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. It is estimated that at least 50 percent of new homeowners will be minorities. The City is also exploring funding options and partnerships for addressing the needs of resident owner occupants who are exposed to foreclosure actions while continuing its support for foreclosure prevention housing services.

- ◆ 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.

Consolidated Plan Programs

- *GMHC Homeownership Program (CDBG) – 7 Housing Units*

- *Vacant and Boarded Housing (CDBG) – 15 Housing Units*
- *Homeownership Works (HOME) – 10 Households*

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. Annually, the City proposes to set aside CDBG funding to assist in this endeavor. Over a five-year period, 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 of the City's code of ordinances.

Consolidated Plan Program

- *Problem Properties Strategy (CDBG) – 750 Housing Units*

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 funds resident participation initiatives that encourage local resident management of public housing sites. MPHA's Resident Participation Program provides funding for resident participation councils – these councils are a means for MPHA residents to contribute to resident management. 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. It is anticipated that this project will be completed in the next two years. 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.

2. 2010 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, the aim is 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. Through the American Dream Downpayment Initiative (ADDI), although there has been no new funding since the 2008 program year, the City gives priority access to for applicants that currently reside in government subsidized public housing or recipients of Section 8 rental payment assistance. Further development and implementation of the coordinated 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. 2010 HOME Single Family program

HOME funds will be available for the renovation or new construction and sale of 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 households who otherwise would have difficulty in attaining home ownership. It is also designed to address the problem of abandoned and foreclosed houses through either rehabilitation or demolition and new construction. The Program serves the following objectives:

1) Provides decent, long term affordable home ownership opportunities for households who would normally experience challenges in achieving home ownership.

2) Addresses the problem of vacant and deteriorated structures

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

4) Helps combat the impacts of the foreclosure crisis

Properties will be treated by the HOW Program through one of the following methods:

- ♦ 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. Non-profit housing development construction managers will complete scope of work, and construction monitoring. Private licensed general contractors will be selected through a sealed bid process conducted by the City to complete the required renovation/repairs or new construction. Non-HOME funds will be used to provide interim financing when possible.
- ♦ Non-profit developers will identify properties to acquire and develop under the HOW program. They will provide the City with a scope of work and proforma to either rehabilitate the home or construct a new home on the site. All properties will meet the HOW Program Standards which exceed the minimum City code requirements. City staff will inspect the property, review the scope and the pro forma and make a determination on program eligibility and the estimated amount of subsidy necessary to complete the project. City will provide a per unit subsidy, not to exceed \$50,000, to the developer. City staff will monitor construction on all approved projects.

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

Target Buyers

Buyers must meet HOME low/moderate income household 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 four 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. If more than one offer is received from qualified buyers, preference will be given to first-time homebuyers or buyers who are being displaced due to

public action. If there are equal offers after applying the preference described above, a lottery will be held.

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 – No Direct Buyer Assistance

It is anticipated that the majority of purchasers moving forward will receive direct buyer assistance. In instances where purchasers receive direct assistance a resale provision will not apply but in the situations where a property is sold without direct assistance, and to ensure that the property will remain affordable to low-income homebuyers, staff will implement a resale provision which will require that the house will only be sold to an income eligible homebuyer. The resale of any eligible property will not exceed 95 percent of the area median purchase price or after-rehabilitation price for single family housing, as determined by the HUD Secretary. The City will comply with HUD's minimum affordability term.

The proposed resale restriction will comply with federal requirements, ensuring the initial purchaser with a fair return on their initial investment. 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. These requirements would be spelled out in a promissory note and mortgage and filed against the property along with a Declaration of Restrictive Covenants.

Buyer Financing

First Mortgage Lending

Under the Home Ownership Works program, eligible households 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.

Affordability – Direct Buyer Assistance

Many of the Home Ownership Works buyers are only able to purchase with direct buyer assistance in the form of a second mortgage provided by the City using HOME funds. 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 up to a maximum amount of \$14,999

may be available to households, through this HOME funded program, on an as-needed basis. The recapture provision will be enforced through a second mortgage. The entire amount of the direct buyer assistance 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 performed by the developer or their agent. However, in instances where the properties will be owned by City during the development process, the City will contract with a local non-profit entity to perform construction management services and marketing. The non-profit entity will also be required to provide homebuyer counseling.

Property Selection and Purchase

The City and/or a Developer will identify a property for inclusion in the HOW Program. Once a property is identified, the City will review the estimated proforma and, when appropriate, authorize the purchase of the property and the use of HOME funds for the development.

Citizen Participation

The City will follow the approved process for neighborhood notification for all properties acquired and disposed by the City through this program.

Council Approval

The City Council has approved the HOW Program Guidelines which mirror the Consolidated Plan language.

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 will be rehabilitated to be an asset to the neighborhood and to avoid high maintenance costs, some economies will be made to avoid excessive rehabilitation costs. For example, newer roofs, furnaces, water heaters, etc., which are functioning properly and with an expected 7 to 10 year usable life expectancy, may not be replaced. The general rule will 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 will be eligible for FHA financing.

New Construction

Due to the increased costs of acquiring and renovating sub-standard housing, new construction is allowed in the HOW Program. Provided homeowners do the required general and annual maintenance, these newly constructed homes should assure homeowners minimal mechanical and structural problems for over twenty years. Homeowner occupancy requirements for new construction will be 20 years. Any sale or transfer of the property from its original owner within the affordability period must be to a household at or below 80% of AMI or a sharing of the net sales proceeds will be required. Any repayments received 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 marketing for resale of any eligible property will be affordable to households at or below 80% of AMI and will not exceed 95 percent of the area median purchase price or after-rehabilitation price for single family housing, as determined by the HUD Secretary.

4. 2010 HOME/CDBG Multifamily Guidelines

Affordable Housing Trust Fund 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. In 2002, 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. Applications for program funds will be solicited through a Request for Proposals scheduled to be advertised beginning June 2010. CPED staff evaluates 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. HUD updates HOME income limits each year.

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 newly constructed housing	20 Years

Compliance with Policies and Regulations

Further details can be found at www.ci.minneapolis.mn.us/cped/docs/ahtf_rfp.pdf on how the program complies with federal policies and regulations as well as project selection criteria used by CPED (as evidenced by the 2009 solicitation), 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 ineligible").

Administration

The administration of the Program is the responsibility of CPED's Multifamily Housing Development Division. A committee composed of the appropriate staff from CPED will evaluate funding requests.

Procedure

CPED allocates annually funding from the Affordable Housing Trust Fund. Reallocated funds from prior proposals that were unable to demonstrate project viability are also advertised. 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 FY 2008 performance, HOME program income for 2010 is estimated to be \$112,000.

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. 2010 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 in partnership with community groups to research fair housing issues, publicize affirmative practices, and enforce federal, state and local fair housing laws.

In October 2009, a Regional Analysis of Impediments to Fair Housing was developed by the Fair Housing Implementation Council on behalf of HUD Consolidated Plan entitlement jurisdictions in the Twin Cities. The Regional Analysis is for the 2010-14 Five Year Strategy. A regional study 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. The Fair Housing Implementation Council (FHIC) consists of the metropolitan Consolidated Plan jurisdictions along with fair housing advocates, stakeholders and housing industry representatives. It oversees the development and implementation of the Regional Analysis and its associated strategies. In 2006, FHIC received an award of excellence from the National Association of County Community and Economic Development for its metro-wide approach and partnership to fair housing issues.

The FHIC will implement action recommendations for the jurisdictions over the course of the 2010-14 Five Year Strategy. 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 2009 Regional Analysis of Impediments to Fair Housing is found on the following website:

www.ci.minneapolis.mn.us/grants

Over the next year, the City will assist in the following affirmatively furthering fair housing actions within the city and in support of FHIC initiatives with CDBG funding.

Consolidated Plan Programs

- *Metro Fair Housing Actions through FHIC (CDBG) – 1 Organizations*
 - *Support of following initiatives*
 - *Fair housing testing*
 - *Tenant/Landlord/Realtor fair housing training*
- *Civil Rights/CDBG Compliance/Fair Housing (CDBG) – 1 Organization*
- *Northside/Southside Legal Aid (CDBG) – 1 Organization*
- *Housing Discrimination Law Project (CDBG) – 80 Households*

J. 2009 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 Heading Home Hennepin Plan to End Homelessness

To support Continuum of Care and City-County 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 City and County 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.

2010 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. The City will continue to support a City/County Coordinator of Homelessness. This position will staff the development and implementation of the Heading Home Hennepin strategic plan (described in the Chapter 3 update).

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.

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

New:	166
Rehab:	446

K. 2010 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 facilities initiatives in CDBG target and majority low/moderate income neighborhoods

Medium Priority Strategies

Public Facilities (General)

Use Capital Improvement Plan to guide City investment in public facilities.
Use CDBG to procure fire protection equipment.

Consolidated Plan Program

- *Fire Department fire protection equipment (CDBG) – 113,000 People*

Neighborhood Facilities

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

Consolidated Plan Program

- *Emergency Shelter Facilities (ESG) – 3 Facilities*

Child Care Centers

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

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

2. Public Services

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

2a	
----	--

High Priority Strategies

Senior Services

Support programs that allow seniors to be self-sufficient

Consolidated Plan Programs

- *Living at Home Block Nurse Program (CDBG) – 450 People*
- *Minnesota International Health Volunteers (CDBG) – 30 People*
- *Catholic Charities Homeless Elders Program (CDBG) –20 People*

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

Consolidated Plan Programs

- *Southside Community Health Services (CDBG) – 90 People*
- *Greater Minneapolis Council of Churches:*
Division of Indian Work (CDBG) – 70 People
- *Minneapolis Public Schools TAPP (CDBG) – 175 People*

Medium Priority Strategies

Child Care Services

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

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 target low- and moderate-income areas for crime prevention and restorative justice. City will support program applications for federal assistance

Consolidated Plan Programs

- *Access and Outreach Multicultural Services (CDBG) – 6,453 People*
- *Administration & Advocacy- Housing (CDBG) – 7,500 People*

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	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

Consolidated Plan Programs

- *Youth Employment and Training (CDBG) – 600 People*
- *Way to Grow (CDBG) – 750 People*
- *Juvenile Supervision Center (CDBG) – 750 People*
- *Youth Coordinating Board (CDBG) – 1 Organization*
- *Centro Cultural Chicano, Inc. (CDBG) – 22 People*
- *Minneapolis Urban League (CDBG) – 27 People*
- *Lao Family Community of Minnesota, Inc. (CDBG) – 42 People*
-

Goal CD-4	Meet Community Public Safety Needs
Objective CD-4a	Use CDBG resources to address crime prevention and restorative justice in CDBG target areas

Medium Priority Strategies

Public Services (General)

City will target low- and moderate-income areas for crime prevention and restorative justice services. City will support program applications for federal assistance

Consolidated Plan Programs

- *Restorative Justice Program (CDBG) – 227,472 People*
- *Crime Prevention Specialists (CDBG) – 227,472 People*

3. Economic Development

The City community and neighborhood development programs, through CPED, engage with businesses directly, as well as through business associations, neighborhood associations, and community development corporations. As part of its outreach, program staff engages in business consultation services in collaboration with SCORE through the Minneapolis Public Library. The economic development staff works closely with the development community through various forums, planning processes, and development solicitations. CPED's Industry Cluster programs work directly with the Minneapolis Private Industry/Workforce Council, made up of 19 Mayoral appointments, to provide strategic guidance for the broad partnerships that make up the local workforce development, service delivery system for area jobseekers and employers. Workforce Council members are leaders and key decision-makers within their organizations and/or the community, including business owners and executives as well as agency and program directors.

