

**The FY 2015
Minneapolis**

**HUD CONSOLIDATED PLAN
*for Housing and Community Development***

**2015-2019 Consolidated Plan
& One Year Action Plan**

June 1, 2015 – May 31, 2016

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



**EQUAL HOUSING
OPPORTUNITY**

Table of Contents

Executive Summary.....	5
ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b).....	5
The Process.....	12
PR-05 Lead & Responsible Agencies 24 CFR 91.200(b).....	12
PR-10 Consultation - 91.100, 91.200(b), 91.215(l).....	14
PR-15 Citizen Participation.....	20
Needs Assessment.....	27
NA-05 Overview.....	27
NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c).....	28
NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2).....	41
NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2).....	47
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2).....	55
NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2).....	57
NA-35 Public Housing – 91.205(b).....	58
NA-40 Homeless Needs Assessment – 91.205(c).....	64
NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d).....	74
NA-50 Non-Housing Community Development Needs – 91.215 (f).....	83
Housing Market Analysis.....	86
MA-05 Overview.....	86
MA-10 Number of Housing Units – 91.210(a)&(b)(2).....	88
MA-15 Housing Market Analysis: Cost of Housing - 91.210(a).....	91
MA-20 Housing Market Analysis: Condition of Housing – 91.210(a).....	95
MA-25 Public and Assisted Housing – 91.210(b).....	100
MA-30 Homeless Facilities and Services – 91.210(c).....	105
HUD-Approved Consolidated Plan	2

MA-35 Special Needs Facilities and Services – 91.210(d).....	109
MA-40 Barriers to Affordable Housing – 91.210(e).....	112
MA-45 Non-Housing Community Development Assets – 91.215 (f).....	113
MA-50 Needs and Market Analysis Discussion.....	121
Strategic Plan	126
SP-05 Overview	126
SP-10 Geographic Priorities – 91.215 (a)(1).....	130
SP-25 Priority Needs - 91.215(a)(2).....	131
SP-30 Influence of Market Conditions – 91.215 (b).....	136
SP-50 Public Housing Accessibility and Involvement – 91.215(c).....	154
SP-55 Barriers to affordable housing – 91.215(h).....	155
SP-60 Homelessness Strategy – 91.215(d).....	157
SP-65 Lead based paint Hazards – 91.215(i).....	159
SP-70 Anti-Poverty Strategy – 91.215(j)	161
SP-80 Monitoring – 91.230	163
Expected Resources	165
AP-15 Expected Resources – 91.220(c)(1,2)	165
Annual Goals and Objectives	170
Projects	172
AP-35 Projects – 91.220(d)	172
AP-38 Project Summary	174
AP-50 Geographic Distribution – 91.220(f).....	194
Affordable Housing	196
AP-55 Affordable Housing – 91.220(g)	196
AP-60 Public Housing – 91.220(h).....	198
AP-65 Homeless and Other Special Needs Activities – 91.220(i).....	199

AP-70 HOPWA Goals - 91.220 (l)(3)	202
AP-75 Barriers to affordable housing – 91.220(j)	203
AP-85 Other Actions – 91.220(k)	204
Program Specific Requirements.....	205
Attachments.....	211
Appendix	253

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2015-19 Minneapolis 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 Solutions Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)
- HOME Investment Partnerships (HOME)

This year's Consolidated Plan provides a five-year strategy covering program years 2015-2019 and builds off the city's previous five-year strategy issued in 2010. 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 programming initiatives in the city that affect the city's low- and moderate-income residents.

The City of Minneapolis' 2015 Consolidated Plan Action Plan program year runs from June 1, 2015 through May 31, 2016. The City's lead agency responsible for the Plan's development is the Office of Grants & Special Projects, housed in the Intergovernmental Relations Department, in the Office of the City Coordinator.

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. The 2015 Consolidated Plan total funding is \$14.4 million, which is an overall decline from \$19.8 million received in 2008.

The City is concerned about the impact that HUD budget cuts will have on the CDBG program in particular and CDBG's benefits for the City's 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 is reduced. These cuts affect 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.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The City of Minneapolis' Consolidated Plan seeks to address the following HUD objectives and outcomes for these HUD entitlement funds:

Objectives:

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

Outcomes:

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

In pursuit of these HUD objectives and outcomes, the City will pursue the following goals with its HUD resources over the 2015-19 Consolidated Plan:

Sustainable, Affordable Housing-- Work to maintain and increase the community's availability of decent, safe and sanitary affordable housing options for low- and moderate-income households in line with the city's goals of Living Well and One Minneapolis.

Community Economic Development-- Work to create economic growth opportunities accessible to low- and moderate-income residents and support workforce training options enabling residents to take advantage of those opportunities consistent with the city's goals of One Minneapolis and A Hub of Economic Activity and Innovation.

Safe, Equitable, Livable Environment-- Provide services and programming that support low income residents in realizing safe, equitable and livable communities promoting healthy lives consistent with the city's goals of Living Well, One Minneapolis, and Great Places.

All of the above goals will be pursued with opportunity and equity in mind. Implementation strategies in support of these goals are detailed in the Strategic Plan of this document.

3. Evaluation of past performance

The City continues to address 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; preserve and create decent, affordable housing opportunities; and provide needed public services for its low- and

moderate-income residents. 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 in order 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. Additionally, the HUD Secretary determines that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received. HUD has summarized the City of Minneapolis' accomplishments and achievements for the City's most recently completed 2013 program year as follows:

- The City's funds were committed and expended in a timely manner;
- Over 60 single-family units were rehabilitated for occupancy by low- and moderate-income households;
- 13 households received homebuyer assistance;
- over 60 rental units were rehabilitated or preserved;
- 40 nuisance properties were addressed;
- Over 400 low- and moderate-income persons received job training and placement assistance;
- 17 activities assisted in excess of 7,000 people through public service activities including senior services, child care, employment training, health, housing counseling and mortgage assistance;
- six organizations received ESG funding to assist with street outreach, provide rapid re-housing assistance, and rehabilitating shelters;
- Two organizations received HOPWA funding assisting over 150 people, and
- Lead-based paint screening and reduction continued to be done on properties assisted resulting in units being made lead safe.

additional evaluation text

As the City approaches the completion of the 2010-14 five-year Consolidated Plan planning cycle, most of its 2010-14 goals are being met or exceeded, with the following exceptions as of the end of FY13:

Goal: Develop shelter and supportive housing options for those persons experiencing homelessness (30% of goal achieved): The city has approved projects in the development pipeline to address the goal. These projects are in process of finalizing their financing so it is unknown if the units will come on line by the end of the five-year cycle (FY2014).

Goal: Develop new affordable senior housing (46% of goal achieved): The city has approved projects in the development pipeline that should address the goal as stated. These projects are in process of finalizing their financing so it is unknown if the units will come on line by the end of the five-year cycle (FY2014). At the end of 2013 the city updated its affordable housing policy with an emphasis on the production of new affordable senior housing over the next decade.

Goal: Acquisition and slum blight removal and reuse to support affordable housing development (38% of goal achieved): This goal had been aggressively set. The city has been focused recently on getting assemble parcels made available for new development.

Goal: Support multi-family housing grants to non-profit developers for predevelopment assistance (26% of goal achieved): The city has been deemphasizing this assistance in favor of making more funding available for actual development.

Goal: Finance preservation of housing opportunities for persons with special needs (7% of goal achieved): To date the city has only been able to report seven percent of the five year goal as being met for this goal. However, the city has approved projects in the development pipeline that should address the goal as stated. These projects are in process of finalizing their financing so it is unknown if the rehabbed units will come on line by the end of the five-year cycle (FY2014).

Goal: Contribute capital resources to the rehabilitation of supportive housing and shelter units consistent with the Continuum of Care (38% of goal achieved): The city has approved projects in the development pipeline to address the goal. It is unknown if the rehabbed units will come on line by the end of the five-year cycle (FY2014).

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. The City will continue to focus its HUD community development resources on the priority needs and goals detailed in this 2015-19 Strategic Plan. Projects supporting these needs have been substantial to the City being able to realize the gains that have been made in the recent past.

Annual performance in use of HUD resources is reported annually in the city's Consolidated Annual Performance and Evaluation Report (CAPER), past reports can be viewed at http://www.minneapolismn.gov/grants/grants_consolidated-plan

4. Summary of citizen participation process and consultation process

Throughout the development of the Consolidated Plan, citizen input is encouraged and sought. 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. Elements of the citizen participation plan are found throughout this document.

The full Consolidated Plan Citizen Participation Plan is found in the Appendix.

5. Summary of public comments

Public Hearing October 21, 2014

This public hearing was held for the purpose of obtaining comment for initial community and stakeholder input on Community needs for development of the 2015-2019 Five-Year Consolidated Plan.

Comments are summarized as follows: No comments were received

Public Hearing November 18, 2014

This public hearing was held for the purpose of obtaining comment on the City of Minneapolis proposed 2015 City budget & tax levy, including the proposed 2015 Consolidated Plan budget.

Comments are summarized as: Several specific comments concerned increasing the city budget contribution to the Affordable Housing Trust Fund (AHTF). Additionally, concern was voiced, overall, about the homelessness situation, including among school children, and two persons spoke specifically in support of sustained ESG funding for street outreach, emergency shelters, and affordable housing. One person represented the Southeast Senior Block Nurse program noting that CDBG funding was cut from this program a few years ago and the City should reconsider reinstating CDBG as a valuable investment to help keep seniors living independently in their homes longer. Two persons from MPHA spoke to the need for increased security funding at public housing locations, with the request that the tax levy to MPHA be restored/increased after the reduction in 2010. One person spoke to the need for increasing or adding HOME programing for single family rehab, rental housing, and rent subsidies. Two persons spoke in support of sustained CDBG funding for Economic Development including the B-TAP program, Great Streets, façade improvements and neighborhood development. Eight persons spoke to the need for

protected and expanded bike lanes throughout the City, and one person spoke to the cut of, and need for, funding to public arts in support of the art community in the City.

Public Hearing December 10, 2014

This public hearing was held with the City Council 2015 Budget Adoption for the purpose of obtaining comment on the 2015 City Budget, including the proposed 2015 Consolidated Plan budget.

Comments are summarized as: Approximately 55 persons spoke at this public hearing, with 5 of those individuals speaking directly to low income housing needs. One person expressed gratitude to the City Council for increasing the 2015 funding levels in the Affordable Housing Trust Funds (AHTF); three persons from the Minneapolis Highrise Representative Council spoke to the need for increased security funding at public housing locations needed as a result of the 2010 tax levy reduction to MPHA; one person from Minneapolis Public Housing further emphasized the need for increased security funding in response to the 2010 tax levy reduction.

Additional public comment summary

Public Hearing April 7, 2015

This public hearing was held at the Minneapolis City Council Community Development & Regulatory Services Committee to allow public verbal input pertaining to the Consolidated Plan.

Comments are summarized as: Five persons spoke representing public housing residents, legal aid clients, housing advocacy, domestic violence advocacy and fair housing research. One person spoke to the Plan needing to include a needs discussion around public infrastructure especially as it pertains to elderly and residents who are disabled. One person spoke to the concern of lack of data for housing and community needs of persons and families facing domestic violence, sexual assault and human trafficking for both the community as a whole and lack of data for public housing residents affected by these issues as expressed in one of the HUD tables. Three speakers commented on the inadequacy of the recently completed Regional Analysis of Impediments to Fair Housing specifically and broadly at fair housing issues.

Public Comment Period March 17- April 16, 2015

A 30 day public comment period was held to allow public review and comment of the 2015-19 Consolidated Plan.

Written comments are summarized as follows. The full written comments received are found in the Appendix. *Four written comments were received. Two from Legal Aid Society and Institute for Metropolitan Opportunity expanded upon oral comments made at the April 7, 2015 public hearing regarding the Regional Analysis of Impediments to Fair Housing. Two comments were received regarding*

lack of data and suggested strategy narratives around issues of domestic violence and housing. The full written comments are contained in the Appendix.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments were received by the City Council for consideration.

7. Summary

Provided data and accompanying analysis of those facing domestic violence and suggested strategies were incorporated into the Consolidated Plan document. The City is grateful for this information and will continue to work with interest groups at obtaining appropriate data in the future. The MPHA was queried about the lack of data on domestic violence victims in the public housing characteristics table 25. They responded that this information is not currently collected for submittal to HUD which provided the data. City staff consulted several other Consolidated Plans around the country and found that lack of this data is common. City staff will communicate to public housing staff the community interest in having this data made available in future Plans.

The City worked with other metropolitan entitlement jurisdictions in contracting for a Regional Analysis of Impediments to Fair Housing (AI). During the public comment period for the AU and Consolidated Plan, comments and suggestions were submitted by the greater fair housing community. City staff attempted to have several of these public comments incorporated into the final AI product, but the contractor and larger regional group did not incorporate any city suggestions to a significant extent. Recognizing the AI concerns expressed by the public during the Consolidated Plan process, the City will work with the fair housing community over the next six months to supplement the AI with additional local analysis reflective of conditions facing Minneapolis residents. Minneapolis will reach out to other local entitlement jurisdictions to solicit their participation as well. The goal will be to have a supplemental document available to inform the 2016 and future action plans in the 2015-19 Consolidated Plan. As noted in the Appendix's Analysis of Impediments discussion, the City is committed to several actions to address impediments raised in the most recent and past Regional AIs both individually and through the Fair Housing Implementation Council.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MINNEAPOLIS	Intergovernmental Relations Department
HOPWA Administrator	MINNEAPOLIS	Intergovernmental Relations Department
HOME Administrator	MINNEAPOLIS	Community Planning & Economic Development Dept.
ESG Administrator	MINNEAPOLIS	Community Planning & Economic Development Dept

Table 1 – Responsible Agencies

Narrative

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. Consolidated Plan policy items are under the general purview of the City Council's Community Development and Regulatory Services Committee.

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 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.

Consolidated Plan Public Contact Information

Questions regarding the Consolidated Plan can be directed to Matt Bower of the Intergovernmental Relations Department, Office of Grants & Special Projects.

307M City Hall

350 South Fifth St.

Minneapolis, MN 55415

(612) 673-2188

Fax: (612) 673-3250

Matthew.Bower@minneapolismn.gov

PR-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

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.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

City staff of the Grants and Special Projects office consult internally with the Minneapolis Department of Community Planning and Economic Development (CPED), Department of Health, and other city departments as appropriate in drafting the Consolidated Plan Five-Year Strategy. Heading Home Hennepin staff in the Office to End Homelessness provide information and analyses on homelessness needs and priorities. The Minneapolis Public Housing Authority (MPHA) provide data and information on public housing. Various outside groups were consulted informally by staff. Outside efforts were reviewed for formally provided input to city programming priorities and strategies through means such as advisory committees, task groups and commissions. The most recent public documents of these efforts were reviewed for this document.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The City of Minneapolis is an active participant in the local Continuum of Care known as Heading Home Hennepin. The City provides support for the Office to End Homelessness which provides coordination activities for the implementation of goals and strategies of Heading Home Hennepin.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

As noted above, the City provides support for the Office to End Homelessness (OEH) which provides coordination activities for the implementation of goals and strategies of Heading Home Hennepin. OEH advises, leads and staffs efforts to allocate funds, develop appropriate performance standards and outcome evaluation, develop and implement Coordinated Assessment and HMIS priorities, protocols, procedures and management.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Minneapolis Public Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Meetings were held with PHA staff in developing the public housing narratives contained in the plan. Future coordination will involve city staff in presenting the city's Consolidated Plan goals and strategies to annual Agency Plan community meetings. It is also anticipated that future fair housing assessment process that the PHA will be subject to in the future will involve city staff.
2	Agency/Group/Organization	Minnesota HIV Housing Coalition
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	HOPWA Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Minnesota HIV Housing Coalition is the community planning and advisory group that assists with identifying the housing needs for persons living with HIV/AIDS in the EMSA served by the Minneapolis HOPWA grant. Based on their recommendation, renewals for existing programs, providing continuum of care strategies, are a HOPWA funding priority, and if funds appropriated exceed the amount necessary to continue those programs at comparable levels (or if priorities change to address changing needs) funds should be made available for capital projects.