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 identified and sponsored.

Consolidated Plan Program

- *Adult Training Placement and Retention (CDBG) – 190 Jobs*

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

Consolidated Plan Program

- *Community Economic Development (CDBG) – 4 Businesses*

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 University Research Park and 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. 2010 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 used to reduce the number of poverty-level families was implemented through its Empowerment Zone program. The Federal Empowerment Zone

designation officially ended December 31, 2009. The program is now in a phase of programmatic close out and reporting. Several programs will continue beyond the close out date including the ongoing monitoring of the program income loan portfolio. The program is set to receive an additional \$6,203,471 between 2010 and 2047 through the loan portfolio repayments. These funds will be available for use in areas outside the designated Empowerment Zone neighborhoods in Minneapolis. The Empowerment Zone Governance Board and Staff are currently in the process of determining future role and structure of the Governance Board and use of funds. With the Federal changes in EZ funding streams as well as the demographic changes based upon past work and external conditions, the EZ will focus on sustaining and leveraging existing and remaining funds, and targeting conditions of poverty and unemployment as they relate to EZ residents, businesses, and organizations.

The city mandates those businesses that receive financial assistance from city agencies in excess of \$100,000 to hire city residents at livable wage levels. The city defines a living wage as a worker earning 110% of the federal poverty level for a position with health benefits, 130% of federal poverty level for positions not offering health benefits.

The Department of Community Planning and Economic Development (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 Neighborhood and Community Relations Department Multicultural Services staff 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 Section 3 promotion and enforcement monitoring is delivered through the Civil Rights Department.

The City estimates that over the 2010-14 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. 2010 Non-Homeless Special Needs 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

Consolidated Plan Program

- *Affordable Housing Trust Fund (CDBG/HOME) – 78 Housing Units*

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 2005-09 goals for special needs housing. Annual goals will depend on developer response to annual Affordable Housing Trust Fund solicitations, but are projected to be:

Type	Priority	0-80% 2010-14 Goal	0-80% Annual Goal
Rehabilitated	H	180	36
New/Positive Conversion	H	210	42
Total		390	78

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 expects to receive a 2010 HOPWA grant of \$904,000.

The Minnesota HIV Housing Coalition determines HOPWA priorities and currently recommends that current programs (Minnesota AIDS Project, Metropolitan HRA) have their HOPWA funding renewed. Additionally, in order to ensure that the grant is distributed throughout the metropolitan area, the City of Minneapolis administers and monitors HOPWA projects. 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 advertised by the City of Minneapolis RFP process.

HUD Table 3-Proposed Projects table describes the projects to receive 2010 HOPWA funds awarded. The City estimates that 125 households will receive housing assistance through these programs.

Consolidated Plan Programs

- *Minnesota AIDS Project Transitional Housing Program (HOPWA) – 70 Households*
- *Metropolitan Council HRA Housing Assistance Program (HOPWA) – 55 Households*

3. Service Needs of Persons Who are Not Homeless and May or May Not Require Supportive Housing

Minneapolis does have populations of people that are not homeless, but are in need of supportive services to allow them to remain in their current housing situations, or retain a sustainable living environment. While Hennepin County is the primary provider of most non-housing social services, the City does provide for some of these needs through use of its CDBG funds devoted to public service programming.

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 does not generate program income from revolving loan fund activity. The City estimates that program income will be approximately \$1,200,000. Fifty percent of program income not obligated by pre-2009 CDBG contracts will be applied to reducing the deficit in the City's letter of credit with the federal government. The balance will be available for reprogramming.

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 has budgeted all 2010 CDBG funds to programs in FY 2010.

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 does not engage in any revolving loan fund activity that meets the federal definition of a revolving loan fund. The City does not generate program income from revolving loan fund activity.

CDBG Statement of Objectives

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 of the 2010-14 Consolidated Plan Five-Year Strategy, as well as referenced above.

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 capital 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 (RFP) process. The RFP is scheduled to be issued in early summer 2010. 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 (The City provides SF-424s to HUD after the 30-day comment period.)

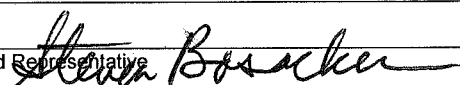
APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 04/15/10		Applicant Identifier 41-6005375	
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE		State Application Identifier	
		4. DATE RECEIVED BY FEDERAL AGENCY 04/15/10		Federal Identifier	
5. APPLICANT INFORMATION					
Legal Name: City of Minneapolis			Organizational Unit: Department: City Coordinator		
Organizational DUNS: 068530411			Division:		
Address: Street: 301M City Hall, 350 South Fifth St.			Name and telephone number of person to be contacted on matters involving this application (give area code)		
City: Minneapolis			Prefix:		First Name: Peter
County: Hennepin			Middle Name		
State: MN			Last Name O'Toole		
Zip Code 55415			Suffix:		
Country: USA			Email: Peter.OToole@ci.minneapolis.mn.us		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375			Phone Number (give area code) 612-673-5456		Fax Number (give area code) 612-673-3250
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)			7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): CDBG Entitlement Grant 14-218			9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis			11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY10 Consolidated Plan Community Development Block Grant		
13. PROPOSED PROJECT Start Date: 06/01/10 Ending Date: 05/31/11			14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th b. Project 5th		
15. ESTIMATED FUNDING:			16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$	14,439,575 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:		
b. Applicant	\$	⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
c. State	\$	⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
d. Local	\$	⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
e. Other	\$	⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
f. Program Income	\$	1,200,000 ⁰⁰			
g. TOTAL	\$	15,639,575 ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.					
a. Authorized Representative					
Prefix Mr.		First Name Steven		Middle Name	
Last Name Bosacker		Suffix		c. Telephone Number (give area code) 612-673-3992	
b. Title City Coordinator		d. Signature of Authorized Representative 		e. Date Signed 04/15/10	

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 04/15/10		Applicant Identifier 41-6005375	
		3. DATE RECEIVED BY STATE		State Application Identifier	
4. DATE RECEIVED BY FEDERAL AGENCY 04/15/10		Federal Identifier			
5. APPLICANT INFORMATION					
Legal Name: City of Minneapolis			Organizational Unit: Department: City Coordinator		
Organizational DUNS: 066530411			Division:		
Address: Street: 301M City Hall, 350 South Fifth St.			Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name: Peter		
City: Minneapolis			Middle Name		
County: Hennepin			Last Name O'Toole		
State: MN		Zip Code 55415		Suffix:	
Country: USA			Email: Peter.OToole@ci.minneapolis.mn.us		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): <div style="border: 1px solid black; padding: 2px;">41-6005375</div>			Phone Number (give area code) 612-673-5456		Fax Number (give area code) 612-673-3250
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)			7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)		
Other (specify)			9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: <div style="border: 1px solid black; padding: 2px;">14-241</div> TITLE (Name of Program): Housing Opportunities for Persons with AIDS (HOPWA)			11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY10 Consolidated Plan Housing Opportunities for Persons with AIDS (HOPWA)		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis and Minneapolis-St.Paul Metropolitan Statistical Area					
13. PROPOSED PROJECT Start Date: 06/01/10 Ending Date: 05/31/11			14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th b. Project 5th		
15. ESTIMATED FUNDING:			16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$	977,370.00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$	.00	DATE:		
c. State	\$	.00	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$	.00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$	.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
f. Program Income	\$	.00	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
g. TOTAL	\$	977,370.00			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.					
a. Authorized Representative					
Prefix Mr.		First Name Steven		Middle Name	
Last Name Bosacker		Suffix			
b. Title City Coordinator		c. Telephone Number (give area code) 612-673-3992			
d. Signature of Authorized Representative 		e. Date Signed 04/15/10			

APPLICATION FOR FEDERAL ASSISTANCE


Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 04/15/10	Applicant Identifier 41-6005375
		3. DATE RECEIVED BY STATE	State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY 04/15/10		Federal Identifier	

5. APPLICANT INFORMATION Legal Name: City of Minneapolis		Organizational Unit: Department: City Coordinator																						
Organizational DUNS: 066530411		Division:																						
Address: Street: 301M City Hall, 350 South Fifth St.		Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name: Peter																						
City: Minneapolis		Middle Name																						
County: Hennepin		Last Name O'Toole																						
State: MN	Zip Code 55415	Suffix:																						
Country: USA		Email: Peter.OToole@ci.minneapolis.mn.us																						
6. EMPLOYER IDENTIFICATION NUMBER (EIN): <div style="border: 1px solid black; padding: 2px; display: inline-block;">41-6005375</div>		Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250																					
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)																						
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: <div style="border: 1px solid black; padding: 2px; display: inline-block;">14-239</div>		9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development																						
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY10 Consolidated Plan Home Investments Partnerships (HOME): \$3,780,884																						
13. PROPOSED PROJECT Start Date: 06/01/10 Ending Date: 05/31/11		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th b. Project 5th																						
15. ESTIMATED FUNDING: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>a. Federal HOME</td> <td>\$</td> <td style="text-align: right;">3,780,884.00</td> </tr> <tr> <td>b. Applicant</td> <td>\$</td> <td style="text-align: right;">.00</td> </tr> <tr> <td>c. State</td> <td>\$</td> <td style="text-align: right;">.00</td> </tr> <tr> <td>d. Local</td> <td>\$</td> <td style="text-align: right;">.00</td> </tr> <tr> <td>e. Other Match (25%)</td> <td>\$</td> <td style="text-align: right;">945,500.00</td> </tr> <tr> <td>f. Program Income</td> <td>\$</td> <td style="text-align: right;">112,000.00</td> </tr> <tr> <td>g. TOTAL</td> <td>\$</td> <td style="text-align: right;">4,838,384.00</td> </tr> </table>		a. Federal HOME	\$	3,780,884.00	b. Applicant	\$.00	c. State	\$.00	d. Local	\$.00	e. Other Match (25%)	\$	945,500.00	f. Program Income	\$	112,000.00	g. TOTAL	\$	4,838,384.00	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
a. Federal HOME	\$	3,780,884.00																						
b. Applicant	\$.00																						
c. State	\$.00																						
d. Local	\$.00																						
e. Other Match (25%)	\$	945,500.00																						
f. Program Income	\$	112,000.00																						
g. TOTAL	\$	4,838,384.00																						
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No																						
a. Authorized Representative Prefix Mr. First Name Steven Middle Name Last Name Bosacker Suffix																								
b. Title City Coordinator		c. Telephone Number (give area code) 612-673-3992																						
d. Signature of Authorized Representative 		e. Date Signed 04/15/10																						

APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 04/15/10		Applicant Identifier 41-6005375	
<input type="checkbox"/> Construction		<input type="checkbox"/> Construction		3. DATE RECEIVED BY STATE	
<input checked="" type="checkbox"/> Non-Construction		<input type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY 04/15/10	
5. APPLICANT INFORMATION					
Legal Name: City of Minneapolis			Organizational Unit: Department: City Coordinator		
Organizational DUNS: 066530411			Division:		
Address: Street: 301M City Hall, 350 South Fifth St.			Name and telephone number of person to be contacted on matters involving this application (give area code)		
City: Minneapolis			Prefix:		First Name: Peter
County: Hennepin			Middle Name		
State: MN			Last Name O'Toole		
Zip Code 55415			Suffix:		
Country: USA			Email: Peter.OToole@ci.minneapolis.mn.us		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375			Phone Number (give area code) 612-673-5456		Fax Number (give area code) 612-673-3250
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)			7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Emergency Shelter Grant (ESG) 14-231			9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis			11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY10 Consolidated Plan Emergency Shelter Grant		
13. PROPOSED PROJECT Start Date: 06/01/10			14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th		
Ending Date: 05/31/11			b. Project 5th		
15. ESTIMATED FUNDING:			16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$	587,765.00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$	.00	DATE:		
c. State	\$	.00	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$	587,765.00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$	.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
f. Program Income	\$	.00	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
g. TOTAL	\$	1,175,530.00			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.					
a. Authorized Representative					
Prefix Mr.		First Name Steven		Middle Name	
Last Name Bosacker				Suffix	
b. Title City Coordinator				c. Telephone Number (give area code) 612-673-3992	
d. Signature of Authorized Representative 				e. Date Signed 04/15/10	



Local Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted in paper form to the Field Office.

LOCAL GOVERNMENT CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it 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.

Anti-displacement and Relocation Plan -- It will comply 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; and it has in effect and is following a residential antidisplacement 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.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about --
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will --
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted --
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

8. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension,

Jurisdiction

continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

9. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
10. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



04/15/2010

Signature/Authorized Official

Date

Steven Bosacker

Name

City Coordinator

Title

350 South 5th Street, Room 301M

Address

Minneapolis, MN 55415

City/State/Zip

612-673-3992

Telephone Number

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

11. Maximum Feasible Priority - With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
12. Overall Benefit - The aggregate use of CDBG funds including section 108 guaranteed loans during program year 2008, 2009, 2010, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
13. Special Assessments - It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

14. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
15. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Jurisdiction

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K and R, of title 24;

Compliance with Laws -- It will comply with applicable laws.

Steven Bosacker

04/15/2010

Signature/Authorized Official

Date

Steven Bosacker

Name

City Coordinator

Title

350 South 5th Street, Room 301M

Address

Minneapolis, MN 55415

City/State/Zip

612-673-3992

Telephone Number

Jurisdiction

- ☐ This certification does not apply.
☒ This certification is applicable.

Specific HOME Certifications

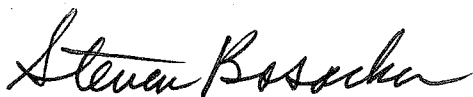
The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;



04/15/2010

Signature/Authorized Official

Date

Steven Bosacker

Name

City Coordinator

Title

350 South 5th Street, Room 301M

Address

Minneapolis, MN 55415

City/State/Zip

612-673-3992

Telephone Number

Local Grantee Certifications

Jurisdiction

- ☐ This certification does not apply.
☒ This certification is applicable.

HOPWA Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.



04/15/2010

Signature/Authorized Official

Date

Steven Bosacker

Name

City Coordinator

Title

350 South 5th Street, Room 301M

Address

Minneapolis, MN 55415

City/State/Zip

612-673-3992

Telephone Number

- ☐ This certification does not apply.
☒ This certification is applicable.

ESG Certifications

I, Steven Bosacker, Chief Executive Officer of City of Minneapolis, certify that the local government will ensure the provision of the matching supplemental funds required by the regulation at 24 CFR 576.51. I have attached to this certification a description of the sources and amounts of such supplemental funds.

I further certify that the local government will comply with:

1. The requirements of 24 CFR 576.53 concerning the continued use of buildings for which Emergency Shelter Grants are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services.
2. The building standards requirement of 24 CFR 576.55.
3. The requirements of 24 CFR 576.56, concerning assurances on services and other assistance to the homeless.
4. The requirements of 24 CFR 576.57, other appropriate provisions of 24 CFR Part 576, and other applicable federal laws concerning nondiscrimination and equal opportunity.
5. The requirements of 24 CFR 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
6. The requirement of 24 CFR 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
7. The requirements of 24 CFR Part 24 concerning the Drug Free Workplace Act of 1988.
8. The requirements of 24 CFR 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted with ESG funds and that the address or location of any family violence shelter project will not be made public, except with written authorization of the person or persons responsible for the operation of such shelter.
9. The requirement that recipients involve themselves, to the maximum extent practicable and where appropriate, homeless individuals and families in policymaking, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 CFR 76.56.
10. The requirements of 24 CFR 576.57(e) dealing with the provisions of, and regulations and procedures applicable with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related authorities as specified in 24 CFR Part 58.
11. The requirements of 24 CFR 576.21(a)(4) providing that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services will meet the requirements that: (A) the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) the assistance must not supplant funding for preexisting homeless prevention activities from any other source.
12. The new requirement of the McKinney-Vento Act (42 USC 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that state and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of state and local resources.
13. HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.

Jurisdiction

I further certify that the submission of a completed and approved Consolidated Plan with its certifications, which act as the application for an Emergency Shelter Grant, is authorized under state and/or local law, and that the local government possesses legal authority to carry out grant activities in accordance with the applicable laws and regulations of the U. S. Department of Housing and Urban Development.

Steven Bosacker

04/15/2010

Signature/Authorized Official

Date

Steven Bosacker

Name

City Coordinator

Title

350 South 5th Street, Room 301M

Address

Minneapolis, MN 55415

City/State/Zip

612-673-3992

Telephone Number

- ☐ This certification does not apply.
- ☒ This certification is applicable.

APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: Place of Performance (Street address, city, county, state, zip code) Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

Place Name	Street	City	County	State	Zip
Various project locations within the City of Minneapolis and the Twin Cities metropolitan area, as noted within project files and wherever covered employees are conducting business directly related to grant.					

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules: "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the

Jurisdiction

Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including:

- a. All "direct charge" employees;
- b. all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and
- c. temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

1. Analysis of Impediments to Fair Housing
2. Citizen Participation Plan
3. Anti-displacement and Relocation Plan



04/15/2010

Signature/Authorized Official

Date

Steven Bosacker

Name

City Coordinator

Title

350 South 5th Street, Room 301M

Address

Minneapolis, MN 55415

City/State/Zip

612-673-3992

Telephone Number

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 (no new funding from HUD since 2008). 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 housing 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

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. In 2009 HUD had updated CHAS data produced out of the American Community Survey.

CPED Community Planning and Economic Development The City of Minneapolis Department, <http://www.ci.minneapolis.mn.us/cped/>, that has as its mission to promote and advance the City's planning and community development goals through strategic partnerships and responsible management of resources, and to support the public interest through implementation of the City's plans and priorities

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 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. The local CoC consists of the City of Minneapolis, Hennepin County and suburban Hennepin County jurisdictions.

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 based in HUD designed to 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) that receive HUD entitlement funds. States distribute the funds to localities who do not qualify as entitlement communities.

Entitlement Programs Program funds received by Entitlement Communities from HUD on a formula (non-competitive) basis: CDBG, HOME, ESG, and HOPWA.

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.

Funders Council A metropolitan-area task force comprised of public and private agencies. It is organized to simplify the complex funding system and to provide a standardized resource for identifying financial assistance to preserve threatened affordable housing. The group reviews troubled housing developments and works to create stabilization funding packages for owners. Funding packages contain grants and loans from member agencies.

GMMHC 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 housing 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 Occupied dwelling units in a census 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.

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). A logic model 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 (www.hud.gov) .

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. The median income figure is the median for all family sizes. HUD median family income estimates are based on 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. For purposes of NSP funds only, middle income is between 80 and 120 percent of MFI.

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, defined by the Office of Management and Budget are; 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.

NSP Neighborhood Stabilization Program (NSP) funds, authorized by the Housing and Economic Recovery Act of 2008, Title III, Section 2301 – Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes. The Congressional intent for these funds is to provide cities and states funding to address the effects of abandoned and foreclosed upon homes and residential properties. This program was also funded on a competitive basis through the American Recovery and Reinvestment Act of 2009.

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 estate owned properties that have been acquired by default, and/or owned by HUD or 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 rental housing 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. The SuperNOFA is generally made available each spring.

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

2010 Minneapolis Consolidated Plan

- Public Hearings and Comments
- HUD Table 1A Homeless and Special Needs
- HUD Table 2A 2005-09 Priority Housing Needs
- HUD Table 2B 2005-09 Non-Housing Community Development
- HUD Table 3 Proposed Projects
- Consolidated Plan Maps

**City of Minneapolis FY 2010 Consolidated Plan
Summary of Public Comments
Public Hearings November 19 and December 7, 2009**

These public hearings were held for purpose to obtain comment on the City's proposed 2010 Consolidated Plan Budget as part of the Truth in Taxation public hearing. Comments are summarized as follows:

At the December 7, 2009 public hearing, five persons spoke in support of the City continuing funding of neighborhood restorative justice programs. Several comments were expressed in favor of more funding for the police department and public safety efforts.

**City of Minneapolis FY 2010 Consolidated Plan
Summary of Public Comments
Public Comment Period March 15 – April 13, 2010
&
Public Hearing March 23, 2010**

This public hearing was held for purpose to obtain comment on the City's proposed 2010 Consolidated Plan to HUD. No comments were presented during the public hearing and no written comments were received throughout the public comment period.

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 2009	Under Development in 2009	Unmet Need/Gap 2010-14
Individuals (includes unaccompanied youth)				
Beds	Emergency Shelter	860	-0-	45*
	Transitional Housing	364	-0-	-0-**
	Permanent Supportive Housing	1,645	64***	1,850
	Total	2,869	64	1,895
		Current Inventory in 2009	Under Development in 2009	Unmet Need/Gap 2010-14
Persons in Families With Children				
Beds	Emergency Shelter	1,087	-0-	-0-
	Transitional Housing	861	-0-	-0-
	Permanent Supportive Housing	1,688	24***	3,687****
	Total	3,636	24	3,687

Sources:

- Inventory and under-development data comes from the 2009 Continuum of Care- Exhibit 1.
- Unmet Need/Gap data based on unmet goals in Heading Home Hennepin Plan to End Homelessness as of 12/31/09 adjusted to meet the requirements of Table 1A.

*Youth goal only.

**No transitional housing goals established in the Heading Home Hennepin Plan.

***Capital funded units closed by 12/31/09.

****Goal equals 1,229 units times 3-beds each.

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

Part 1: Homeless Population <i>(based on statistically reliable, unduplicated counts or estimates at a one-day point in time)</i>	Sheltered (bed capacity)* <i>((A) Administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates.)</i>		Unsheltered** <i>((A) Administrative records, (N) enumerations, (S) statistically reliable samples, or (E) estimates.)</i>	Total
	Emergency	Transitional		
1. Homeless Individuals (includes youth)	955 (N)	371 (N)	225 (N)	1,551 (N)
2. Homeless Families with Children	267 (N)	219 (N)	9 (N)	495 (N)
2a. Persons in Homeless Families with Children	965 (N)	734 (N)	31 (N)	1,730 (N)
Total (lines 1 + 2a)	1,920	1,105	256	3,281

Part 2: Homeless Subpopulations***	Sheltered	Unsheltered	Total
1. Chronically Homeless	670 (S)	105 (S)	775 (S)
2. Seriously Mentally Ill	813 (S)	127 (S)	940 (S)
3. Chronic Substance Abuse	459 (S)	74 (S)	533 (S)
4. Veterans	247 (S)	20 (S)	267 (S)
5. Persons with HIV/AIDS	64 (S)	6 (S)	70 (S)
6. Victims of Domestic Violence	192 (S)	20 (S)	212 (S)
7. Youth (under 18 years of age)	43 (S)	34 (S)	77 (N)

Source: Continuum of Care: Exhibit 1. data- survey of sheltered & unsheltered persons 1/28/2009.

*Numbers are based on the actual number of sheltered homeless persons on January 28, 2009 reported by service providers.

**Numbers are based on number of face-to-face interviews conducted with unsheltered homeless persons on January 28, 2009.

***Numbers with "(S)" are based on subpopulation data reported in the 2006 Wilder Homelessness Survey.

Table 2A - Priority Housing Needs (2010-2014)					
Capital			Income	Priority	5-Year Goals
Renters	Small Related (0-2 BR)	Rehabbed	0-30% MFI	H	630
			31-50% MFI	H	360
			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	210
			31-50% MFI	H	140
			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 (Rental)		Rehabbed	0-80% MFI	H	180 (Included in Numbers Above)
		New/Conversion			210 (Included in Numbers Above)
Section 215 Goal		Renter			2,590
		Owner			140

HUD TABLE 2B –Non-Housing Community Development Needs	
Priority Community Development Needs	Priority: High, Medium, Low, No Such Need
Public Facilities	
Senior Centers	M
Youth Centers	M
Neighborhood Facilities	M
Child Care Centers	M
Parks/Recreation Facilities	M
Health Facilities	L
Parking Facilities	L
Other Public Facilities	H
Infrastructure Improvements	
Solid Waste Disposal	L
Flood Drain	L
Water	L
Streets	M
Sidewalks	M
Sewers	L
Asbestos Removal	L
Other Infrastructure Improvements	L
Public Services	
Seniors	H
Disabled	M
Youth	M
Transportation	L
Substance Abuse	M
Employment Training	H
Crime Awareness	M
Fair Housing Counseling	H
Tenant/Landlord Counseling	H
Child Care	M
Health	H
Other Public Services	M
Accessibility Needs	L
Historic Preservation Needs	
Residential Historic Preservation	L
Non-Residential Historic Preservation	L
Economic Development	
Commercial Industrial Rehab	M
Commercial Industrial Infrastructure	M
Other Commercial Industrial Improvements	M
Micro-Business	L
Other Businesses	L
Technical Assistance	L
Other Economic Development Needs	H
Other Community Development Needs	
Energy Efficiency Improvements	M
Lead-Based Paint Hazards	H
Code Enforcement	H
Planning	H

HUD Table 3 - 2010 Proposed Projects

Priority	Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	<div> <div>Help the Homeless?</div> <div>Help those with HIV/AIDS?</div> <div>Assist Persons with Disabilities?</div> <div>Assist Persons with Public Housing Needs?</div> </div>				Outcome		Type/ Eligible Activity/Natio nal Objective	Funding Source	2010 Council Adopted Budget	Start / Complete Date
Economic Development		CD-1a	H	2	Adult Training, Placement & Retention: Employment services for adult low-income Minneapolis residents. Eleven community-based organizations are contracted to provide low-income residents career counseling, job placement and job retention services. Selected participants are also offered tuition assistance to pursue post secondary vocational/technical training prior to job placement. CDBG funded employment services are provided by organizations who compete for performance based contracts through a request for proposal process. The agencies are paid a contracted fixed dollar amount for assisting their participants in achieving employment outcomes. Training providers are located throughout the city. An updated list is available from METP by calling 673-5298 or by accessing our website (www.ci.minneapolis.mn.us/metp).	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 190 Jobs	CPED	Local Gov't./18A ED Direct Financial Assistance 570.203(b)/L/ M Jobs 570.208(a)(4)	CDBG	\$ 982,000	6/10-5/11
Owner-Occupied Housing		H-2a	H	3	Homeownership Program: Home buyers assistance for homes priced at fair market value which will be sold only to low/moderate-income level buyers. Loans are affordability loan up to \$50,000, equity participation loan with maximum of \$20,000 and closing costs loan with maximum of \$4,000. Applications will be reviewed on case basis by Greater Metropolitan Housing Corporation (GMHC), funds awarded at closing. For households below 80% median income. Program income can be realized through this program. The affordability financing (affordability, equity participation and closing cost) is secured against the property as a junior mortgage to the first mortgage. They are deferred loans, repayable upon events of default or retirement of the first mortgage and are at 3% interest. Program income can be realized through this program. Activities set up under this funding project may be revolving loan programs.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 7 Housing Units	Greater Mpls Housing Corp.	Sub/Private / 12 Construction of Housing 570.204/ L/M Housing 570.208(a)(3)	CDBG	\$ 334,000	6/10-5/11
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 anticipated to be announced May 2010. Awards made approximately November. Eligible housing is both family and single adult rental units (including homeless youth). At least 20% of the units must be affordable at <50% MMI. Program income can be realized through this program. (at least 51% of the units that include CDBG funds must be affordable at <80% MMI). Activities set up under this funding project may be revolving loan programs.	Y	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 200 Housing Units	CPED	Local Gov't./ 1 Acquisition of Real Property 570.202/ L/M Housing 570.500(a)(3)	CDBG	\$ 4,011,189	6/10-5/11
Rental Housing		H-1a; H-4c	H	5	CPED: Housing Development Assistance: Grants awarded through the Affordable Housing Trust Fund funding process or other CPED housing program to non-profit multi-family housing developers allowing pre-development assistance activities. Maximum assistance is \$30,000. At least 51% of the units must be affordable at <80% MMI.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 10 organizations	CPED	Local Gov't./ 1 Acquisition of Real Property 570.202/ L/M Housing 570.500(a)(3)	CDBG	\$ 166,000	6/10-5/11
Economic Development		CD-1b	H	6	Community Economic Development Fund/Neighborhood Economic Development Fund: Acquisition, demolition, rehabilitation of commercial structures. Construction of shared commercial parking and other commercial center improvements. Preservation of historic buildings. Financial assistance to businesses. Applications from developers are accepted year-round by CPED; application form is available on the City's website. Funds are awarded using ranking/rating criteria by CPED to projects meeting CDBG guidelines. Program income can be realized through this program through revolving loans. Some redeveloped buildings are occupied by a single tenant and some have multiple tenants. Loans are made to Developers. "Businesses" are the end users (occupants).	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 4 Businesses	CPED	Local Gov't./17D Other Comm/Industrial Improvements 570.203(a)/ L/M Area 570.208(a)(1)	CDBG	\$ 1,500,000	6/10-5/11
Owner-Occupied Housing		H-2a	H	8	Vacant & Boarded Housing: Acquisition and disposition of vacant and substandard housing to eliminate blight. In cases where structures are demolished the vacant lots are marketed for development for the fair reuse value. Program income can be realized through this program.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 15 Housing Units	CPED	Local Gov't./ 04 Clearance and Demolition 570.202/Slum/ Blight 570.208(b)(2)	CDBG	\$ 782,000	6/10-5/11
Rental Housing		H-1a	H	9	High Density Corridor Housing: Acquisition of sites for mixed-income rental and ownership multifamily housing development on community commercial and transit corridors as defined in Minneapolis Plan. At least 51% of the units will be affordable at <80%MMI, and at least 20% of the units will be affordable at <50% MMI.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 10 Housing Units	CPED	Local Gov't/ 14G Acquisition for Rehab 570.202/ L/M Housing 570.208(a)(3)	CDBG	\$ 730,000	6/10-5/11