3	Agency/Group/Organization	Heading Home Hennepin
	Agency/Group/Organization Type	Services - Housing Services-homeless Publicly Funded Institution/System of Care Other government - County Planning organization
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Office to End Homelessness is a joint City-County office providing coordination, planning, management and evaluation of Heading Home Hennepin strategies and priorities. The Office is consulted by the City on issues around homelessness needs and priorities.
4	Agency/Group/Organization	City of Minneapolis Advisory Boards
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Health Agency Other government - Local Civic Leaders
	What section of the Plan was addressed by Consultation?	Lead-based Paint Strategy Non-Homeless Special Needs Anti-poverty Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Minneapolis City Council has several community advisory boards which provide input to the city decisionmaking process in areas around need identification, strategy development, priority-setting, and evaluation. Several documents and initiatives related to these boards in areas such as community public services around health, community livability, youth and senior living and other issues inform and contribute to the City's setting of priorities and strategies related to the Consolidated Plan and city budgeting priorities.
5	Agency/Group/Organization	HENNEPIN COUNTY
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Service-Fair Housing Publicly Funded Institution/System of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City and Hennepin County staff consulted and collaborated on needs identification and analysis required for the Consolidated Plan, particularly in areas of special needs populations and homelessness.

Identify any Agency Types not consulted and provide rationale for not consulting

City staff did not rule out any agency input into the Consolidated Plan that could be utilized. The City considers its consolidated planning process an open and fluid environment that can responsively react to new input over the course of the five-year plan.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Heading Home Hennepin	Goals of the Heading Home Hennepin Plan to End Homelessness are related to the Consolidated Plan goals of Sustainable, Affordable Housing and Safe, Equitable, Livable Environment
2014 Regional Analysis of Impediments to Fair Hous	HousingLink under contract to Fair Housing Implementation Council	Affirmative fair housing actions listed in the Consolidated Plan are sourced from the findings in the Analysis of Impediments.
City Goals	Minneapolis City Council	On March 28th, 2014 the Minneapolis City Council adopted the City's vision, values, goals and strategic directions that will guide the City's work for the next four years. City leaders set new goals every four years, resulting in clear priorities that provide long-term direction and clarify the core function of City government. The adoption of the goals followed a public comment period in February and March 2014, when residents were asked to give their feedback on the draft vision, values, goals and strategic directions. The Consolidated Plan goals reflect three of the strategic directions.
Minneapolis Plan for Sustainable Growth	Minneapolis CPED Planning	Strategic plan goals and strategies related to housing and community development sourced from comprehensive plan text regarding future development and redevelopment of the City of Minneapolis.
HIV Housing Coalition Status Report	HIV Housing Coalition	HOPWA goals and priorities set by the HIV Housing Coalition.
2012-17 Strategic Plan	Minneapolis Public Housing Authority	Public housing discussion reflects priorities adopted by the MPHA in their strategic plan.
Thrive MSP 2040	Metropolitan Council	Priorities and goals expressed in the Thrive MSP 2040 are similar to Minneapolis priorities and goals and the forthcoming comprehensive plan update will reconsider the relationship of priorities of the two respective plans.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
2014 Local Unified Plan	Minneapolis Employment and Training	Annual workforce development strategy submitted to Minnesota Department of Employment and Economic Development. Reflects city priorities in economic development and workforce strategy implementation to take advantage of development.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

External consulting with other public entities in the development of the Consolidated Plan is primarily accomplished through 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 as well as the State of Minnesota. Discussion topics of this group consist of joint issues and concerns raised by the Consolidated Plan.

The City administers the HOPWA grant on behalf of the metro area and staff participate with the Minnesota HIV Housing Coalition in planning the annual HOPWA priorities and allocations. City staff are also part of Heading Home Hennepin, Funder’s Council, Minneapolis Lead Testing Task Force, and Fair Housing Implementation Council and other public groups who inform the Consolidated Plan.

Narrative (optional):

PR-15 Citizen Participation

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Throughout the development of the Consolidated Plan, citizen input is encouraged and sought. City of Minneapolis staff has developed a citizen participation plan designed specifically for the Consolidated Plan. Generally, the City of Minneapolis provides its citizens in alternative forums 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 avenues of engagement allow the City Council to sense the needs and views of city residents and factor them into decision-making actions. 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 policy 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 this 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 sources 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, 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 that undergoes City Council input and deliberation. Additionally, the Consolidated Plan and its development is informed 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.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
------------	------------------	--------------------	--------------------------------	------------------------------	--	---------------------

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	One Minneapolis Resident Submitted Oral Comments at the 2013 CAPER Public Hearing.	One person spoke at the public hearing pertaining to the CAPER stating [refer to page 18-19] that the southern part of Van White Memorial Boulevard is completed. Their comment requested that more work needs to be done on public realm improvements such as signage on Glenwood Avenue and Van White Memorial Boulevard indicating access to highway I-394 and development of vacant parcels as a park for children.	N/A; The Committee received these comments for the record.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Public Hearing	Non-targeted/broad community	On October 21, 2014, a public hearing was held for the purpose of obtaining initial community and stakeholder input on Community needs for development of the 2015-2019 Consolidated Plan.	No comments were received.	Not Applicable.	
3	Public Hearing	Non-targeted/broad community	On November 18, 2014, a public hearing was held for the purpose of obtaining public comment on the City of Minneapolis proposed 2015 City budget and tax levy, including the proposed 2015 Consolidated Plan.	Please see ES-05 "Executive Summary: Summary of Public Comments" in this document for a detailed summary of the comments received.	Not Applicable.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Hearing	Non-targeted/broad community	On December 10, 2014, a public hearing was held for the purpose of obtaining public comment on the 2015 City Budget, including the proposed 2015 Consolidated Plan budget.	Please see ES-05 "Executive Summary: Summary of Public Comments" in this document for a detailed summary of the comments received.	Not Applicable.	
5	Public Hearing	Non-targeted/broad community	On April 7, 2015 a public hearing was held to receive verbal input pertaining to the 2015-2019 Consolidated Plan.	Please see ES-05 "Executive Summary: Summary of Public Comments" in this document for a detailed summary of the comments received.	Due to lack of CDBG funding, the City has elected to put a low priority on public infrastructure needs. The concerns around the need expressed streets and sidewalks were noted for the record.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Written Comment Period	Non-targeted/broad community	A thirty day comment period for written comments were opened for the draft Consolidated Plan March 17-April 16, 2015.	Written comments are included in the Appendix. Please refer to ES-05 "Executive Summary: Summary of Public Comments" for the April 7, 2015 public hearing for discussion of these written comments.		

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The needs assessment reviews the housing, homelessness, special needs, and community development needs experienced by low- and moderate-income Minneapolis residents. The majority of housing data presented is taken from HUD Comprehensive Housing Affordability Strategy (CHAS). Other non-housing data is provided by HUD and is supplemented in several cases with alternative local data.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

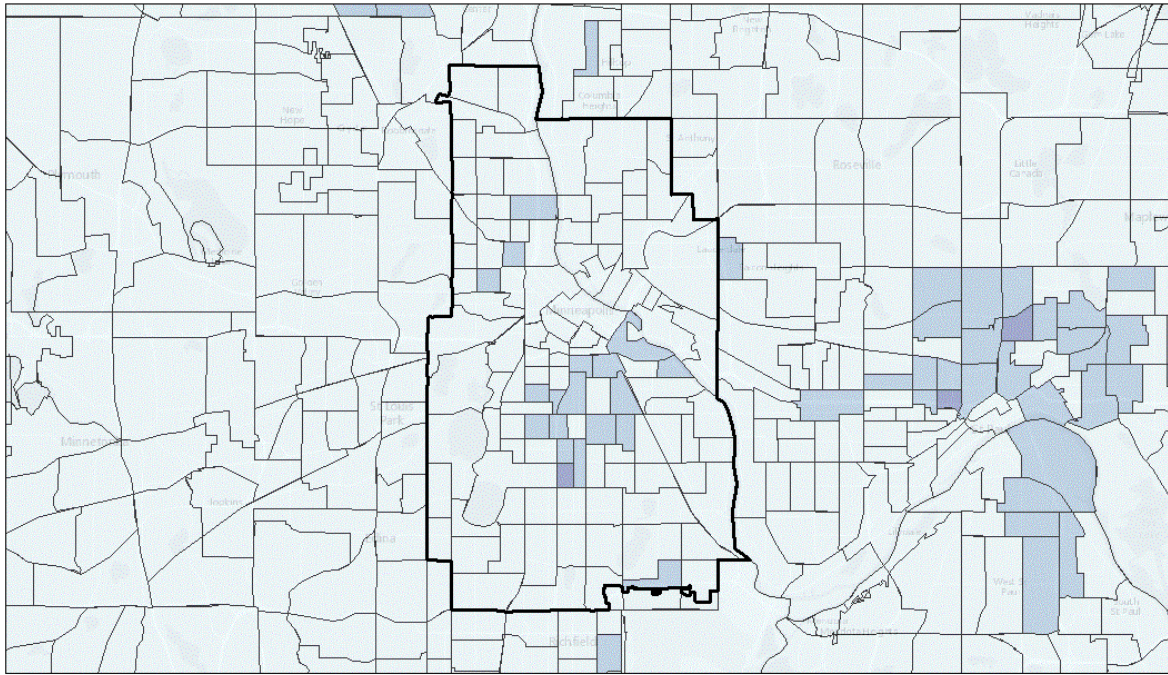
This section reviews the housing needs experienced by low and moderate income Minneapolis residents. It discusses a housing market analysis that touches on the options available to the City in addressing the needs and gaps in the housing supply for HUD client populations. The majority of housing data presented is taken from HUD Comprehensive Housing Affordability Strategy (CHAS) data. Please note, 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. This data is demographic and housing information that is used to inform the decisions for the use of HUD funding. This is supplemented with local city housing data where available.

Demographics	Base Year: 2000	Most Recent Year: 2011	% Change
Population	382,618	381,833	-0%
Households	162,382	168,273	4%
Median Income	\$37,974.00	\$47,478.00	25%

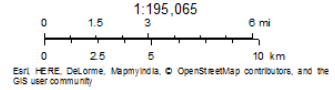
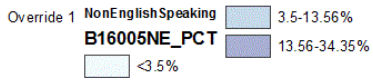
Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Language in Minneapolis - Consolidated Plan and Continuum of Care Planning Tool

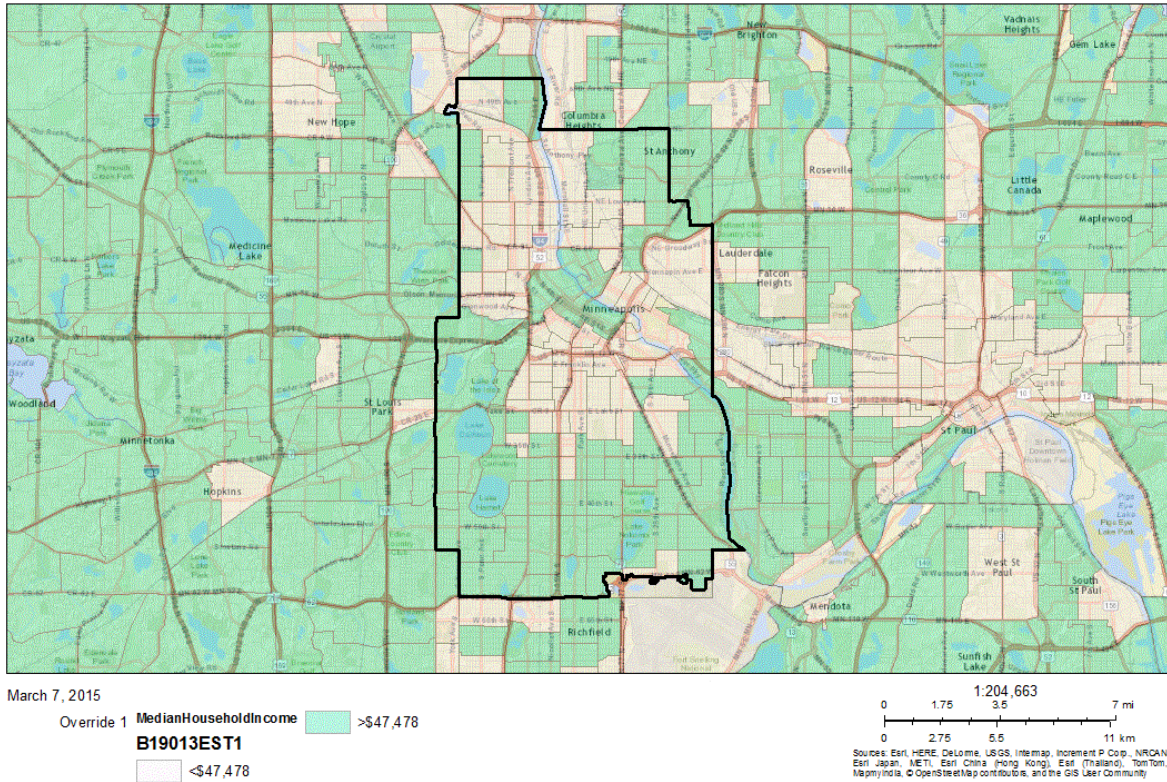


March 7, 2015



Language in Minneapolis - Consolidated Plan and Continuum of Care Planning Tool

Areas Below Median Household Income - Consolidated Plan and Continuum of Care Planning Tool



Areas Below Median Household Income - Consolidated Plan and Continuum of Care Planning Tool

Map: Areas below Median Household Income

This map illustrates city census tracts that are composed of households below the city's median income level of \$47,478. The city's median income is below the metro region's median income of \$86,600 (FY15) . The map shows where Consolidated Plan needs are likely to be more prevalent.