HUD Table 3 - 2010 Proposed Projects

Priority	Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	<div> <div>Help the Homeless?</div> <div>Help those with HIV/AIDS?</div> <div>Assist Persons with Disabilities?</div> <div>Assist Persons with Public Housing Needs?</div> </div>				Outcome		Type/ Eligible Activity/Natio nal Objective	Funding Source	2010 Council Adopted Budget	Start / Complete Date
Fire Equipment		CD-3a	H	9.1	Fire Department Fire Protection Equipment. To benefit low-moderate income areas, the Fire Department will purchase new fire protection equipment, including a new fire engine that will be assigned to a fire station located in a CDBG targeted area. Additional fire protection equipment will include live-saving equipment and protective clothing for firefighters. Six fire station are located within or serve targeted areas.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 113005 Persons	Fire Dept.	Local Govt./ 030 Fire Station / Equipment 570.201c/ Area Benefit 570.208(a)(3)	CDBG	\$ 694,000	6/10-5/11
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. Targeted neighborhoods also have door to door recruitment for properties to be enrolled in HUD grant for income qualified families or tenants. Used as match funds towards a HUD Lead Hazard Control Grant for eligible activities.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 100 Housing Units	Dept. of Regulatory Services	Local Govt./ 141 Lead Based Paint/Hazards Test/Abatement 570.202/ L/M Housing 570.208(a)(3)	CDBG	\$ 125,000	6/10-5/11
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 blighted properties in the city and develops strategies to reduce or eliminate problems. Solutions include mitigation steps up to securing buildings with boards or demolishing buildings under the provisions of Chapter 249 on the city's code of ordinances. At least 1000 properties are either registered as vacant and/or boarded, razed, or rehabed. 75% of staff time equals 750 properties touched annually by the grant.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 750 Housing Units	Multiple Depts, Fire, Ops/Regs, City Attorney, Police	Local Govt./ 4 Clearance and Demolition 570.201(d) / Slum/Blight 570.208(b)(2)	CDBG	\$ 439,000	6/10-5/11
Public Services		CD-2d	M	14	Youth Employment Training: Provision of summer employment opportunities for income eligible city youth 14-21 years old. Services include work experience, education, mentorship, community service and leadership development. Community-based organizations and school programs partner to operate the program. Students apply through schools, WorkForce Centers and libraries.	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 600 People	CPED	Local Govt./ 05H Employment Training 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 328,000	6/10-5/11
Public Services		CD-2d	M	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. Program office at 125 W. Broadway, Minneapolis, MN 55411, with services delivered both north and south Minneapolis.	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 750 People	Youth Coordinating Board	Sub/Public/ 5D Youth Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 262,000	6/10-5/11
Public Services		CD-4a	M	16.1	Restorative Justice Programs: Funding will be used solely in targeted low and moderate income areas and benefit all residents of those areas to reduce livability crimes and build stronger communities. Community participation is a cornerstone of the program identifying local needs that offenders can fill as they attempt to repay the neighborhoods they harmed by performing service in the community where the crime occurred. 3,000 – 5,000 hours of community service performed throughout Minneapolis by offenders who participate in restorative justice, over 90% of these hours are completed in low to moderate income areas; over 200 verbal and written apologies; and \$1,000-\$2,000 donated to local organizations serving low and moderate income residents. 86% of offenders who participate in a restorative justice program in Minneapolis successfully complete their agreements. Over 95% of all participants (offenders and community members) are satisfied with the process and would recommend restorative justice to others. Only 22% of offenders who participate in restorative justice committed another offense within three years- compared to a 38% recidivism rate for the	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 227472 People	Attorney	Local Govt./ 05 Public Services 570.201 (e)/ L/M Area 570.208(a)(1)	CDBG	\$ 20,000	6/10-5/11

HUD Table 3 - 2010 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?				Outcome	Type/ Eligible Activity/Natio nal Objective	Funding Source	2010 Council Adopted Budget	Start / Complete Date	
Public Services		CD-4a	M	16.3	CCP-SAFE Crime Prevention Specialists (CPS) With an emphasis on targeted neighborhoods that are at least 51% low- and moderate-income due to their inverse violent victimization rates based on household income CPSs work with Low- mod-income residents, neighborhood organizations and businesses to • Recruit and train block club leaders to get block clubs started • Maintain block clubs • Present safety and neighborhood livability information to the public through multiple venues • Publish and distribute crime alerts • Promote National Night Out • Resolve complaints about problem properties • Respond to crime trends • Act as a liaison between the police and the community	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2010 Projected to be 227472 People	Police Department	Local Gov't./ 5l Crime Awareness - Public Services 570.201 (e)/ L/M Area 570.208(a)(1)	CDBG	\$ 934,386	6/10-5/11
Public Services		CD-2d	M	19	Curfew and Truancy Services: Juvenile Supervision Center (JSC); Operations, staffing and services provided by The Link for curfew and truancy activities as part of a larger JSC operations. The JSC/CTC provides short-term supervision for juveniles detained by law enforcement professionals or referred by parents identified as being truant, or who are in violation of the Minneapolis curfew ordinance for juveniles ages 18 years or younger. JSC/CTC services assures that juveniles are returned to a safe and appropriate environment i.e., school, home, or short-term shelter. JSC/CTC identifies juveniles that are currently receiving County services and document communication with Case Manager, Probation Officer etc. regarding incident for possible follow up. JSC/CTC operations located in City Hall Room 21A, 350 S. 5th Street, Minneapolis, MN 55415	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 750 People	Minneapolis Urban League	Sub/Private/ 05D Youth Services 570.201(e)/ L/M Area 570.208(a)(1)	CDBG	\$ 100,000	6/10-5/11
					PHAC activities are the competitive Public Service project selections recommended to the City Council by the Public Health Advisory Committee for 2009-10 CDBG funding. The second year of funding (2010) is anticipated for the same projects at an across-the-board level based upon performance. The performance review will be finalized as these projects proceed through their first year of funding. If projects are performing satisfactorily, they will be renewed at a level corresponding to the percentage applied to all PHAC projects. Projects not having their funding renewed will have their projected 2nd year allocation reallocated within the PHAC projects.	Total PHAC \$400,000							\$ -	6/10-5/11	
Public Services		CD-2b	H	20	PHAC: Southside Community Health Services, Inc. will provide teen pregnancy prevention services including outreach, education/information, birth control and counseling for low-income female teens 12-19 years. The culturally competent and diverse staff provide education and community health care by using a comprehensive approach to preventing tenn pregnancy. 4243 4th Ave S Minneapolis 55409, 324 E 35th St Minneapolis 55408	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 90 People	Southside Community Health Services, Inc.	Sub/Private/ 05M Health Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 47,000	6/10-5/11
Public Services		CD-2d	M	21	PHAC: The Minneapolis Urban League will provide an intensive a parent education and training program designed to reduce violence in their homes and in the community. Three ten-week sessions will be offered serving a minimum of 9 parents of at-risk youth each session. Additionally, peer educators will be developed to increase the ongoing impact of the project. 2100 Plymouth Avenue North, Minneapolis, MN 55411	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 27 People	Minneapolis Urban League	Sub/Private/ 05M Health Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 49,000	6/10-5/11
Public Services		CD-2b	H	22	PHAC: Minneapolis Public Schools Teenage Pregnancy and Parenting Programs (TAPPP) provides comprehensive school-based services to improve school completion and reduce the rate of repeat pregnancies for teen parents who attend the Broadway Alternative High School. The program provides on-site post-secondary training, intensive case management services, the "Not Ready Now" program, and the development of an elective class developing PSA's and podcasts to provide prepanancy prevention education to 7th and 8th graders. Broadway School, 425 NE Broadway, Minneapolis, MN 55413	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 175 People	TAPPP	Sub/Private/ 05M Health Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 49,000	6/10-5/11

HUD Table 3 - 2010 Proposed Projects

Priority	Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	<div> <div>Help the Homeless?</div> <div>Help those with HIV/AIDS?</div> <div>Assist Persons with Disabilities?</div> <div>Assist Persons with Public Housing Needs?</div> </div>				Outcome		Type/ Eligible Activity/Natio nal Objective	Funding Source	2010 Council Adopted Budget	Start / Complete Date
Public Services		CD-2a	H	23	PHAC: Living at Home/Block Nurse Programs (Nokomis, Southeast, Longfellow/Seward) provide services to seniors living in three Minneapolis communities. The program assists seniors 65 and older to remain independent and living safely in their homes. Services include transportation, volunteer visitors, homemakers, home health nursing and health aides, and chore services. Other services include in-home fall prevention assessments, community health outreach clinics including blood pressure checks, exercise classes, and flu shots. Longfellow/Seward: 2800 E. Lake St. Mpls MN 55406 Nokomis: 4200 Cedar Ave So, 55407 S.E. Seniors: Pratt Community Center, 66 Malcolm Ave. S.E., Mpls, 55414	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 450 People	Living at Home Block Nurse Program	Sub/Private/ 05A Senior Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 49,000	6/10-5/11
Public Services		CD-2a	H	24	PHAC: Minnesota International Health Volunteers will develop the Somali Elders' Connection Project to promote community connectedness among Somali elders living in Minneapolis. Program outcomes will be demonstrated through increased use of social and health services, as well as increased involvement in community programs by Somali elders. The program will primarily serve Somali community members (both men and women) age 65 or older. Targeted outreach will focus on the Cedar Riverside and Seward neighborhoods in Mpls, although any Somali elder residing in Mpls will be eligible for services. Specifically, outreach services will be provided at the following three sites: Cedar Riverside Plaza Apartments 1600 S 6th Street, Minneapolis, MN 55454; Seward Towers East Apartments 2910 E Franklin Avenue, Minneapolis, MN 55406; and Seward Towers West Apartments 2515 S 9th Street, Minneapolis, MN 55406	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 30 People	Minnesota International Health Volunteers	Sub/Private/ 05A Senior Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 49,000	6/10-5/11
Public Services		CD-2d	M	25	PHAC: Lao Family Community of Minnesota is a St. Paul based agency that will provide in-home parenting education services to families in Minneapolis using the curriculum "Helping Youth to Succeed: Bicultural Parenting for Southeast Asian Families". They will provide eligible Hmong families with support and advocacy services as well as facilitate referrals to culturally competent community resources to address issues of violence in their homes, their schools and community. 1299 Arcade Street, St. Paul, MN 55106	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 42 People	Lao Community of Minnesota	Sub/Private/ 05M Health Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 49,000	6/10-5/11
Public Services		CD-2b	H	26	PHAC: Greater Minneapolis Council of Churches, Division of Indian Work will provide its "Live It" Teen Pregnancy Program to seven community sites and/or schools. DIW will provide evidence based pregnancy prevention curricula for low-income youth and their families. The program provides age appropriate information, and the entire curricula has an emphasis on cultural competence for the City's population at highest at risk for teen pregnancy.1001 East Lake St, Minneapolis, MN 55407	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 70 People	GMCC	Sub/Private/ 05M Health Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 26,000	6/10-5/11
Public Services		CD-2d	M	27	PHAC: Centro Cultural Chicano will provide parent support, education and skill building activities for Latino parents of teens. This will include twice weekly support groups utilizing sacred circles; twice monthly educational workshops relevant to raising safe and healthy youth; weekly cultural arts training to strengthen cultural identity. The goal of the program is to equip Latino parents to prepare their children for lives free of violence and/or gang activity. 1915 Chicago Avenue, Minneapolis, MN 55404	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 22 People	Centro Cultural Chicano	Sub/Private/ 05M Health Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 33,000	6/10-5/11
Public Services		CD-2a	H	28	PHAC: Catholic Charities will provide Homeless Elders Program services in Minneapolis to improve the health, independence, and community connections of people dually challenged by being homeless and elderly. The program will assist homeless elders ages 62 years and older to secure and maintain housing, connect to support services and provide ongoing support. 1624 Chicago Ave. So, Minneapolis, MN 55404	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2010 Projected to be 20 People	Catholic Charities	Sub/Private/ 05A Senior Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 49,000	6/10-5/11
Planning/Admin- istration		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, federal labor standards, 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	\$ 365,000	6/10-5/11
Planning/Admin- istration		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: 24 Organizations	Government and Community Relations	Local Gov't./ 21C 570.206/ N/A	CDBG	\$ 233,000	6/10-5/11