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	37,920	22,160	25,885	16,990	65,310
Small Family Households *	8,850	6,080	7,250	5,520	29,515
Large Family Households *	2,300	1,600	1,275	785	2,310
Household contains at least one person 62-74 years of age	4,580	2,435	2,775	1,805	6,905
Household contains at least one person age 75 or older	3,595	2,370	2,025	785	2,435

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Households with one or more children 6 years old or younger *	6,040	3,815	3,325	1,885	7,060
* the highest income category for these family types is >80% HAMFI					

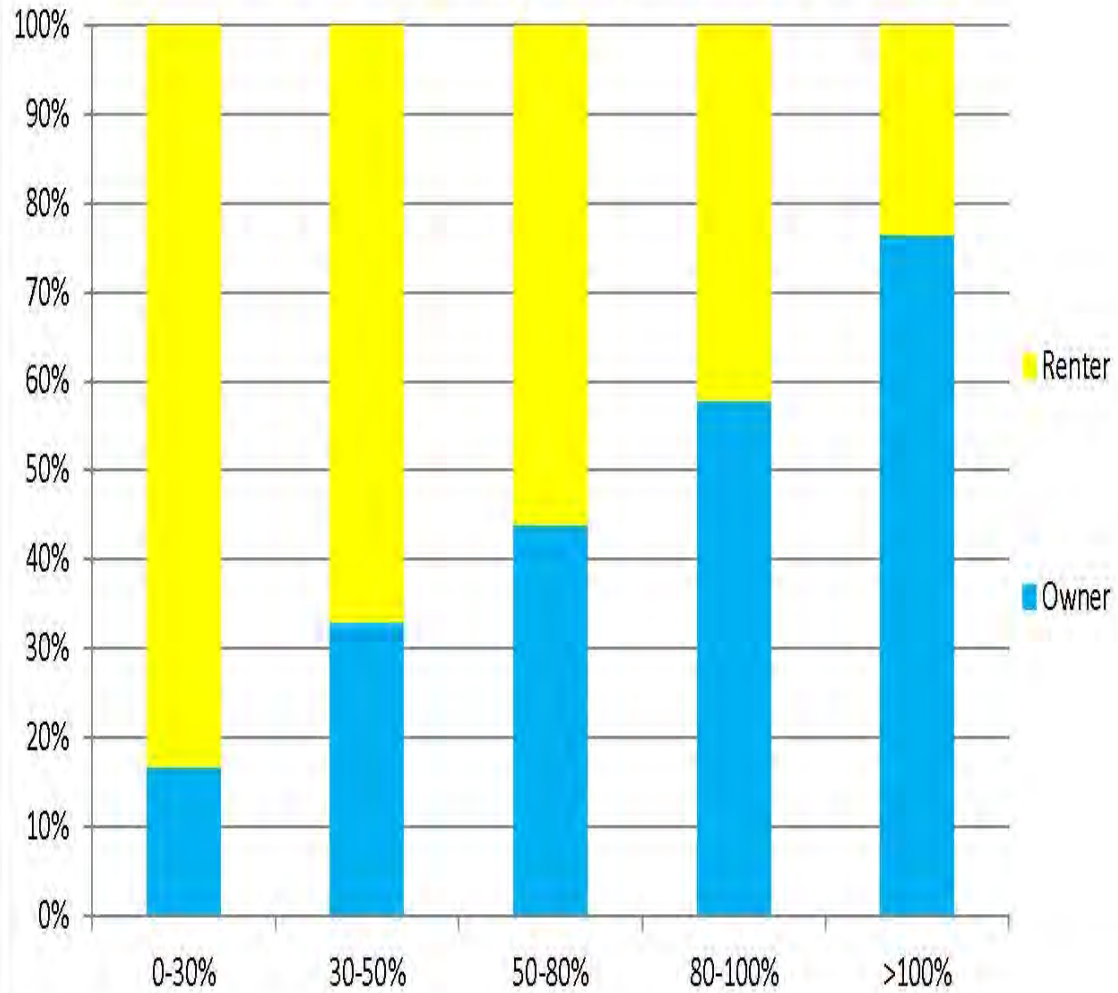
Table 6 - Total Households Table

Data Source: 2007-2011 CHAS

	0-30%	>30-50%	>50-80%	>80-100%	>100%	Total
Owner	6,340	7,335	11,375	9,825	49,920	84,800
Renter	31,580	14,825	14,510	7,165	15,390	83,475
Total	37,920	22,160	25,885	16,990	65,310	168,275

Table 7 - Minneapolis Household Income Distribution: Owner and Renter

Household Type by Income Level



Household Type Income Distribution

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	890	300	200	165	1,555	60	70	10	20	160
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	665	320	200	45	1,230	0	55	90	15	160
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	1,210	960	440	265	2,875	145	145	170	80	540
Housing cost burden greater than 50% of income (and none of the above problems)	17,000	2,485	390	130	20,005	3,910	3,100	2,095	750	9,855

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	5,175	7,370	3,350	585	16,480	1,190	2,240	4,170	3,285	10,885
Zero/negative Income (and none of the above problems)	1,600	0	0	0	1,600	550	0	0	0	550

Table 8 – Housing Problems Table

Data 2007-2011 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	19,760	4,070	1,230	605	25,665	4,115	3,375	2,365	865	10,720
Having none of four housing problems	10,220	10,760	13,280	6,560	40,820	1,680	3,960	9,010	8,960	23,610
Household has negative income, but none of the other housing problems	1,600	0	0	0	1,600	550	0	0	0	550

Table 9 – Housing Problems 2

Data 2007-2011 CHAS
Source:

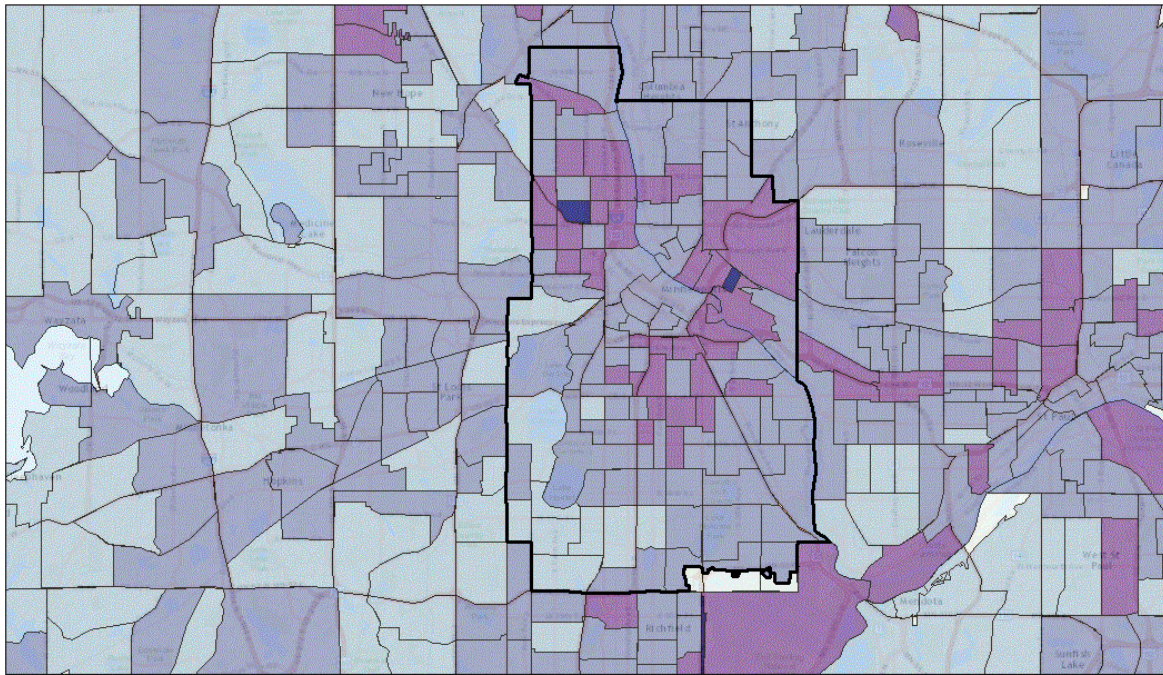
3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	6,460	2,865	1,015	10,340	990	1,500	2,395	4,885
Large Related	1,725	655	110	2,490	295	570	450	1,315
Elderly	3,170	795	350	4,315	2,095	1,870	1,040	5,005
Other	13,150	6,360	2,340	21,850	1,890	1,605	2,475	5,970
Total need by income	24,505	10,675	3,815	38,995	5,270	5,545	6,360	17,175

Table 10 – Cost Burden > 30%

Data 2007-2011 CHAS
Source:

Housing Cost Burden - Consolidated Plan and Continuum of Care Planning Tool



March 7, 2015

Override 1 **HousingCostBurden**
B25106_CB_PCT

- <10% Paying>30%
- 10-30% Paying>30%
- 30-50% Paying>30%
- 50-75% Paying>30%
- >75% Paying>30%

1:195,065
0 1.5 3 6 mi
0 2.5 5 10 km
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Housing Cost Burden - Consolidated Plan and Continuum of Care Planning Tool

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	4,900	705	80	5,685	900	985	550	2,435
Large Related	1,330	235	0	1,565	270	255	200	725
Elderly	1,745	300	75	2,120	1,245	935	470	2,650
Other	10,505	1,400	260	12,165	1,650	1,015	885	3,550
Total need by income	18,480	2,640	415	21,535	4,065	3,190	2,105	9,360

Table 11 – Cost Burden > 50%

Data 2007-2011 CHAS
Source:

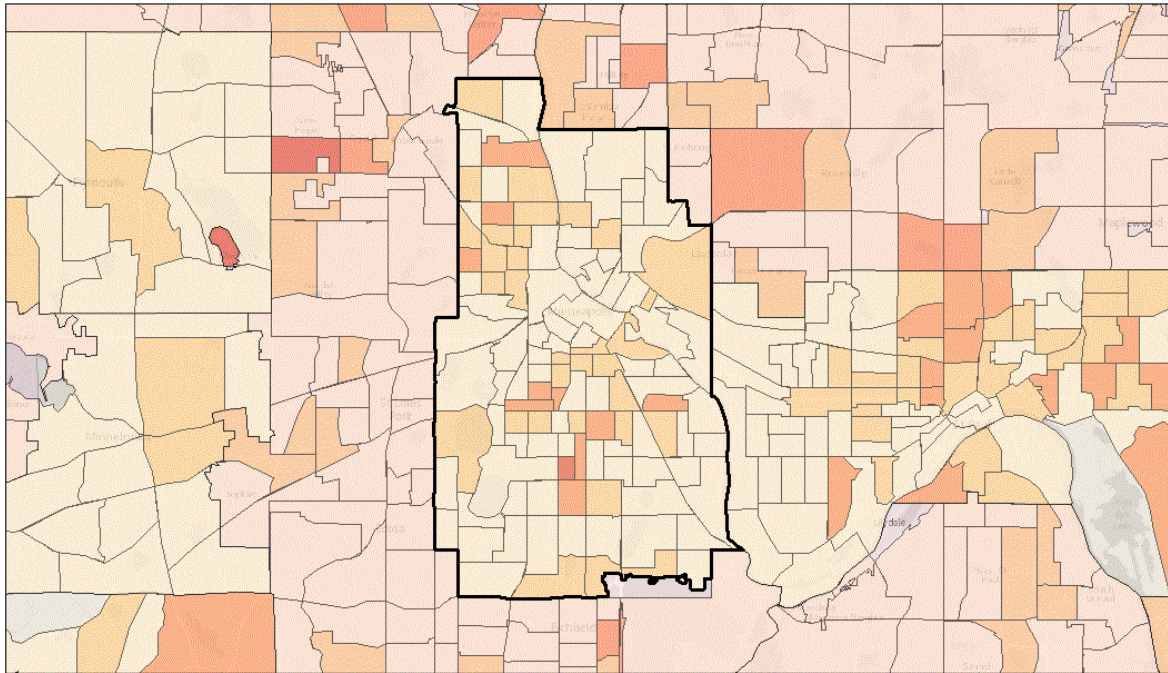
5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	1,600	1,095	475	185	3,355	75	160	135	65	435
Multiple, unrelated family households	200	124	75	65	464	70	39	125	29	263
Other, non-family households	90	80	85	65	320	0	0	0	0	0
Total need by income	1,890	1,299	635	315	4,139	145	199	260	94	698

Table 12 – Crowding Information – 1/2

Data 2007-2011 CHAS
Source:

ery Low-Income Households with Overcrowding - Consolidated Plan and Continuum of Care Planning Too



March 7, 2015
 Override 1 CDBGGrantee Urban County ELIHHWithOvercrowding T10_LE30_OC_PCT
 TYPE_ City <5.47% 5.47-17.82% 17.82-35.9% 35.9-70%
 0 1.75 3.5 7 mi
 0 2.75 5.5 11 km
 Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

Very Low-Income Households with Overcrowding - Consolidated Plan and Continuum of Care Planning Tool

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 13 – Crowding Information – 2/2

Data Source
 Comments:

Describe the number and type of single person households in need of housing assistance.

HUD Research has produced a special tabulation of household size with housing conditions out of the 2012 ACS 5-Year Survey data for the Twin Cities metro region. The data show that for homeowners, 45.2% of single person households have a housing problem. For single person renter households, 52.7% have a housing problem. This compares with the general Minneapolis household population of owners and renters with a housing problem, 31.2% and 38.6% respectively. Again, at the metro level for income

levels below \$15,000, 67.9% of single person owner households have a housing problem and 64.4% of single person renter households have a housing problem.

The most recent 2013 Five-Year ACS data show that for Minneapolis, 40.1% of households are single persons. Using the metro wide housing problems above, approximately half of single person households in the city have a housing problem. It is expected that a housing problem such as cost burden diminish as incomes go up.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

The City's initial work in providing ESG and HPRP resources to rapid rehousing services directed toward families and young mothers with children indicate that victims of domestic violence or other forms of relationship violence commonly find themselves requiring emergency housing assistance. The 2012 Wilder Homelessness Survey found 48% of homeless women and 22% of homeless men reported that they had stayed in abusive relationships because alternative housing is not available. The Minnesota Coalition for Battered Women provided the City data that in a 2012 survey of domestic violence providers in Minnesota, 92% of domestic violence victims' unmet requests for services were for housing (National Network to End Domestic Violence). Further, at least 33% of families in need of housing assistance are victims of domestic violence, dating violence, sexual assault and stalking. This is a conservative estimate based on Minnesota's results from CDC's National Intimate Partner and Sexual Violence Survey.

Additional information indicate the following:

- approximately 2/3 of homeless mothers have experienced severe physical/sexual abuse during their lifetime and a quarter of homeless children have witnessed violence within the past year (SAMHSA 2011 Research Brief citing Bassuk et.al. 1996)
- 2014 Point-in-Time counts for Hennepin County show 8% reporting as a victim of domestic violence.
- Nationally, 1 in 4 women have been victims of severe physical violence by an intimate partner while 1 in 7 men experienced severe physical violence by an intimate partner. (National Intimate Partner and Sexual Violence Survey (2010) Fact Sheet, Centers for Disease Control and Prevention, National Center for Injury and Prevention Control, Division of Violence Prevention)
- Cornerstone Housing reports providing shelter services to 225 households over the past five years, most of whom are escaping domestic violence living situations.

Mid-Minnesota Legal Aid reports that many of their housing-assisted clients are for cases of lack of accommodations for disabilities. Disability claims are the highest number of fair housing cases reported.

The 2014 Analysis of Impediments reported that half of HUD fair housing complaints and up to 90% of fair housing complaints made the State of Minnesota were for the protected class of persons with disabilities.

What are the most common housing problems?

As noted above and throughout the document, cost and overcrowding conditions are the most common housing problem facing residents, especially at lower incomes.

Are any populations/household types more affected than others by these problems?

It is expected that with the general population of the city trending younger with children due to relatively recent immigration patterns and corresponding family household sizes increasing, younger households with children will often face the issues of cost burden and overcrowding. As discussed in the market analysis section, with vacancy rates for multi-bedroom apartments below 2% and with wages at the lower end of the income scale requiring a household to work up to 100 hours a week to reasonably afford an available unit, a far too significant city population faces a severe housing crisis.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Evidence of families in shelter indicate that the number of families in shelter has not decreased as the local economy has improved. With rents outpacing income, inflation, and fair market rents, it is apparent that this situation has contributed to an increase of families using shelter and the City's rapid rehousing experience indicates that many of the households assisted are coming out of housing conditions of rents being unaffordable and overcrowding such as doubling up with extended family members and friends.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

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 greater risk for becoming homeless.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Currently, the rental market is not favorable to households with low incomes. Any household with inability to sustain rent increases the risk of losing housing even to the point of receiving an unlawful detainer making future renting difficult. The rental market is marked with increased competition for available units at all income levels and ownership levels not returning to pre-recession levels adding those households to the rental market for more than a temporary term. Data and experience indicates that households that spend over 50% of their income for housing without the means to reduce that ratio through increasing income will need to balance their housing costs against other life costs such as health, food, transportation, and family expenses.

Discussion

Minnesota Housing Partnership calculates that at current fair market rents, a family would need to earn a housing wage of \$18.19/hour with a forty hour work week to be able to afford a 2 bedroom apartment in Hennepin County. Considering that the area's median hourly wage is \$15/hour for a full time job, housing cost burdens will remain significant for many residents.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

These tables measure households with housing problems where among other factors, cost burden is greater than 30%. Residents in the city usually face problems of overcrowding and excessive cost burden. As resident incomes go up, the incidence of these severe housing problems decrease due to the fact that higher incomes can accommodate greater residential space as well as a reduction in the cost of housing as a percentage of income.

A disproportionately greater need exists when the members of racial or ethnic group at an income level experience severe housing problems at a greater rate (10 percentage points or more) than the income level as a whole.

As an example, assume that 60% of all low-income households within a jurisdiction have a severe housing problem and 70% of low-income Hispanic households have a severe housing problem. In this case, low-income Hispanic households have a disproportionately greater need. The percent of households with a severe housing problem is calculated by taking the HUD CHAS data from the tables below and dividing the number of households with a severe housing problem by the total of households with a severe housing problem and those without a severe housing problem. HUD specifies that the calculation should not include households with no/negative income, although they are included in the CHAS data tables. All highlighted cells in the following tables indicate a disproportionate need.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	30,175	5,985	1,400
White	14,810	2,730	820
Black / African American	9,260	2,420	320
Asian	1,950	210	120
American Indian, Alaska Native	600	255	45
Pacific Islander	0	0	0
Hispanic	2,890	190	35

Table 14 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

NA-15 - Disproportionally Greater Need 0-30% AMI

Housing Problems	Has one or more of four housing problems
Jurisdiction as a whole	80%
White	81%
Black / African American	77%
Asian	86%
American Indian, Alaska Native	67%
Pacific Islander	#DIV/0!
Hispanic	93%

NA-15 0-30% AMI

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	16,150	6,925	0
White	9,495	4,290	0
Black / African American	3,645	1,425	0
Asian	690	310	0
American Indian, Alaska Native	320	115	0
Pacific Islander	0	0	0
Hispanic	1,620	660	0

Table 15 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

NA-15 - Disproportionally Greater Need 30-50% AMI

Housing Problems	Has one or more of four housing problems
Jurisdiction as a whole	70%
White	69%
Black / African American	72%
Asian	69%
American Indian, Alaska Native	74%
Pacific Islander	#DIV/0!
Hispanic	71%

NA-15 30-50% AMI

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	11,655	16,350	0
White	8,950	12,165	0
Black / African American	1,505	2,135	0
Asian	280	505	0
American Indian, Alaska Native	75	140	0
Pacific Islander	0	0	0
Hispanic	680	1,005	0

Table 16 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

NA-15 - Disproportionally Greater Need 50-80% AMI

Housing Problems	Has one or more of four housing problems
Jurisdiction as a whole	42%
White	42%
Black / African American	41%
Asian	36%
American Indian, Alaska Native	35%
Pacific Islander	#DIV/0!
Hispanic	40%

NA-15 50-80% AMI

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	5,405	13,345	0
White	4,340	10,970	0
Black / African American	350	1,035	0
Asian	215	410	0
American Indian, Alaska Native	69	115	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Pacific Islander	0	0	0
Hispanic	385	590	0

Table 17 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

NA-15 - Disproportionally Greater Need 80-100% AMI

Housing Problems	Has one or more of four housing problems
Jurisdiction as a whole	29%
White	28%
Black/ African American	25%
Asian	34%
American Indian, Alaska Native	38%
Pacific Islander	#DIV/0!
Hispanic	39%

NA-15 80-100% AMI

Discussion

At the very low- and low-income levels over two-thirds of total households have housing problems. Across races and ethnicities, housing problems are quite common across all at all income levels. Housing costs burdens affect all in Minneapolis. As pointed out in the tables, the only disproportionate impact felt by a particular group are very-low income Hispanics (93%) and middle-income American Indians, and Hispanic (at 38% and 39% respectively). At a community fair housing forum in 2014, it was noted by

several participants that Latino households in Minneapolis often face issues of overcrowding and doubling up of families within an apartment. Often these apartments lack adequate and workable amenities.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Most of Minneapolis' very low-income households (64%) experience one or more of severe housing problems: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost burden over 50%. Residents in the city usually face the latter two problems, those of overcrowding and excessive cost burden. As resident incomes go up, the incidence of these severe housing problems decrease, again due to the fact that higher incomes can accommodate greater residential space as well as a reduction in the cost of housing as a percentage of income.

A disproportionately greater need exists when the members of racial or ethnic group at an income level experience severe housing problems at a greater rate (10 percentage points or more) than the income level as a whole.

As an example, assume that 60% of all low-income households within a jurisdiction have a severe housing problem and 70% of low-income Hispanic households have a severe housing problem. In this case, low-income Hispanic households have a disproportionately greater need. The percent of households with a severe housing problem is calculated by taking the HUD CHAS data from the tables below and dividing the number of households with a severe housing problem by the total of households with a severe housing problem and those without a severe housing problem. HUD specifies that the calculation should not include households with no/negative income, although they are included in the CHAS data in the following tables.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	23,860	12,295	1,400
White	12,010	5,530	820
Black / African American	6,975	4,705	320
Asian	1,485	675	120
American Indian, Alaska Native	510	350	45
Pacific Islander	0	0	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Hispanic	2,280	795	35

Table 18 – Severe Housing Problems 0 - 30% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Household Income in the Past 12 Months	Number	Percentage
Less than \$14,999	29,581	17.58
\$15,000 to \$24,999	18,448	10.96
\$25,000 to \$34,999	16,713	9.93
\$35,000 to \$44,999	16,226	9.64
\$45,000 to \$59,999	19,639	11.67
\$60,000 to \$74,999	15,674	9.31
\$75,000 to \$99,999	18,672	11.10
\$100,000 to \$124,999	11,843	7.04
\$125,000 to \$149,999	6,919	4.11
\$150,000 or more	14,558	8.65
Total	168,273	
2007-11 ACS		

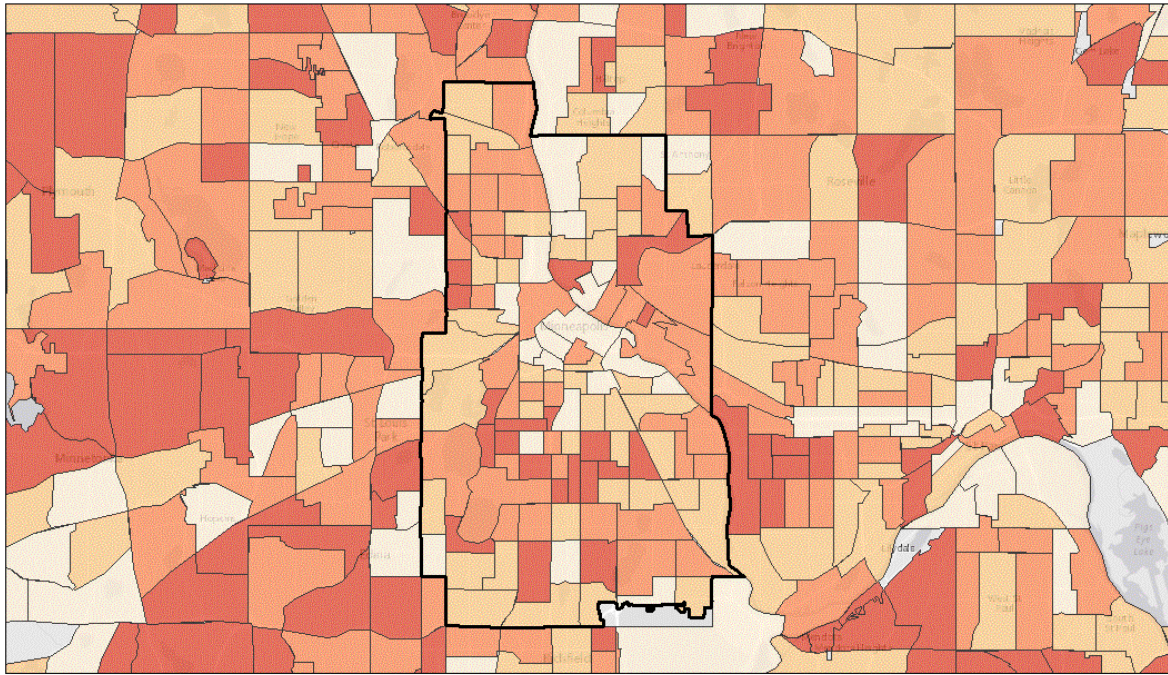
Table 19 - For MINNEAPOLIS (CDBG Grantee) - Household Income in the Past 12 Months

NA-20 - Severe Housing Problems 0 - 30% AMI

Severe Housing Problems*	Has one or more of four housing problems
Jurisdiction as a whole	64%
White	65%
Black / African American	58%
Asian	65%
American Indian, Alaska Native	56%
Pacific Islander	#DIV/0!
Hispanic	73%
*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%	

NA-20 0-30% AMI

Severe Cost-Burdened Very Low-Income Households - CHAS data



March 11, 2015

Override 1 ELIHHWithCostBurden
T8_LE30_CB50_PCT
 <45.26%
 45.26-63.27%
 63.27-80.58%
 >80.58%

1:195,065
 0 1.5 3 6 mi
 0 2.5 5 10 km
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

Severe Cost-Burdened Very Low-Income Households - CHAS data

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	6,730	16,345	0
White	3,765	10,025	0
Black / African American	1,665	3,405	0
Asian	195	805	0
American Indian, Alaska Native	129	300	0
Pacific Islander	0	0	0
Hispanic	860	1,420	0

Table 20 – Severe Housing Problems 30 - 50% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

NA-20 – Severe Housing Problems 30 - 50% AMI

Severe Housing Problems*	Has one or more of four housing problems
Jurisdiction as a whole	29%
White	27%
Black / African American	33%
Asian	20%
American Indian, Alaska Native	30%
Pacific Islander	#DIV/0!
Hispanic	38%
*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%	

NA-20 30-50% AMI

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,710	24,300	0
White	2,515	18,600	0
Black / African American	555	3,085	0
Asian	125	660	0
American Indian, Alaska Native	15	200	0
Pacific Islander	0	0	0
Hispanic	455	1,230	0

Table 21 – Severe Housing Problems 50 - 80% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

NA-20 – Severe Housing Problems 50 - 80% AMI

Severe Housing Problems*	Has one or more of four housing problems
Jurisdiction as a whole	13%
White	12%
Black / African American	15%
Asian	16%
American Indian, Alaska Native	7%
Pacific Islander	#DIV/0!
Hispanic	27%
*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%	

NA-20 50-80% AMI

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,230	17,520	0
White	750	14,560	0
Black / African American	115	1,270	0
Asian	55	570	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
American Indian, Alaska Native	69	115	0
Pacific Islander	0	0	0
Hispanic	235	740	0

Table 22 – Severe Housing Problems 80 - 100% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

NA-20 – Severe Housing Problems 80 - 100% AMI

Severe Housing Problems*	Has one or more of four housing problems
Jurisdiction as a whole	7%
White	5%
Black / African American	8%
Asian	9%
American Indian, Alaska Native	38%
Pacific Islander	#DIV/0!
Hispanic	24%
*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%	

NA-20 80-100% AMI

Discussion

As mentioned above, 64% of Minneapolis very low-income households have one or more of the severe housing burdens. One-third of low-income households face this situation and 13% of moderate- income households do. At moderate- and middle-income levels, Hispanics face a disproportionate share of

severe housing problems while American Indians do middle-income level. All races have similar severe housing problems at the very low- and low-income levels indicating that all racial/ethnicity groups experience similar housing situations.

As noted on the accompanying map, very low-income households experiencing severe housing burdens are primarily concentrated in south central, north of downtown and northeast Minneapolis around the University area and north of that area.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

A disproportionately greater need exists when the members of racial or ethnic group at an income level experience severe housing problems at a greater rate (10 percentage points or more) than the income level as a whole.

As an example, assume that 60% of all low-income households within a jurisdiction have a severe housing problem and 70% of low-income Hispanic households have a severe housing problem. In this case, low-income Hispanic households have a disproportionately greater need. The percent of households with a severe housing problem is calculated by taking the HUD CHAS data from the tables below and dividing the number of households with a severe housing problem by the total of households with a severe housing problem and those without a severe housing problem. HUD specifies that the calculation should not include households with no/negative income, although they are included in the CHAS data in the following tables.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	97,075	34,950	31,685	1,555
White	76,745	23,640	18,610	820
Black / African American	10,025	6,250	8,010	475
Asian	3,045	1,540	1,540	120
American Indian, Alaska Native	1,025	360	605	45
Pacific Islander	80	0	0	0
Hispanic	4,675	2,560	2,245	35

Table 23 – Greater Need: Housing Cost Burdens AMI

Data Source: 2007-2011 CHAS

NA-25– Greater Need: Housing Cost Burdens AMI

Housing Cost Burden	<=30%	30-50%	>50%
Jurisdiction as a whole	59%	21%	19%
White	64%	20%	16%
Black / African American	41%	26%	33%
Asian	50%	25%	25%
American Indian, Alaska Native	52%	18%	30%
Pacific Islander	100%	0%	0%
Hispanic	49%	27%	24%

NA-25 Housing Cost Burden Percentages

Discussion:

Disproportionate needs for cost burdens exists for the following populations:

African Americans and Hispanic households are disproportionately represented among those with no cost burden (paying less than 30% of their income for housing). Fifty-nine percent (59%) of all Minneapolis households pay less than 30% of their income for housing. For African American households, this percentage is only 41%.

All racial groups are within range of the city average of 21% of city households having a cost burden of at least 30%.

Of those city households paying more than 50% of income for housing (severe cost burden), African Americans and American Indians are overrepresented at 33% and 30% respectively.

Moderate-income: African American and American Indian.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

As noted previously, at all income categories most racial and ethnic groups show proportionate housing needs. It appears that this is due to a combination of a constrained rental housing market and stagnant incomes affecting all populations in the city equally. However, disproportionate needs show up with African American and Hispanic groups at the very low-income and African American and American Indian groups at moderate-income levels.

It should be noted that communities of color in Minneapolis, particularly African American residents, are far more likely to live in the lowest income categories. The lowest income levels demonstrate that highest housing needs in the data.

If they have needs not identified above, what are those needs?