HUD Table 3 - 2010 Proposed Projects

Priority	Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless?				Assist Persons with Disabilities?				Outcome	Type/ Eligible Activity/National Objective	Funding Source	2010 Council Adopted Budget	Start / Complete Date
						Help the Homeless?	Help those with HIV/AIDS?	Assist Persons with Disabilities?	Assist Persons with Public Housing Needs?									
Planning/Administration	CP-1b		H	40	CPED Planning Department: Administration of comprehensive planning activities including environmental review 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	\$ 941,000	6/10-5/11			
Public Services	CD-2b; H-5b		H	41	Neighborhood Services: General general administrative support for CDBG projects and contracts funded through the department.	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	\$ 72,000	6/10-5/11			
Planning/Administration	AD-1a		H	42	Grant Administration: Grant development and management for CDBG capital and public service 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	\$ 68,000	6/10-5/11			
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	\$ 26,000	6/10-5/11			
Planning/Administration	AD-1a		H	43.1	Youth Violence Prevention: General administration for youth violence program.	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Youth Coordinating Board	Sub/Public/ 20 Planning 570.205/ N/A	CDBG	\$ 121,000	6/10-5/11			
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	\$ 196,000	6/10-5/11			
Planning/Administration	AD-1a; AD-1b		H	45	Grants & Special Projects: Resource development and management for Consolidated Plan strategies; overall city management of Consolidated Plan	N	N	N	N	Performance Measure, Output: 1 Organization	Intergovernmental Relations	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 190,000	6/10-5/11			
Planning/Administration	AD-1a; AD-1b		H	45.1	Homelessness Initiative: Joint-powers agreement with Hennepin County	N	N	N	N	Performance Measure, Output: 1 Organization	Neighborhood and Community Relations	Local Gov't./ 21A General Program Administration 570.206/ N/A	CDBG	\$ 77,000	6/10-5/11			
Planning/Administration	CD-2c; H-5a		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. Emphasis on issues that will protect, promote, and provide fair housing opportunities for public assistance recipients. Project locations: 430 First Ave. N. , 2929 Fourth Ave. S.	N	N	N	N	Performance Measure, Output: 1 Organization (Improving the ability of LMI recipients to find and retain housing)	Legal Aid Society	Sub/Private/ 21D Fair Housing 570.206 / N/A	CDBG	\$ 34,000	6/10-5/11			
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	\$ 68,000	6/10-5/11			

HUD Table 3 - 2010 Proposed Projects

Priority	Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless?				Help those with HIV/AIDS?				Outcome	Type/ Eligible Activity/Natio nal Objective	Funding Source	2010 Council Adopted Budget	Start / Complete Date
Planning/Admin- istration	CD-2d		M	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 Coordinatin g Board	Sub/Public/ 20 Planning 570.205/ N/A	CDBG	\$ 66,000	6/10-5/11			
Planning/Admin- istration	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	\$ 54,000	6/10-5/11			
Public Services	CD-2c		M	51	Access & Outreach: Provide liaison services to residents and community groups, promote integration of diverse communities into the work and priorities of the City of Minneapolis and Minneapolis neighborhood organizations, and work with City Departments regarding equal access to City services for residents where barriers such as language, cultural norms, or disability exist. Native American Advocate promotes American Indian community participation throughout City enterprise and assist Native Americans in navigating City systems and facilitating community initiatives.	N	N	N	N	Enhance Suitable Living Environment Through Improved/new Accessibility; Accomplishments for 2010 Projected to be 6453 People	Neighborho od and Community Relations	Local Gov't/ 5 Public Services 570.201/ L/M Ltd. Clientele 570.208(a)(2)	CDBG	\$ 121,000	6/10-5/11			
CDBG Total Budget														\$ 14,439,575	6/10-5/11			

HUD Table 3 - 2010 Proposed Projects

Priority	Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	<div> <div>Help the Homeless?</div> <div>Help those with HIV/AIDS?</div> <div>Assist Persons with Disabilities?</div> <div>Assist Persons with Public Housing Needs?</div> </div>				Outcome		Type/ Eligible Activity/Natio nal Objective	Funding Source	2010 Council Adopted Budget	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: Homeownership Works (10 Housing Units) (described in Action Plan), Affordable Housing Trust Fund (80 Housing Units) (see project #4 above), 10% Administration. Overall, up to 15% of the grant will be used to support CHDO-sponsored activities.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 90 Total Housing Units	CPED		HOME	\$ 3,780,884	6/10-5/11
Homeless / HIV/AIDS		HM-1b	H	53	Emergency Shelter Grants (ESG): Administration expense is 5% of program budget. 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. Projects are selected through an annual request for proposal process scheduled for May 2010. Awards will be made in September 2010. 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. ESG expenditures are matched one for one by projects with local funding.	Y	N	Y	N	Create Decent Housing with Improved/New Availability; Accomplishments for 2010 Projected to be 55 People	CPED		ESG	\$ 587,765	6/10-5/11
Homeless / HIV/AIDS		SPH-1	H	54	HOPWA (Housing Opportunities for Persons with AIDS): The City is allowed 3% of program year HOPWA funding to administer the program. HOPWA funds are advertised through an RFP process each year, and currently they are split between two tenant-based rent providers. (1) Metropolitan Council Housing Redevelopment Authority (MetroHRA) - permanent rental subsidy Housing Assistance Program: Rental subsidy program for persons with HIV/AIDS. Clients who have exhausted time limits are referred from the Transitional Housing Program run by the Minnesota AIDS Project. (2) Minnesota AIDS Project (MAP) - transitional housing subsidy Transitional Housing Program: Provision of 24 months (12 months for individuals) of transitional housing rental assistance to families of persons with HIV/AIDS. Assistance is made available metro-wide.	N	Y	Y	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2010 Projected to be 125 People	City of Mpls Admin, Sub-recipients		HOPWA	\$ 977,370	6/10-5/11
Total CDBG, ESG, HOME, HOPWA, ADDI:														\$ 19,785,594	

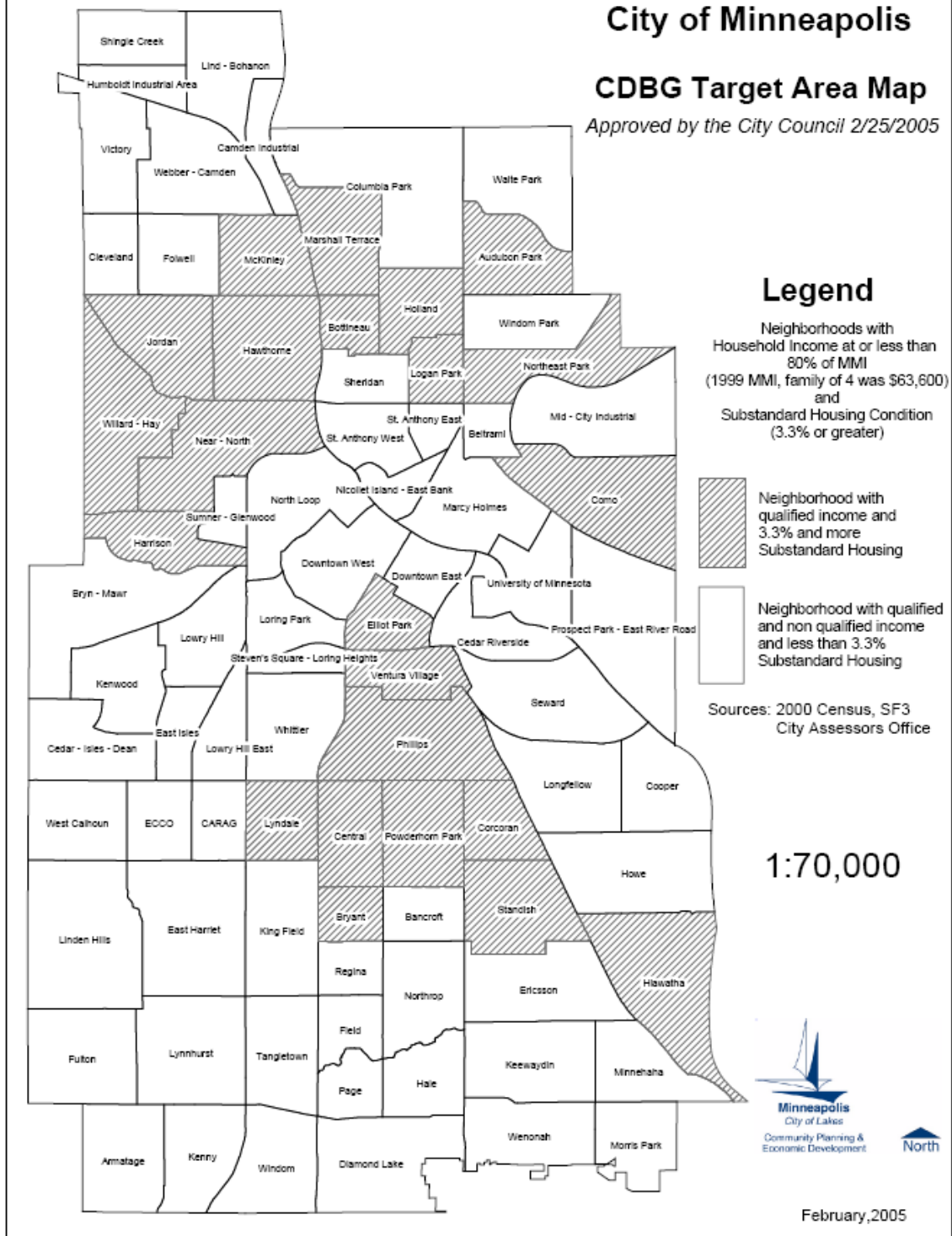
Consolidated Plan Maps

1. Minneapolis Neighborhoods CDBG Target Area Map
2. 2000 Census Minneapolis Minority Impacted Census Tracts
3. 2000 Census Minneapolis Poverty Impacted Census Tracts
4. Minneapolis HOPWA Program Area
5. HUD Estimated Foreclosure and Abandonment for NSP funds
6. 2000 Census Minneapolis Very Low Income Areas
7. 2000 Census Minneapolis Low Income Areas
8. 2000 Census Minneapolis Moderate Income Areas