One reason that these particular groups may face a disproportionate need is their relatively more severe unemployment rates in the community. There is a much higher unemployment rate for these groups and if employed, they likely encounter more transient employment in jobs that pay well below median wage rates which as noted above, these wage rates do not begin to bring more affordability to housing costs. The tight rental market with extremely low vacancy rates have also meant that rental costs are rising more than any income increases. The situation calls for strategies to raise income levels while at the same time increasing the supply of affordable housing through market or public sector interventions.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

These groups are more likely to be residing in near north Minneapolis northwest of downtown, south central areas of Minneapolis south of I-94 with concentrations more likely between I-35 and Hiawatha Avenue. These same neighborhoods are composed of primarily the oldest rental housing stock in the city. These neighborhoods also contain many public social services. These neighborhoods also are zoned for higher densities and contain higher levels of multifamily housing than the balance of the region. As communities of color in Minneapolis are more likely to have low incomes, the most affordable housing that is accessible to them are in these parts of the city. This has led over time to a concentration of poverty in these neighborhoods and with communities of color more likely to be low income, a concentration of minorities.

NA-35 Public Housing – 91.205(b)

Introduction

Minneapolis Public Housing Authority (MPHA) is the provider of publicly assisted housing in Minneapolis. MPHA is the largest public housing authority in Minnesota, providing over 21,000 residents with decent, safe and affordable housing.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	259	5,983	5,002	617	3,807	163	72	343

Table 24 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Alternate Data Source Name:

Public Housing Units

Data Source

Comments: These are updated numbers received Minneapolis Public Housing Authority for 2014.

Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	8,522	8,516	13,726	11,116	14,290	10,669	11,885	
Average length of stay	0	3	6	5	1	5	0	0	
Average Household size	0	2	1	2	2	3	1	3	
# Homeless at admission	0	0	3	4	2	2	0	0	

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
# of Elderly Program Participants (>62)	0	31	2,306	615	63	524	28	0
# of Disabled Families	0	101	2,020	1,893	216	1,541	118	18
# of Families requesting accessibility features	0	0	5,983	4,615	606	3,850	87	0
# of HIV/AIDS program participants	0	0	0	28	28	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 25 – Characteristics of Public Housing Residents by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source

These are updated numbers received Minneapolis Public Housing Authority for 2014. The MPHA does not report

Comments:

numbers of HIV/AIDS program participants and domestic violence victims into the HUD database.

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	74	1,200	860	146	473	59	16	166
Black/African American	0	165	4,220	3,760	405	4,058	92	44	161
Asian	0	4	469	67	5	60	2	0	0
American Indian/Alaska Native	0	11	91	165	28	118	6	10	3
Pacific Islander	0	1	3	4	1	3	0	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Other	0	4	0	146	32	95	4	2	13

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 26 – Race of Public Housing Residents by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source

Comments: These are updated numbers received Minneapolis Public Housing Authority for 2014.

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	12	90	119	23	71	3	5	17
Not Hispanic	0	247	5,893	4,883	594	3,736	160	67	326

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 27 – Ethnicity of Public Housing Residents by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source

Comments: These are updated numbers received Minneapolis Public Housing Authority for 2014.

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

MPHA has 209 accessible units which consist of mainly one bedrooms but also includes units up to 4 bedrooms for larger families (4 two-bedrooms, 14 three-bedrooms and 3 four-bedroom units). Many of these units house families that do not need the accessibility features with the understanding that they will have to move if a family comes along who needs those features. There are currently no families in process on our waiting list who need an accessible unit.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

The following illustrates the current states of public housing and section 8 waiting lists of the MPHA:

- Federal MTW Public Housing Units - Highrise 4,818 Open for Public Housing elderly, disabled and near-elderly
- Federal MTW Public Housing Units - Family 5,653 Partially Open (third Wednesday of every month) for families eligible for 3, 4, and 5 bedroom units
- Federal MTW Housing Choice Voucher Program 8,799 Closed
- Project Based Local 1,422 Open for Program Specific Referrals

The Public Housing waiting list for highrise has:

- 472 elderly applicants
- 3,321 50-62 year old applicants
- 1,865 disabled applicants

For Public Housing family housing:

- 1,978 2-bedroom applicants
- 3,562 3-bedroom applicants
- 381 4-bedroom applicants
- 222 5-bedroom applicants

The MPHA Section 8 Housing Choice Voucher (HCV) waiting list is closed for application and currently has 8,138 active applicants waiting for assistance. The application is a pre-application only, so MPHA does not have an exact count of “family types” of applicants. MPHA does know that its waiting list is comprised of individuals, persons with disabilities, seniors, and families with minor children.

The most immediate need for all applicants is the need for affordable housing, which is possible with the HCV housing assistance. Applicant need is based on the number of preferences that are applicable to them and their situation. MPHA weighs all preferences equal; therefore the greater number of preferences, the greater the need. Those with the greatest need are first selected for admission.

Preferences include:

- Displaced from housing through no fault of the family
- Homeless or living in substandard housing
- Head of Household or spouse lives or works within city limits of Minneapolis
- Family is rent burdened – paying more than 50% of monthly income for rent and utilities for at least 90 days
- Head of Household or spouse is participating in an economic self-sufficiency program (employment training)
- Member of the household is a Veteran of the U.S. military forces
- Member of the household is participating in a program for victims of domestic violence

- Family lives in Minneapolis and the current property owner will accept the voucher assistance (lease in place)
- An adult member of household is working full-time

How do these needs compare to the housing needs of the population at large

These needs are similar to the general population, especially with regard to the need for housing units appropriate for large households (3+ bedrooms). Currently, the vacancy rate for these types of rental housing units is less than 2% even market housing vacancy rates for similar units have dropped below 1% recently.

While MPHA's data collection process did not report any cases of domestic violence or sexual assault in the table Characteristics of Residents, people who have experienced domestic and sexual violence do live in public housing programs, given that the CDC reports that 1 in 3 women and 1 in 7 men have experienced, domestic violence and 19.3% of women and 1.7% of men have been raped. Better data collection methods must be implemented to more accurately gather the information on the victimization of residents.

Discussion

MPHA has continued its recent emphasis on 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. MPHA is applying for a \$8 million Capital Fund Program allocation for 2015. MPHA has estimated approximately \$14.46 million in capital expenditures for FY 15 targeted at specific projects in all of its seven Asset Management Projects (AMPs). Included in the \$14.46 million Capital Funds expenditures are roofs and infrastructure upgrades for scattered site developments. Major plumbing replacement, elevators, facade restorations, roof replacement, sprinkler system installation, security improvements, and apartment upgrades in our highrise developments are other uses of funds.

Public housing units in North Minneapolis are difficult to lease due to neighborhood crime and high foreclosure rates in North Minneapolis which results in many non-MPHA units being vacant in the neighborhood. Applicants do not want to live in a neighborhood with many vacant units. Minneapolis is working to improve housing conditions in north Minneapolis with targeted housing intervention and stabilization efforts. New low and moderate income developments are being attempted to raise the rent prices to attract market investments. MPHA has studio (efficiency) units located throughout Minneapolis, depending on the actual size and the location, which can be also difficult to rent. MPHA is trying new strategies at three buildings with especially hard to lease units where by all new move-ins are housing in efficiencies and when a one bedroom opens up in that building, it is filled by the resident who has been living in an efficiency the longest. MPHA has used this strategy for less than a year and has yet to determined whether it is successful. MPHA also has one location (1710 Plymouth) where for the past

10+ years, MPHA has secured permission from HUD to engage in permissible deductions to annual income such that residents pay 20% of their adjusted gross income for rent for these specific units. MPHA recognizes that the units off line will delay a number of highrise families from being taken from the waiting list but it does not impact lease up issues for the Agency.

With Section 8/HCV, families at times have experienced difficulty finding units due to the very low vacancy rate and the limited supply of affordable units. The Authority reports that its mobility vouchers clients have a very hard time finding housing providers that will accept their vouchers in non-concentrated areas of the community. The Met Council estimates that a quarter of the region's voucher holders reside in Minneapolis and the highest use of vouchers is in north Minneapolis. The low vacancy rates make the general rental market more competitive to those holding mobility vouchers. The problem this concentration of vouchers creates is a concentration of both poverty and protected classes and limitation of real housing choice. MPHA's rent reform initiative should work as an attempt to partially address this concern by allowing families greater flexibility using resources to assist with lease up (making them a more competitive renter with choice).

The primary hindrance to this work and as a factor has positioned the PHA to undertake the strategies that it has, is funding levels.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

In 2006, the City of Minneapolis and Hennepin County adopted a 10-year plan to end homelessness, entitled “Heading Home Hennepin” (HHH). 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 local Continuum of Care planning and implementation process.

The Wilder Research Center conducts a statewide point-in-time survey every three years to better understand the prevalence, causes, circumstances, and effects of homelessness. This includes face to face interviews with people in shelters, transitional housing programs, and unsheltered individuals.

In 2012, Wilder counted 4,316 adults and children who were homeless, 3,930 in shelters and transitional housing and 386 unsheltered. This is a count that only surveys one night and those who can be contacted by survey volunteers, so the number undercounts the true number of those homeless. Some salient characteristics of the surveyed homeless population include:

- 739 families including 1,623 children. Children and their parents comprised 58 percent of all homeless in Hennepin County.
- Women who were homeless tended to be younger than men. Women age 18-29 were 45 percent of the adult female homeless population, while men age 18-29 were only 21 percent. Most of the women who were young and homeless were parenting with their children with them. Overall, 55 percent of adults were male, 45 percent female.
- People experiencing homelessness are predominantly people of color. In Hennepin County, 51 percent are African American, whereas the population of the county as a whole is 28 percent African American. Native Americans comprise seven percent of adults who are homeless but are approximately one percent of the county’s population.
- Almost one quarter have not completed high school. Another 42 percent have only a high school diploma or GED.
- Sixty percent grew up in another state or another country. Statewide, 48 percent of adults experiencing homeless grew up outside of Minnesota. The largest number came from Illinois.

The Minneapolis/Hennepin County Office to End Homelessness tracks trends over time, primarily in emergency shelter. Hennepin County has a “shelter all” policy so shelters expand with demand. Demand for single adult shelter remains high but has not varied over the past several years. Demand for family shelter increased dramatically during the Great Recession and has only recently shown signs of decline.

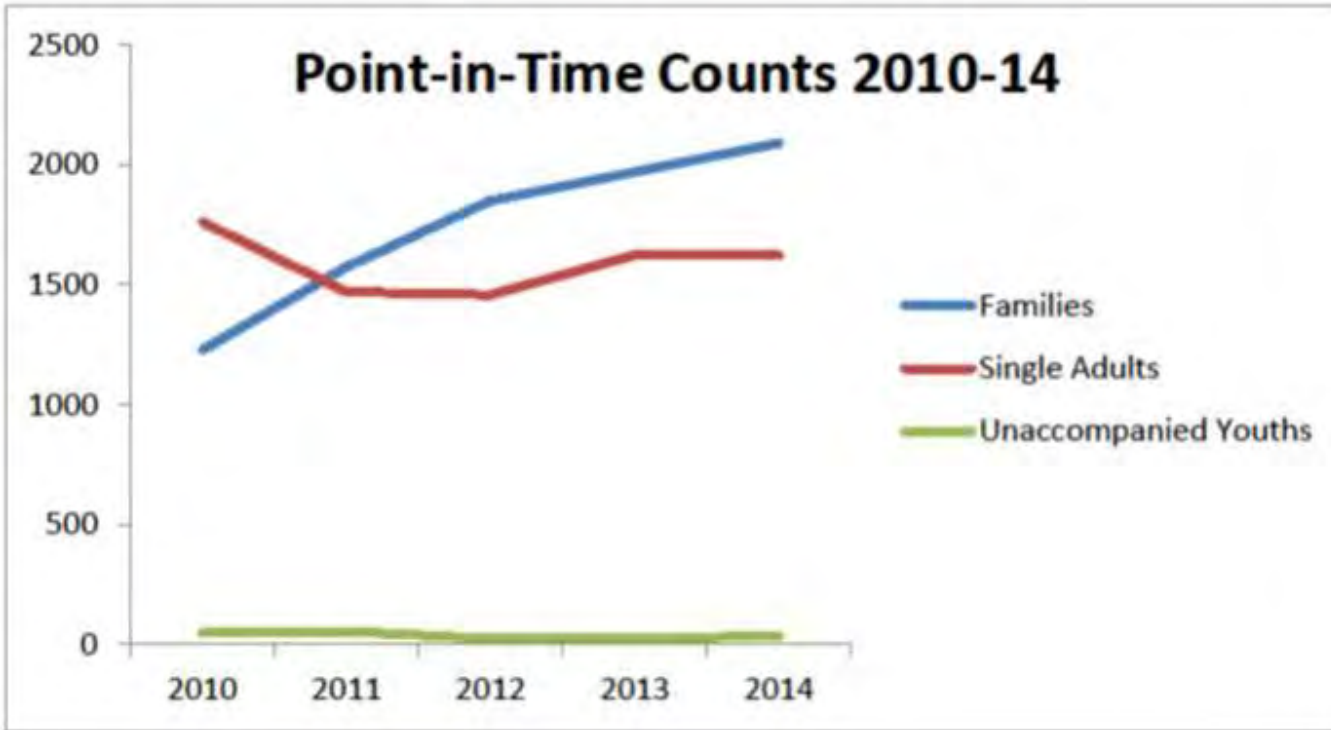
Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	6	2,082	3,578	3,548	3,548	46
Persons in Households with Only Children	2	21	88	88	88	0
Persons in Households with Only Adults	202	1,418	7,000	2,190	2,190	14
Chronically Homeless Individuals	151	275	616	200	300	730
Chronically Homeless Families	0	150	68	0	0	730
Veterans	13	106	240	0	0	0
Unaccompanied Child	15	20	900	820	820	0
Persons with HIV	0	36	167	152	152	0

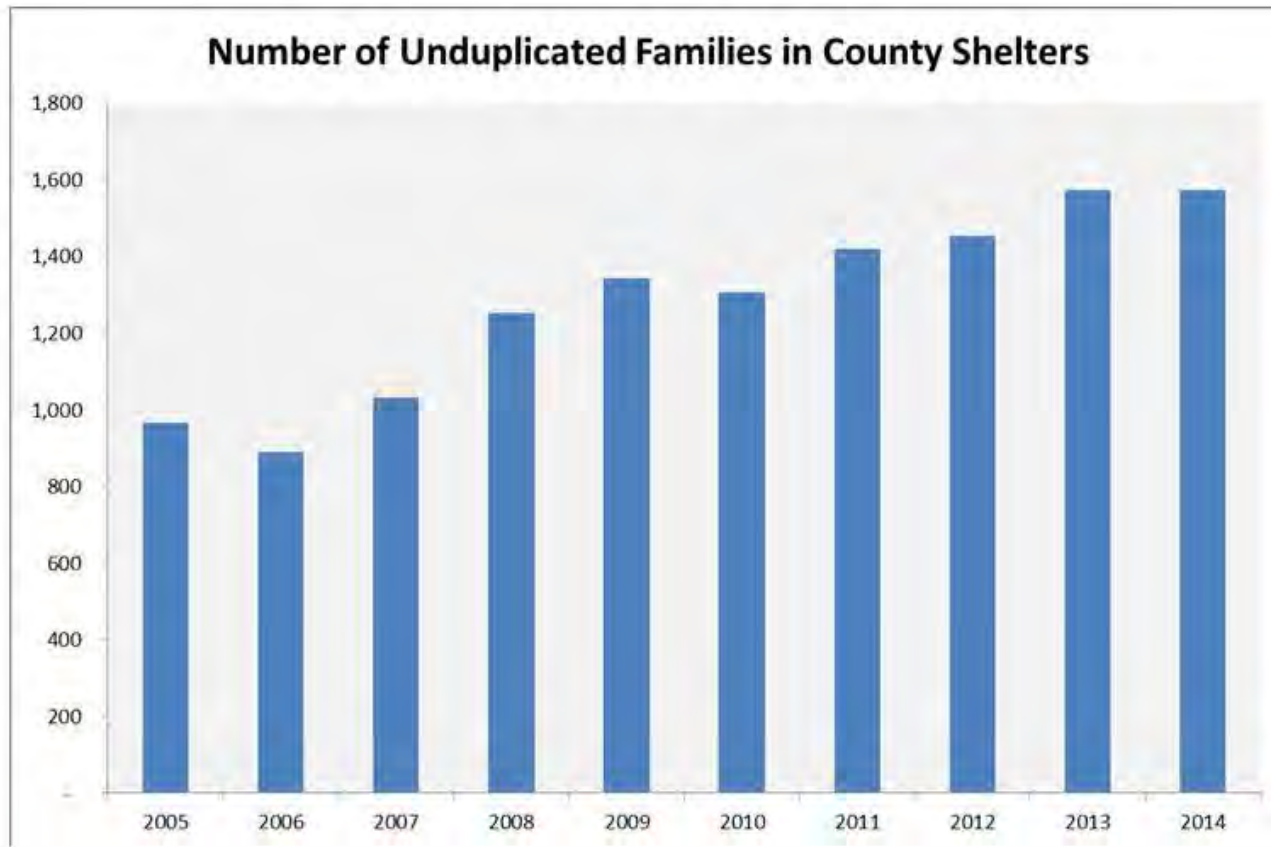
Table 28 - Homeless Needs Assessment

Sheltered/Unsheltered Number is from MN-500 Minneapolis/Hennepin County CoC with exception of Unaccompanied Youth, Point-in Time Count Date: 1/22/2014; All other estimates are from Wilder. Number of households with Adults and Children and estimates of # experiencing homelessness and the estimate of days homeless is taken from the County's Family Shelter Usage Report.

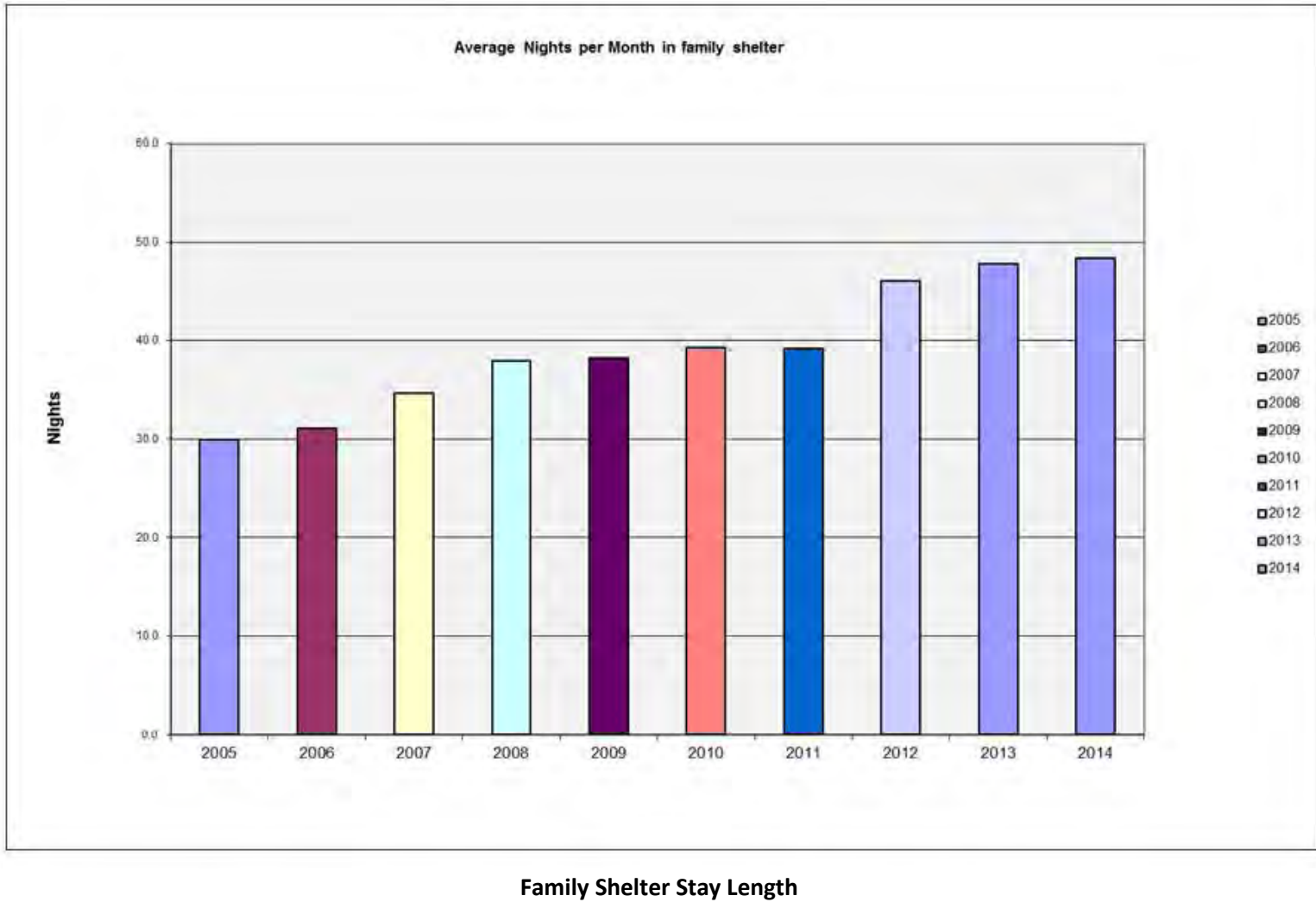
Data Source Comments:



Point-in-Time Counts 2010-14



Families in Shelter



Other Homeless Subpopulations (2014)			
	Sheltered	Unsheltered Total	
Adults with a Serious Mental Illness	505	108	613
Adults with a Substance Use Disorder	430	76	506
Adults with HIV/AIDS	36	0	36
Victims of Domestic Violence	295	0	295

Homeless Subpopulation 2014 Point in Time Count

Indicate if the homeless population is: Has No Rural Homeless

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

The Office to End Homelessness contributed their best estimates for the above table using the PIT count and other resources. HMIS will eventually be able to calculate these statistics more accurately. The County's experience is that very few families are long-term homeless and no family stays in shelter more than one year. They meet the definition of Long Term Homelessness due to their cyclical homelessness. There are

four families that enter county-contracted shelter daily, but one in four has been in shelter before, leaving three per day that are new to our system. The average length of stay for families in shelter is 47 days; the median is 30 days.

For single adults, there are 6 new adults who come into county-contracted shelter who are unknown in the system (with a history going back almost two decades). The average length of stay for single adults in shelter is 14 days. About 9 percent of the single adult shelter population has been homeless more than one year. More than half of the Long Term Homeless leave shelter during the year, replaced with others who are “aging into” Long Term Homelessness. The overall count of Long Term Homelessness in single adult shelter has been declining slowly over the past few years.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	715	53
Black or African American	2,285	86
Asian	83	0
American Indian or Alaska Native	179	65
Pacific Islander	24	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	174	18
Not Hispanic	3,347	192

Data Source

Comments:

Numbers are from MN-500 Minneapolis/Hennepin County CoC Point-in Time Count Date: 1/22/2014;

Rate of homelessness per 10,000 adults (18+) by racial and ethnic group
Twin Cities 7-county region, 2003-2012

	2003	2006	2009	2012
American Indian				
Homeless	160.2	175.2	182.8	133.8
Asian				
Homeless	3.9	7.8	4.3	5.5
Black				
Homeless	140.8	118.6	136.8	124.7
Hispanic				
Homeless	32.6	26.3	9.5	27.4
White				
Homeless	7	6	6.7	6.9
Two or more races				
Homeless	57.9	57.7	56.4	72
7-county region, 18+				
Homeless	16.9	16.3	18.5	18.5

Sources:

Wilder Research, Minnesota Homeless Study.

U.S. Census Bureau, Intercensal estimates.

Data downloaded from <http://www.mncompass.org> on 03/07/2015

Rate of Homelessness
MINNEAPOLIS

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Families with Children: The 2012 Wilder Survey found the following characteristics for families with children. Statewide 80% of families in shelter were female-headed households. In Hennepin County this percentage was 76%. Over half of the children in these families are under 5 years of age. Eighteen percent (18%) of the families were experiencing homelessness for at least the eighth time. Forty percent (40%) of the families had been homeless for a year or more, meeting the state's definition of chronic homelessness. Distressingly, with families skewing younger than the general population and being homeless for longer and more frequent periods of time, it is increasingly difficult to reduce these numbers. High rents combined with few resources of adequate income are working to make episodes of homelessness longer in duration.

Veterans with Families: 2012 Wilder Survey data did not examine homelessness among veterans as a general population so an estimated number of families involving veterans is unknown. However, veterans in general are more likely to be older than the general population that finds themselves homeless. Veterans are likely to experience longer periods of unemployment, often linked to physical and mental health issues stemming from their military service. Disproportionately veterans of color are homeless similar to the general homeless population. Chronic homelessness is also an issue with 60% have been homeless for more than one year.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Minorities are heavily overrepresented in the count of homeless persons and households in the Continuum of Care. Minorities account for 28% of the county population but account for 73% of the homeless in the 2014 point in time count. Sixty-four (64%) percent of the homeless population are African American, far higher than their 11% count of the County population. As noted above, veterans and families with children of color are overrepresented in the homeless population. This overrepresentation of people of color is most likely linked to several factors, including:

- Underemployment due to racial discrimination in the job market as well as mismatched job skillsets
- 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
- Lack of accessible wages equivalent to meet housing costs.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

As seen in the 2010-14 annual Point-in-Time surveys of sheltered and unsheltered persons and families experiencing homelessness, the data show that single adults have remained fairly consistent in count. Families have increased over the period from 1,226 to 2,088 persons in families. Unaccompanied youth have remained steady in their count, though it should be noted that many times unaccompanied youth end up in adult shelters due to the limited number of youth specific shelter beds in the Continuum system.

Discussion:

As the community comes out of the recession unfortunately the number of persons experiencing homelessness has not abated. There is progress on some fronts with targeted interventions. The community is about to see an end to chronic homelessness with veterans. Single adults show signs of potentially reducing in numbers with the job market recovering. However, as the family data show, the effect of housing costs are threatening to make families on the margin a permanent class of homelessness. This does and will have ripple effects in other community systems such as the schools and health care. The number of homeless students in the Minneapolis district has continued to increase annually. Unless more available housing options are presented to low-income families, the community is facing a new generation of a vulnerable population continually faced with lack of housing options and continued homelessness.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

Minneapolis has a high priority for development and maintenance of permanent supportive housing that can serve non-homeless people with special needs. It seeks to fund projects that provide on-site or link to community-based services options where possible. Most special needs human service programs are funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies. Minneapolis supports and funds efforts at advocating for and ensuring fair housing protections for persons with disabilities.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	5,537
Area incidence of AIDS	188
Rate per population	0
Number of new cases prior year (3 years of data)	524
Rate per population (3 years of data)	0
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	6,289
Area Prevalence (PLWH per population)	184
Number of new HIV cases reported last year	0

Table 29 – HOPWA Data

Data Source: CDC HIV Surveillance

TBRA	53
-------------	-----------

Table 30 - Minneapolis Unmet Need HIV Housing

HIV Housing Need (based on 2014 CAPER)	
Estimated Unmet Tenant Based Rental Assistance	53

HIV Housing Need from CAPER

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	0
Short-term Rent, Mortgage, and Utility	0
Facility Based Housing (Permanent, short-term or transitional)	0

Table 31 – HIV Housing Need

Special Needs Housing

People living with HIV/AIDS

Unmet needs are estimated through the support of prior-year CAPER. Current unmet needs are estimated to be at least 53 TBRA individual and family beneficiaries who are living with HIV and are at risk of homelessness. Additionally, Minnesota's Ryan White client-level 2013 database, MNCAREWare, indicates that 427 clients living within the EMSA were unstably housed. Needs are also identified annually through the **Minnesota HIV Housing Coalition** (the Coalition), its Status Report, and the City of Minneapolis annual HOPWA RFP. HOPWA programming assistance can include TBRA; Short Term Rental, Mortgage, and Utility; and Capital expenditures to enhance Facility Based Housing capacity. Trends of past CAPERs indicate long-term needs, which have included capital expenditures and tenant-based rental assistance (TBRA).

The City of Minneapolis considers capital investments as a priority.

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 eligible metropolitan statistical area (EMSA). The City of Minneapolis makes HOPWA program funds available for the metro area through program sponsors, to serve those living with HIV/AIDS at risk of homelessness with site-based initiatives including supportive housing and tenant rental assistance. Funding priorities are identified through the Coalition, which convenes monthly for all stakeholders. The current needs are summarized in an annual **Status Report** 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.

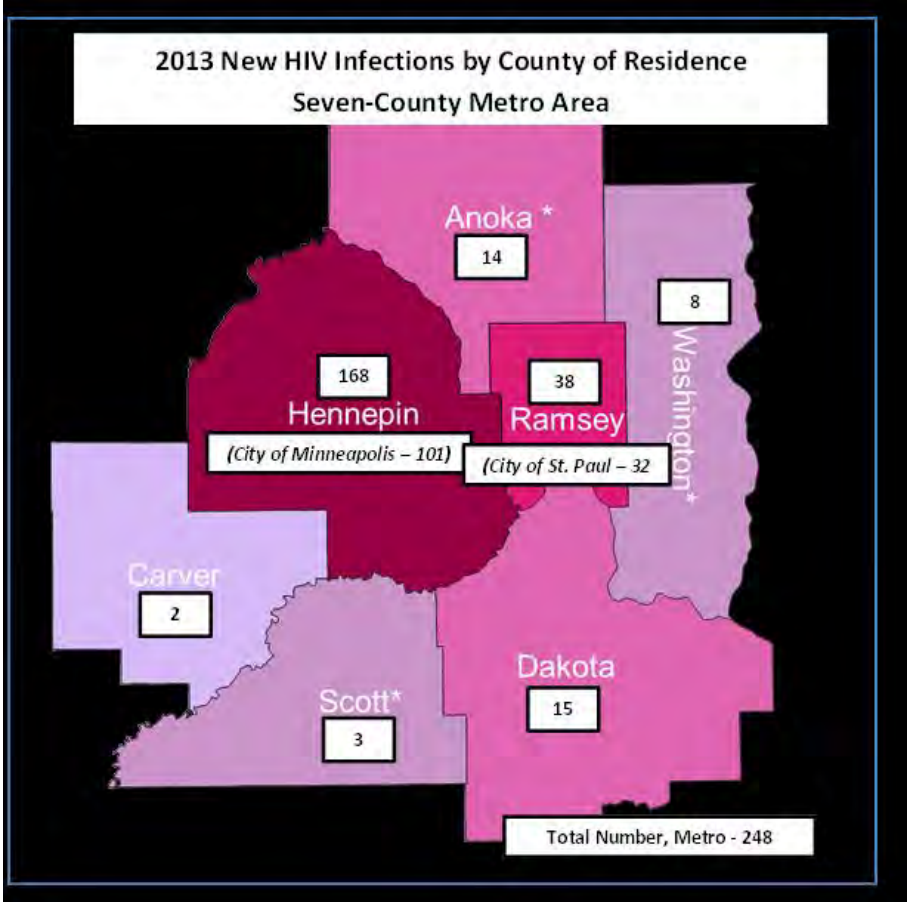
Strategies for Housing for persons living with HIV/AIDS include:

- Provide rental housing subsidies to allow individuals living with HIV to access and maintain affordable housing, with choice of location;
- Promote an increase of affordable housing throughout the EMSA, of various bedroom sizes;
- 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; and,
- Ensure quality, accessible design and amenities of housing as well as quality management and supportive services.