City of Minneapolis

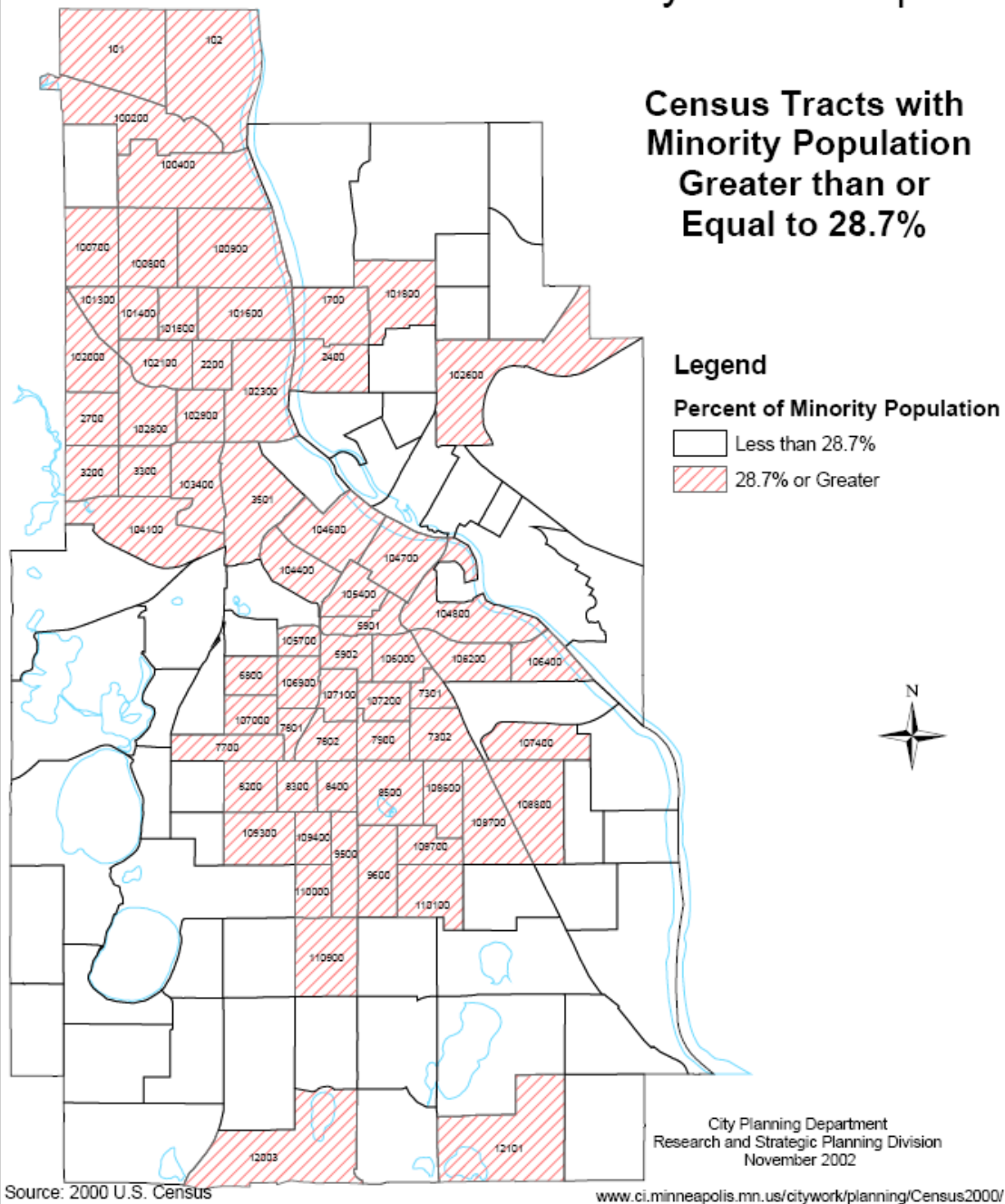
CDBG Target Area Map

Approved by the City Council 2/25/2005



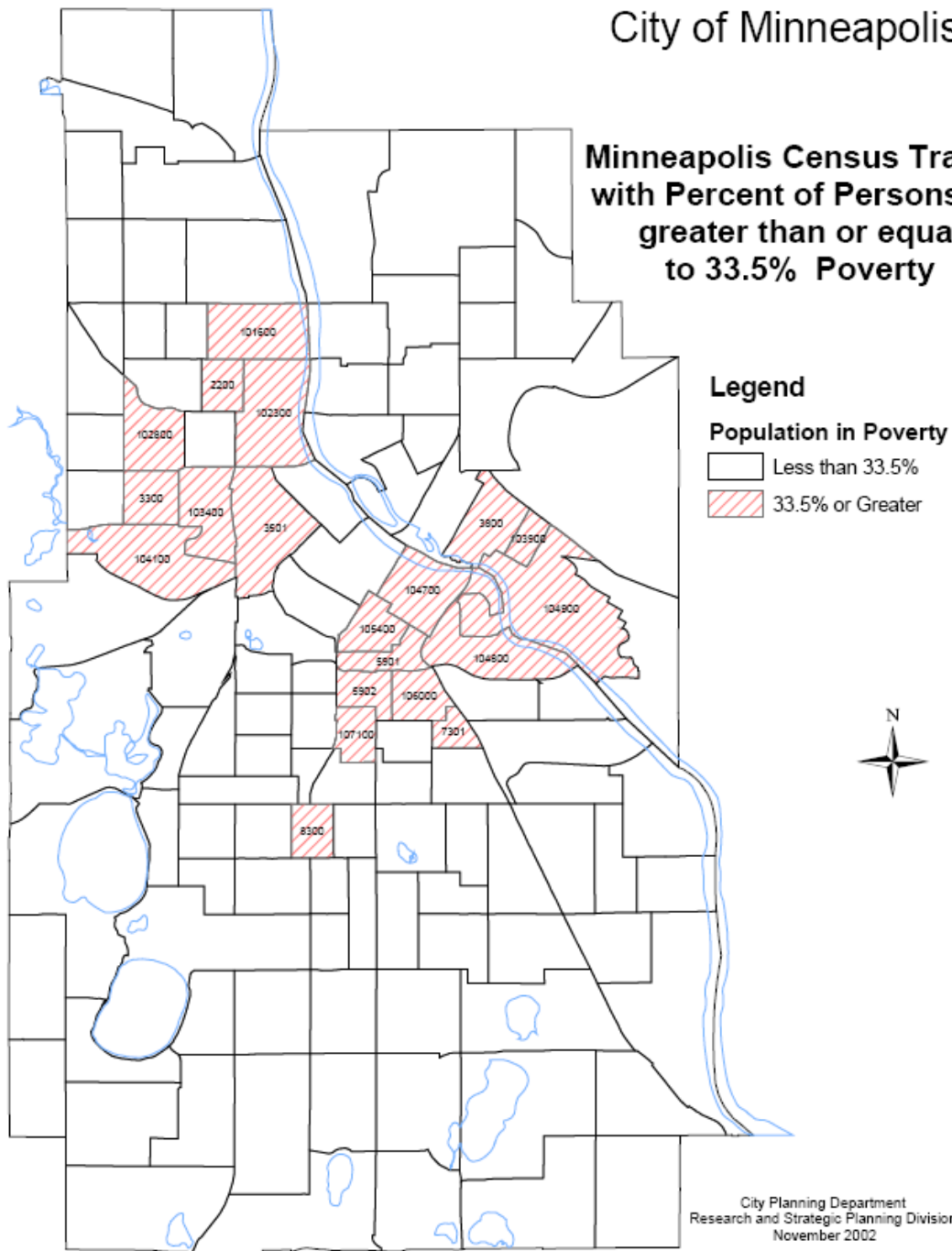
2000 Census City of Minneapolis

Census Tracts with Minority Population Greater than or Equal to 28.7%



2000 Census City of Minneapolis

Minneapolis Census Tracts with Percent of Persons at greater than or equal to 33.5% Poverty

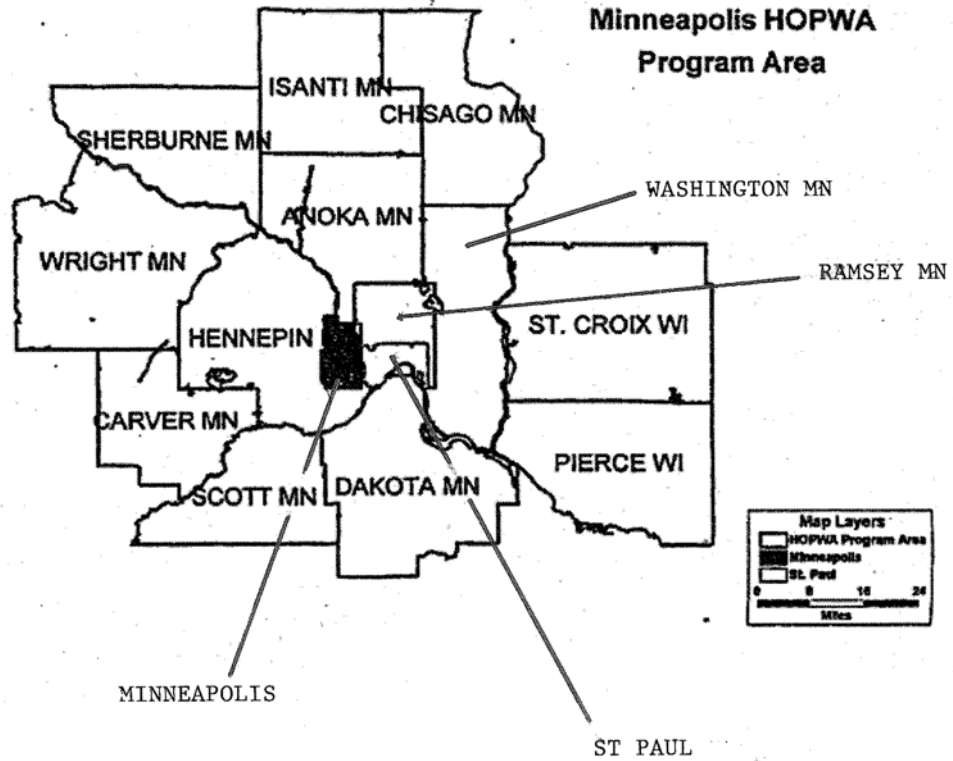


Source: 2000 U.S. Census

www.ci.minneapolis.mn.us/citywork/planning/Census2000/

Map 22

Minneapolis HOPWA
Program Area



HUD Estimated Foreclosure and Abandonment Risk Score with Actual Foreclosures and Registered Vacant and Boarded Properties

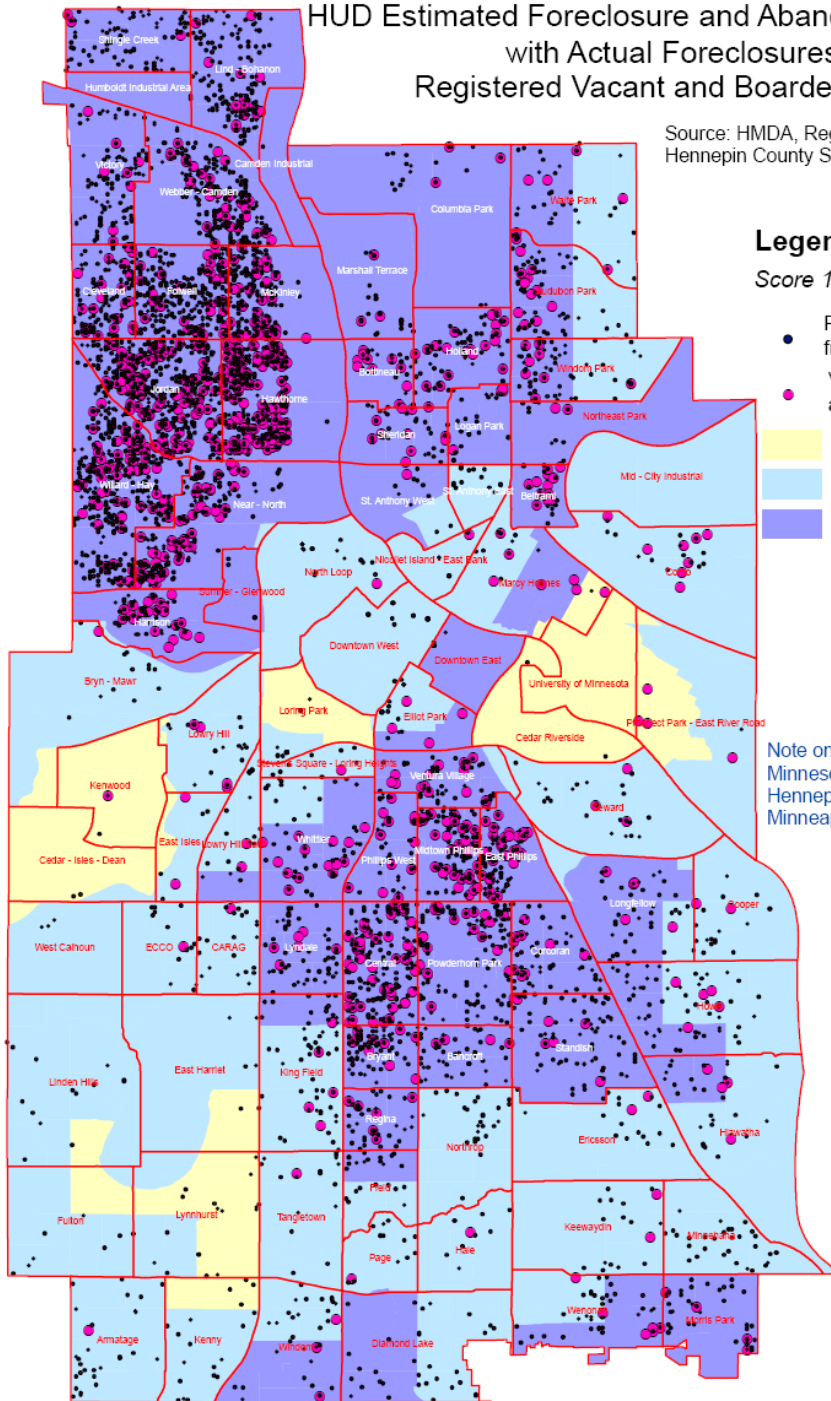
Source: HMDA, Regulatory Services and
Hennepin County Sheriff's

Legend

Score 1 to 10

- Property foreclosed (n=4,481)
from 2007 to June 2008
- Vacant & Boarded Properties
as of July 2008 (n=943)
- 1, 2, & 3 - Low Risk
- 4, 5 & 6 - Moderate Risk
- 7, 8, 9 & 10 - High Risk

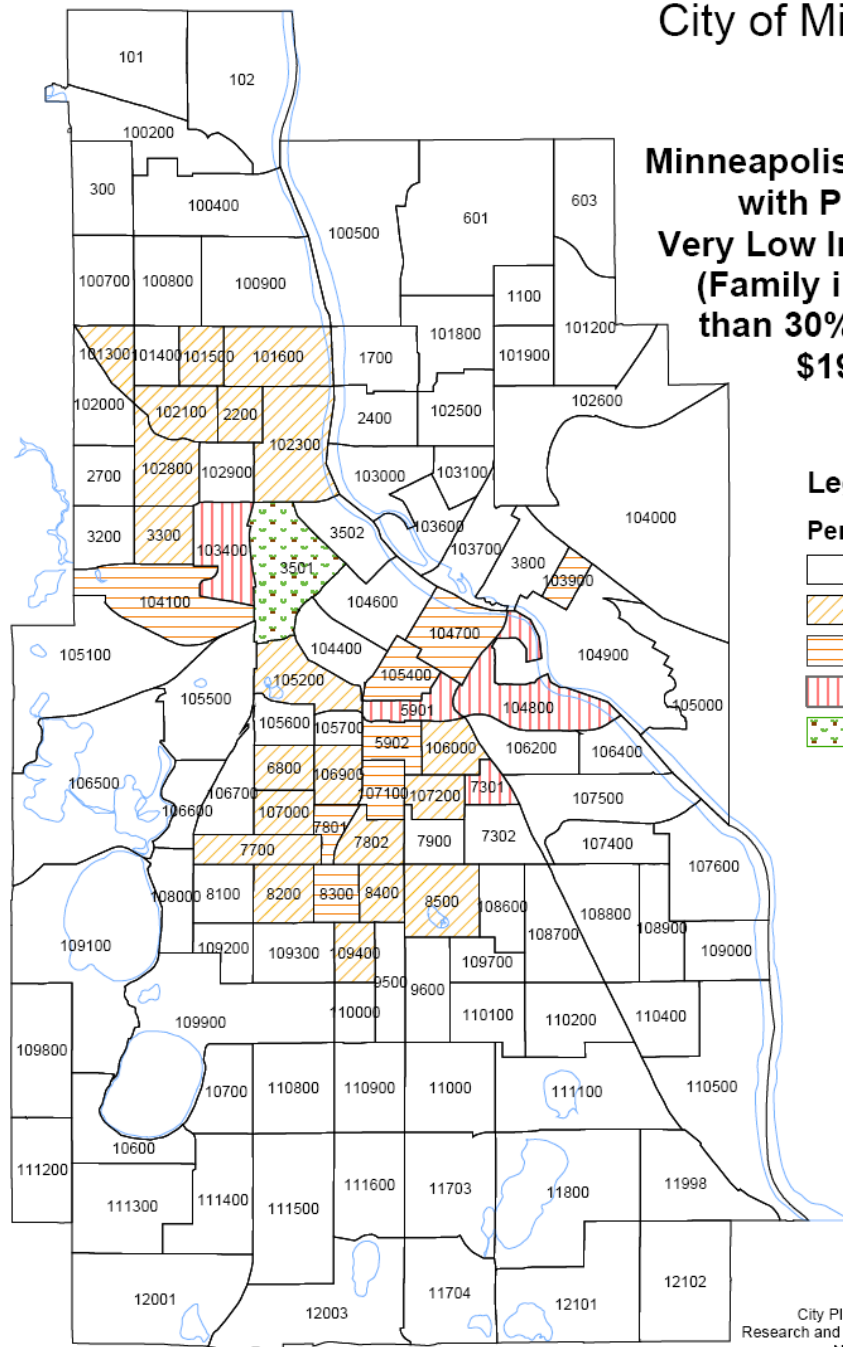
Note on Risk Score:
Minnesota average score= 6.65
Hennepin County average score= 5.77
Minneapolis average score= 6.75



City of Minneapolis
Department of Community Planning
& Economic Development - CPED
Created by CPED Research
Oct. 28, 2008

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



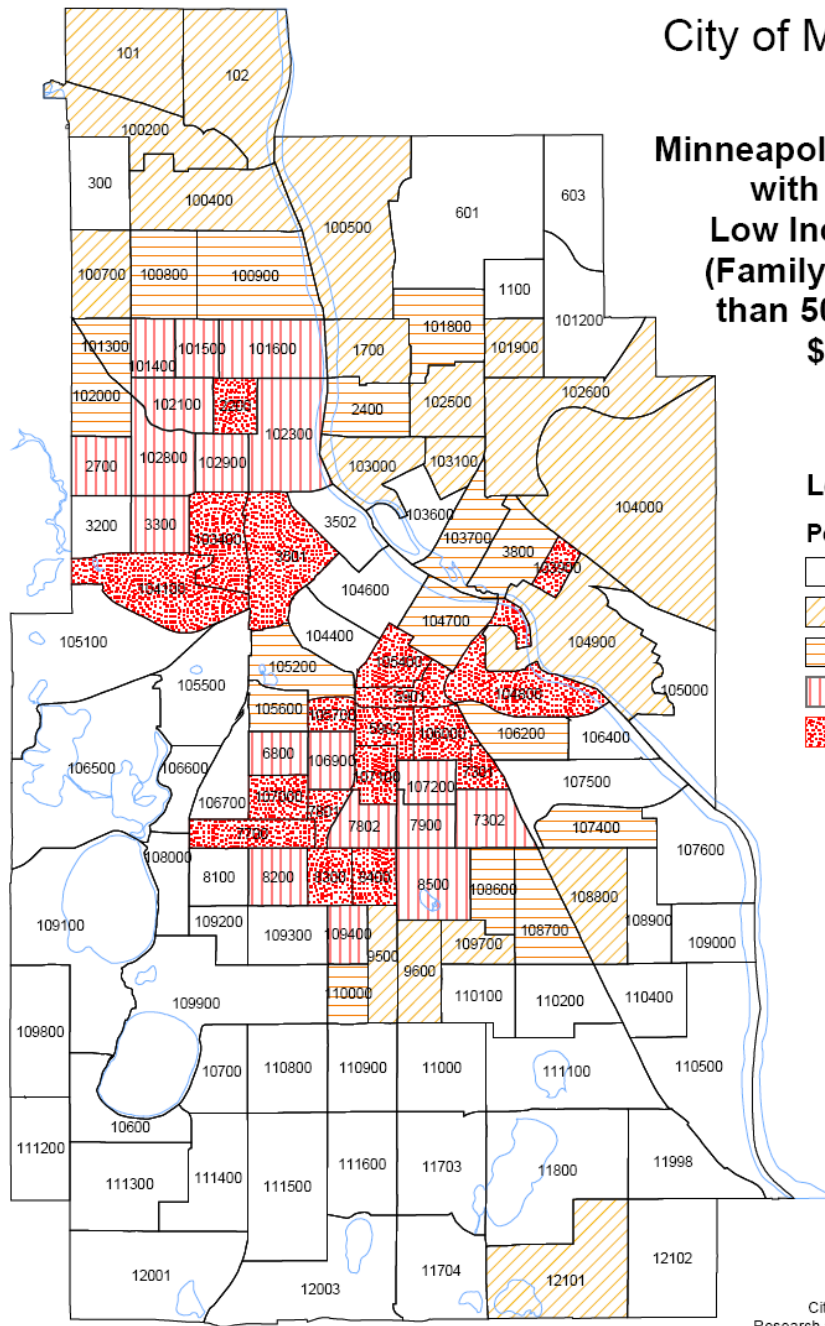
City Planning Department
Research and Strategic Planning Division
November 2002

Source: 2000 U.S. Census

www.ci.minneapolis.mn.us/citywork/planning/Census2000/

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

Source: 2000 U.S. Census

www.ci.minneapolis.mn.us/citywork/planning/Census2000/

**Minneapolis Census Tract
with Percent of
Moderate Income Family
(Family income less
Than 80% of MMI or
\$50,880)**