Consolidated Plan HOPWA Housing Assistance

Minneapolis is responsible for identifying the needs across the EMSA, including through consulting across other jurisdictions in the EMSA, and for providing HOPWA funding within the EMSA localities and jurisdictions that have a Consolidated Plan which includes identifying the housing needs for persons living with HIV/AIDS at risk of homelessness (24 CFR § 574.120) in their jurisdiction.

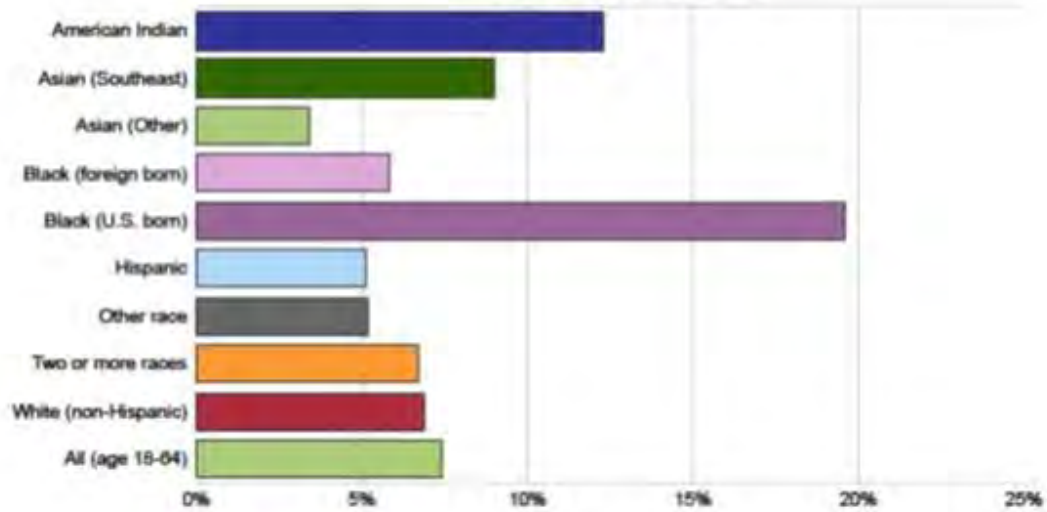
Past and current program sponsors include Minnesota AIDS Project, Metropolitan Council Housing Redevelopment Authority, Clare Housing, Urban League and YWCA St. Paul, Salvation Army, St. Christopher Place, and Lydia Apartments. Between 1995 and 2014, \$16 million of HOPWA grant funds have been made available to the EMSA, including \$13.5 million for TBRA, providing over 125 housing vouchers annually to individuals at risk of homelessness; \$2.5 million in capital funding has leveraged 168 units of supportive housing. The total capital investments include two housing projects (72 units) that Clare Housing is developing with committed Minneapolis HOPWA funding in Robbinsdale and Minneapolis. These HIV/AIDS housing projects are also leveraged using state and local funding, low income housing tax credits, HOME, and CDBG.



Hopwa Map 1

**Adults (age 18-64) with a disability
by racial and ethnic group**

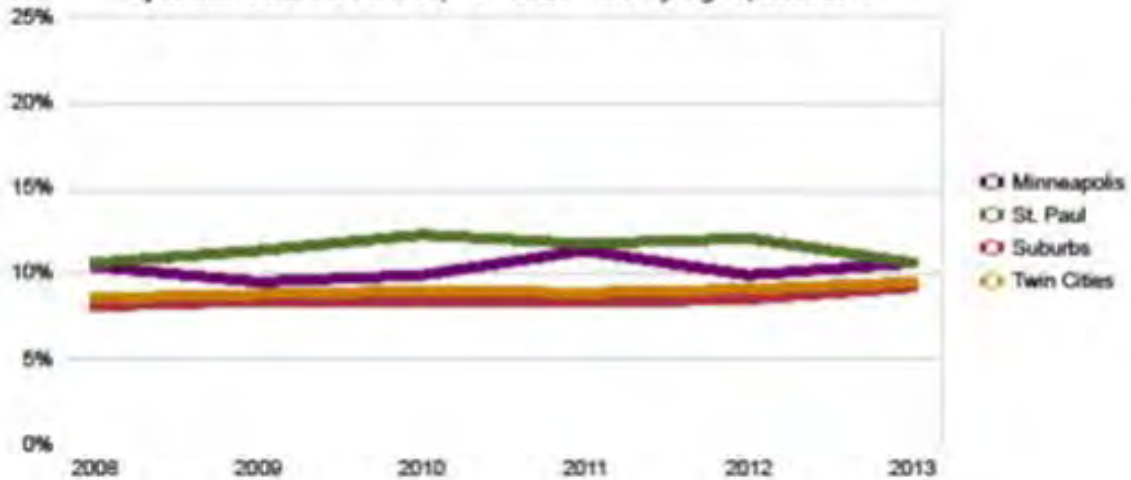
Twin Cities 7-county region, 2012



Adult Disability by Race and Ethnicity

Percent of individuals with a disability

By central cities and suburbs, Twin Cities 7-county region, 2008-2013



Percent of Disability

Data Sources for Disability Charts

Minnesota COMPASS Project

Describe the characteristics of special needs populations in your community:

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).

American Community Survey data shows that just under 42,000 residents have a disability in Minneapolis- 10.6% of persons. The American Community Survey measures this as serious difficulty in four basic areas of functioning: vision, hearing, ambulation, and cognition. 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.

What are the housing and supportive service needs of these populations and how are these needs determined?

Across the special needs population, there is a strong need for additional safe, affordable housing units. The City's senior housing initiatives recognize that senior populations are attracted to affordable, quality housing with convenient access to desired services and functions supporting a variety of lifecycle housing options.

With both developmentally and physically disabled populations, a continuum of housing options that meets the needs and interests of different people at different points in their lives is needed, and that as much as possible this should be about individualization and community integration.

There is a strong tie between chemical dependency and homelessness. Some of the most common housing problems for chronically homeless clients are overall affordability and timelines of access (too long of wait lists for people leaving treatment to obtain stable, permanent housing). Specific populations who have additional difficulty/housing needs are: those who also have a criminal background, aging populations which need assisted living settings, and housing for parents in recovery with children.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

The Minneapolis HOPWA-funded community is comprised of the metropolitan area, the 13-County Eligible Metropolitan Statistical Area (EMSA), which includes two counties in Wisconsin. According to the Minnesota Department of Health and Wisconsin Department of Health Services Surveillance Reports, as of December 31, 2013 there were a total of 6,706 persons living with HIV infection in the 13-County EMSA. Data does not include HIV-infected persons who have not been tested for HIV. An estimated 3,577 persons were assumed to be living with HIV infection and 3,128 are living with AIDS in the EMA at the end of 2013. Additionally, within the EMSA, 57 persons with HIV, less than 1% of the total, live in the two Wisconsin counties of Pierce and St. Croix. Prevalent cases are concentrated within the metropolitan area, with 39% of Minnesotans living with HIV residing in the City of Minneapolis and 87% residing in the 13-County EMA. In 2013 there were 264 new HIV cases in the EMSA, a decrease of 4% from 2012. Compared with the rest of the nation, Minnesota is considered to be a low to moderate HIV/AIDS incidence state. In 2011, based on CDC National HIV incidence data, Minnesota ranked 13th lowest at 7.2 new HIV diagnoses per 100,000.

Historically, 87% of new HIV infections diagnosed in Minnesota have occurred in the EMSA. 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 gradually over time.

Discussion:

Minneapolis supports the creation of housing units for special needs populations. When possible these units should be in the form of supportive housing. The city supports this through the following strategies:

- Promote the development of housing suitable for people and households in all life stages, adaptable to accommodate changing housing needs over time
- Promote accessible housing designs
- Support the development of housing with supportive services
- 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 sited throughout the city

Elderly/Frail Elderly

- Support development of affordable and mixed-income senior rental housing in all parts of the city in line with City's Senior Housing Policy. 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
- Encourage 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
- Retain existing housing stock through rehabilitation activities
- 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
- 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
- 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

- Support development of new supportive housing units for persons who suffer from chemical dependency as part of larger housing or redevelopment initiatives
- Retain existing housing stock through rehabilitation activities

Veterans

- Finance housing developments and financial assistance programs for veterans

HIV/AIDS

- 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
- Develop new supportive housing units for people living with HIV, as part of larger housing or redevelopment initiatives
- 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.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction’s need for Public Facilities:

The City has used CDBG funding in the past 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 recent reductions in the level of local ability to pay for fire fighting equipment, the City also used CDBG resources to purchase fire fighting equipment which is an eligible public facility funding category in CDBG regulations. Due to the severe reductions in CDBG funding levels made available to the City, Minneapolis will treat public facility needs as a low priority for its estimated receipt of CDBG funds in the 2015-19 period. If CDBG funding levels were to rise significantly, the City may revisit the priority for public facilities. As noted in the next question, there remains a high need for public facility improvements as identified in the City's Capital Improvement Plan.

In the area of economic development, the City will be using CDBG to assist businesses in their capital needs, however, that strategy is in support of the community development goals around job creation/retention and workforce development.

How were these needs determined?

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.

Describe the jurisdiction’s need for Public Improvements:

Refer to the discussion above.

How were these needs determined?

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. 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 2015-19 five-year capital plan, 87 capital requests were made, totaling \$ 607.6 million.

Describe the jurisdiction's need for Public Services:

Low-income households and households with residents of color are concentrated in two areas of Minneapolis: the northwest quadrant and the central area. When measures of population well-being, such as infant mortality, child lead poisoning, and violence are similarly mapped, they tend to concentrate in the same areas. Because health disparities are clearly evident by race/ethnicity and income, public services are needed to reduce these disparities and improve community well-being. Key benefits of funding include healthier families and safer homes and communities.

The Minneapolis Health Department (MHD) works with Hennepin County and an array of community-based health and social service agencies to improve community health and well-being at all age levels. Reducing health disparities requires access to resources that include: prenatal services for high risk women; early childhood health and school readiness; successful educational outcomes and healthy lives for school aged children; preventing violence among youth and young adults as part of ensuring safe and livable communities; primary health services for all ages from newborn to seniors; violence free families; and, safe, healthy, and stable housing at all ages.

The MHD monitors health indicators in the city through its *Results Minneapolis* process (<http://www.ci.minneapolis.mn.us/www/groups/public/@citycoordinator/documents/webcontent/wcms1p-134041.pdf>) and through other indicators and plans such as the following:

The early years of a child's life are crucial to create a foundation for life-long learning and success. A 2012 School Readiness Study found a statistically significant relationship between a family's income level and a child's scores on the Developmental Assessment at Kindergarten Entrance (<http://education.state.mn.us/MDE/StuSuc/EarlyLearn/SchReadiK/>). These income disparities are evident in the performance of older students in Minneapolis Public Schools, 65% of whom are eligible for free and reduced lunch and 67% of whom are students of color. Proficiency scores for math and reading (<http://w20.education.state.mn.us/MDEAnalytics/Data.jsp>) show large disparities between those of white students and students of color.

Child lead poisoning cases cluster in areas with high concentrations of both poverty and people of color. Because damage has now been clearly detected at levels lower than the previous standard of detection and referral, more children exposed lead are being identified. Lead abatement and remediation of health and safety hazards are necessary both in family homes and childcare settings to ensure safer environments for children (<http://www.ci.minneapolis.mn.us/www/groups/public/@health/documents/webcontent/wcms1p-133417.pdf>).

Minneapolis has focused on preventing violence among youth and young adults as a critical component to ensuring community safety. The Minneapolis *Blueprint for Action to Prevent Youth Violence* represents the commitment of the Mayor's Office, Minneapolis Police Department, Minneapolis Public School, MHD and broad citywide collaboration and community support for ending youth homicides and other violence in the city (<http://www.minneapolismn.gov/www/groups/public/@health/documents/webcontent/wcms1p-124763.pdf>).

How were these needs determined?

The Minneapolis Health Department collaborated with four other local community health boards to develop the 2012 – 2015 Community Health Improvement Plan.

The Community Health Improvement Partnership (CHIP) was formed to foster strong alliances across public and private organizations to identify and address important health issues. More than 100 local organizations involved in health-related work provided input and guidance in the development of the CHIP vision and plan. This coalition included hospitals, health care clinics, health plans, community-based organizations, faith-based organizations, academic institutions, and community advocates and is led by a strong Steering Committee of leaders from organizations involved in improving health.

In addition to this plan, Minneapolis Health Department decisions are informed the City's Local Public Health Advisory Community; relationships with other City Departments including Neighborhood and Community Relations, Community Planning and Economic Development, and Police Department; a variety of special community advisory committee convened to address particular topics or grant-funded projects; and participation in a large number of national, state, metropolitan-area and local advisory groups and planning committees.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Analysis of Affordable Housing Overview

The production and preservation of affordable housing is a longstanding City priority. Since the adoption of the initial affordable housing policy in 1999, the City Council has established multi-year production goals for new/converted and preserved/stabilized affordable housing at the 50 percent of annual area median income (AMI) affordability threshold. For the three year period from 2009 – 2011, the goal was set at 1,555 units of housing at or below 50 percent AMI. Over this three year period, CPED completed 1,383 units of housing. It should be noted that none of the 1,306 units of housing in the Riverside Plaza project are included in this goal.

This policy also sets goals for various related program efforts, such as the geographic distribution of affordable housing, unit production at the 30 percent AMI level, and other specific categories. Progress against other related goals is reported annually by the department in a detailed report to the City Council. Other measures of annual housing production for Metro Area jurisdictions are published by the Metropolitan Council and Housing Link.

Goals for 2012-2014 have been set at 1,500 units (500 each year) of housing at or below 50% AMI and an additional 750 units (250 each year) of new housing units at or below 60% AMI. The 60% AMI goal has been added to reflect a change that occurred in 2011 to the Unified Housing Policy. That change now requires any city assisted project to provide 20% of the housing units to households at 60% AMI (50% AMI is still required for the use of the Affordable Housing Trust Fund HOME and CDBG funds).

Significantly, low vacancy rates predominate the rental market, especially for mult-bedroom units. Increasing rent prices have resulted from this competitive rental housing environment, and low-income, larger families experience higher rates of being cost-burdened. The provision of affordable mult-bedroom rental housing remains a priority of the City.

Recovering Housing Market

Beginning in 2012, the Minneapolis housing market emerged from the worst effects of the housing bubble burst that began in 2007 and peaked locally in 2008. Since 2008, foreclosures in the City have fallen from a high of over 3000 to less than 1400 in 2012, a reduction of over 60 percent. Despite the hangover from the past recession, Minneapolis emerged over the last 6 years as the leading city in Minnesota in new housing units permitted. Growth in the central core, North Loop, University District and Uptown neighborhood's has been vigorous. The trend has been overwhelmingly tilted to new

multifamily construction and conversion of vacant or commercial buildings to residential. Notably, the For Sale housing market is showing signs of rejuvenation with inventory of homes for sale at a 10 year low and housing price increases year after year in excess of 15 percent. In addition, the once stagnant condo market is showing signs of life with new condo sales moving briskly in the downtown zone.

(Source: "Healthy Housing," *Results Minneapolis*, April 30, 2013.

<http://www.ci.minneapolis.mn.us/www/groups/public/@citycoordinator/documents/webcontent/wcms1p-107564.pdf>)

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

Minneapolis boasts a diverse housing stock, single family homes to high density apartment and condominium buildings, with the diverse mix of housing types being a direct result of the neighborhoods uniquely evolving over different eras of the city’s history. Approximately, half of the housing units in the city of Minneapolis are single family units, with the remainder of the being multifamily buildings that range from duplexes to very large developments.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	81,915	44%
1-unit, attached structure	7,814	4%
2-4 units	25,271	14%
5-19 units	21,309	12%
20 or more units	47,638	26%
Mobile Home, boat, RV, van, etc	467	0%
Total	184,414	100%

Table 32 – Residential Properties by Unit Number

Data Source: 2007-2011 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	359	0%	8,208	10%
1 bedroom	6,751	8%	36,503	44%
2 bedrooms	26,017	31%	24,509	29%
3 or more bedrooms	51,671	61%	14,255	17%
Total	84,798	100%	83,475	100%

Table 33 – Unit Size by Tenure

Data Source: 2007-2011 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

Shelter is a basic component of human welfare and an essential building block of a strong city. Communities with concentrations of poverty face challenges related to public safety, disinvestment and education quality therefore maintaining and improving upon the quantity and quality of the affordable housing stock in the city of Minneapolis.

The City's Affordable Housing Trust Fund is the program for financing the production of new or rehabilitated affordable rental units. The primary sources of funds for this program are HOME and CDBG. This program provides funds to affordable rental projects that need gap financing assistance to cover the difference between total development costs and the amount that can be secured from other sources.

In addition rental production and preservation, the City of Minneapolis creates homeownership opportunity through its Neighborhood Stabilization Program, HOME and CDBG funds. These federal sources are typically leveraged with state and local dollars to maximize impact. Below is a summary of homeownership units that were created through development subsidy provided by City of Minneapolis programs.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The preservation of federally subsidized housing in the city is vital in maintaining the city's affordable housing inventory. Both the Affordable Housing Trust Fund and 9% Low Income Housing Tax Credit (LIHTC) Program list federally subsidized housing preservation as a priority in their Requests For Proposals and Qualified Allocation Plan respectively. 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.

Furthermore, through Affordable Housing Trust Fund and the LIHTC program re-investment, expiring requirements do not always, in fact, result in loss of affordable units. 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 through the Affordable Housing Trust Fund. Often times the City is able to extend terms and/or provide additional rehab funding on these projects, it would likely result in increased affordability outcomes.

Does the availability of housing units meet the needs of the population?

In some ways, the variety of housing developments in Minneapolis is a good match for its diverse population. In other ways, the existing housing stock, built over the course of a century, is inflexible in comparison with changing housing needs. People's need for housing is dependent on their household size as well as their time in life. Singles, couples, families with kids, empty nesters, and their elderly all experience changing needs for housing as time passes. The City of Minneapolis supports the development of housing that enriches these options and meets varying needs by focusing on the following per Comprehensive Plan:

- 1) Promote the development of housing suitable for people and households in all life stages that can be adapted to accommodate changing housing needs over time.
- 2) Promote housing development in all communities that meets the needs of the households of different sizes and income levels.
- 3) Maintain a healthy supply of multifamily ownership and rental housing, and promote the development of alternative forms of homeownership such as cooperative housing and co-housing.
- 4) Provide and maintain moderate and high-density residential areas, as well as areas that predominately developed with single and two family structures.
- 5) Promote accessible housing designed to support persons with disability and the elderly.
- 6) Actively enforce anti-discrimination laws and act to promote Fair Housing practices

Describe the need for specific types of housing:

The City will pursue with its HUD resources specific attention to the creation and preservation of rental housing affordable to those at or below 50 percent of area median income with preference to maximizing resources as available to those at or below 30 percent of area median income. Priority will be for the creation of new units with 3+ bedrooms to accommodate the need for large family households.

In ownership, the City will pursue the development of housing opportunities for households at or below 80 percent of area median income. Housing will be developed for long housing life with minimal maintenance needs for the homeowner over the long term.

Discussion

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

Minneapolis continues to suffer a persistent and growing lack of affordable housing that contributes to cost burdens to all households, especially very low- and low-income renter households. Some stabilization and small increase in the ownership market has occurred since the recession but this is masked by a fairly good share of lender mediated sales that as the housing market further stabilizes will naturally increase prices. Any pent-up demand for ownership housing will rapidly increase housing sale prices. Combined with very low vacancies in the rental housing especially in family-size appropriate units (vacancy rates for 3+ bedroom units recently have been below 1%), low-income renters and owners have a difficult time accessing affordable housing.

Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	113,700	223,400	96%
Median Contract Rent	536	735	37%

Table 34 – Cost of Housing

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	17,876	21.4%
\$500-999	46,131	55.3%
\$1,000-1,499	14,744	17.7%
\$1,500-1,999	3,457	4.1%
\$2,000 or more	1,267	1.5%
Total	83,475	100.0%

Table 35 - Rent Paid

Data Source: 2007-2011 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	11,820	No Data
50% HAMFI	33,095	4,445
80% HAMFI	60,220	15,420
100% HAMFI	No Data	29,425
Total	105,135	49,290

Table 36 – Housing Affordability

Data Source: 2007-2011 CHAS

Housing Affordability vs. Number of Households

	Affordable Rental Units	Number of Renters	Gap/surplus	Affordable Ownership Units	Number of Owners	Gap/surplus
Percent of Units affordable to Households earning						
30% HAMFI	11,820	31,580	(19,760)	No Data	6,340	#VALUE!
50% HAMFI	33,095	46,405	(13,310)	4,445	13,675	(9,230)
80% HAMFI	60,220	60,915	(695)	15,420	25,050	(9,630)
100% HAMFI	No Data		#VALUE!	29,425	34,875	(5,450)
Total	105,135	138,900	(33,765)	49,290	79,940	(30,650)

Data Source: 2007-2011 CHAS

CHAS Housing Gap Analysis

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	592	736	920	1,296	1,529
High HOME Rent	610	756	946	1,332	1,525
Low HOME Rent	610	756	945	1,091	1,217

Table 37 – Monthly Rent

Data Source: HUD FMR and HOME Rents

	Studio	1-Bdrm	2-Bdrm	3-Bdrm
3Q-13	\$ 779	\$ 990	\$ 1,373	\$ 1,487
4Q-13	\$ 797	\$ 1,029	\$ 1,444	\$ 1,533
1Q-14	\$ 800	\$ 1,015	\$ 1,447	\$ 1,486
2Q-14	\$ 817	\$ 1,039	\$ 1,467	\$ 1,463
3Q-14	\$ 803	\$ 1,014	\$ 1,440	\$ 1,414

Table 38 - Minneapolis Ave Monthly Market Rate Rent (Source: GVA Marquette Advisors)

Is there sufficient housing for households at all income levels?

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 2013, with total household additions of 16,700 approximately in the same period (Metropolitan Council, 2030 Regional Development Framework- Revised Forecast as of December 31, 2009). With this growing population, new housing options will need to be developed. According to the HUD Comprehensive Housing Market Analysis as of 2014, the three year forecast period (2014-2017) has the total demand rate of or rental units at 14,155 with only approximately 8,900 under construction. Furthermore, the rental housing market in Minneapolis has an estimated vacancy rate of 5.5% down from 7.6% in 2010. The apartment market vacancy is even tighter with a vacancy rate of 3.2% as of the 4th quarter in 2013.

According to the same HUD Market Analysis, the sales housing market is also tight with an overall estimated vacancy rate of 1.3% down from 1.9% in 2010. During 2013, new and existing home sales increased 18 percent to 54,400 homes at average price of \$240,700 a 9% increase from the average sales price reported in 2013. During the next 3 years, demand is expected for 23,050 new sales units.

How is affordability of housing likely to change considering changes to home values and/or rents?

As the population continues to grow and with it, the demand for housing, the affordability of the available housing will continue to decrease and it will be increasingly more difficult to produce. Currently, with the vacancy rate on apartments being so low, the Fair Market Rent and the HOME rents are significantly lower than the Area Median Rent. This means that naturally occurring affordable housing will be increasingly difficult to locate and any available naturally occurring affordable rental housing will most likely be substandard in its quality.

Similarly, the rising sale price of homes is an indicator that affordability of homeownership will be a more significant issue moving forward. An additional factor in play is that a great deal of affordable housing, especially privately owned single family homes are occupied by higher income persons, thus increasing the mismatch between need and availability. The City of Minneapolis is exploring mechanisms to ensure long-term affordability through partnerships with land trusts and the local Habitat for Humanity, and will explore additional options for ensuring sustainable affordable investments in ownership housing.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

As noted above, with the apartment vacancy rate so low, Fair Market and HOME rents are significantly lower than the Area Median Rent. This means that naturally occurring affordable housing will be increasingly difficult to locate and any available naturally occurring affordable rental housing will most likely be substandard in its quality. Thus, equal attention will need to be paid to both the production of

new affordable rental housing with attributes not present to a significant level in the housing market and to the preservation of affordable housing especially those units that are contracted for with affordable rents.

Discussion

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

As buildings age, they require 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, especially in terms of mechanical and structural systems and may not be affordable to the current residents.

Definitions

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. 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 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.

These applicable conditions are described as such:

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.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	28,005	33%	38,984	47%
With two selected Conditions	746	1%	3,488	4%
With three selected Conditions	26	0%	503	1%
With four selected Conditions	0	0%	0	0%
No selected Conditions	56,021	66%	40,500	49%
Total	84,798	100%	83,475	101%

Table 39 - Condition of Units

Data Source: 2007-2011 ACS

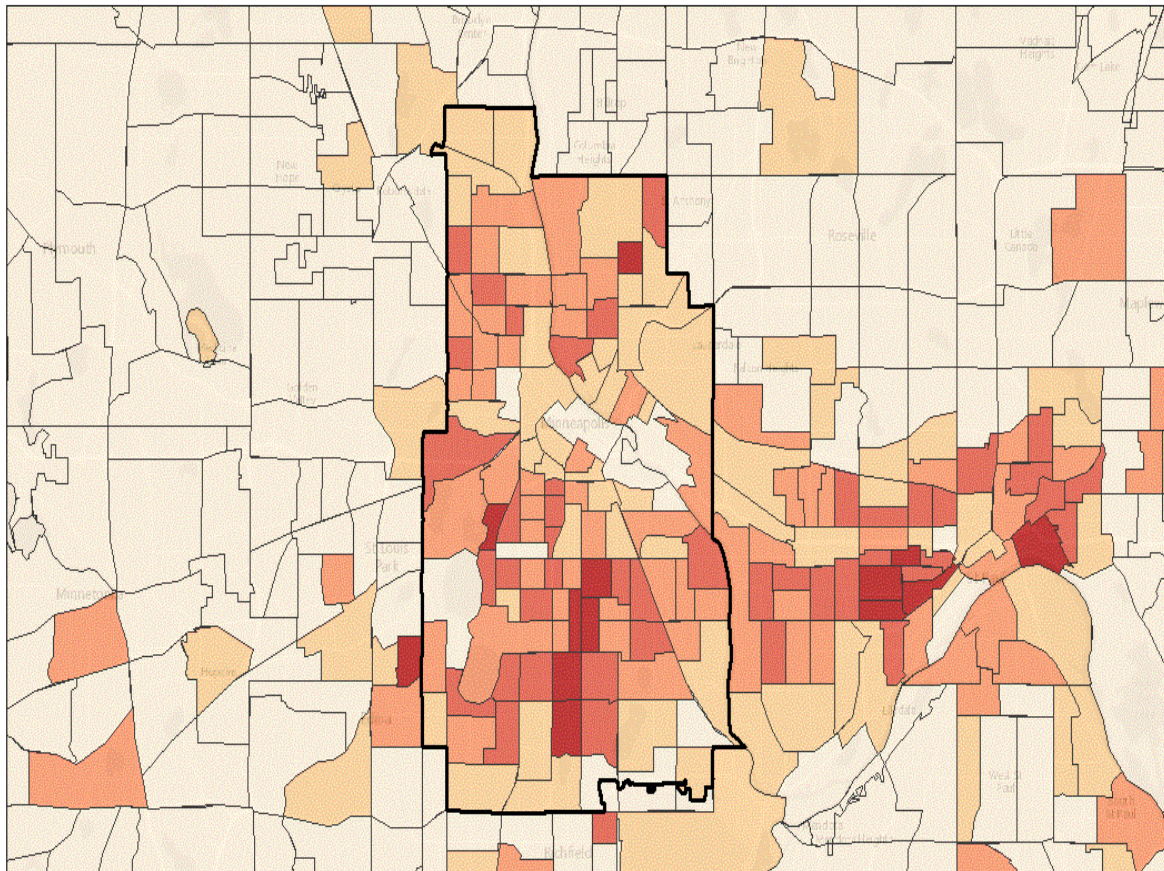
Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	4,416	5%	6,909	8%
1980-1999	6,104	7%	9,732	12%
1950-1979	16,063	19%	30,909	37%
Before 1950	58,215	69%	35,925	43%
Total	84,798	100%	83,475	100%

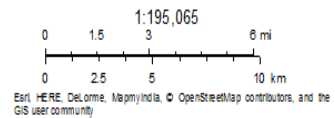
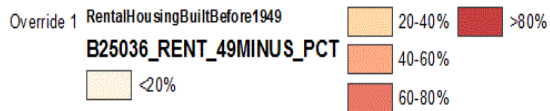
Table 40 – Year Unit Built

Data Source: 2007-2011 CHAS

Rental Housing Built Before 1949 - Consolidated Plan and Continuum of Care Planning Tool



March 2, 2015



Rental Housing Built Before 1949 - Consolidated Plan and Continuum of Care Planning Tool

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	74,278	88%	66,834	80%
Housing Units build before 1980 with children present	16,318	19%	16,849	20%

Table 41 – Risk of Lead-Based Paint

Alternate Data Source Name:

Risk of Lead-Based Paint Hazard

Data Source Comments: Assumptions: There is a proportionate number of rental units and owner-occupied units built before 1980

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	% of All Owner-Occupied Units	Number	% of All Renter-Occupied Units
Units Built Before 1980	67,282	82.6%	69,369	82.6%
Units Built Before 1980 with Children Present	16,318	24.2%	16,849	24.2%

Risk of Lead-Based Paint Hazard

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	530	16	546
Abandoned Vacant Units	252	16	268
REO Properties	640	0	640
Abandoned REO Properties	640	0	640

Table 42 - Vacant Units

Alternate Data Source Name:

Vacant Housing data

Data Source Comments: 2014 Hennepin County Sheriff Foreclosure data; City of Minneapolis Vacant and Boarded list

Need for Owner and Rental Rehabilitation

There is a need throughout the city for owner and rental rehabilitation in order to preserve a housing stock of which 80 percent is at least 35 years old. City funds are targeted to aging and blighted housing stock as part of the City's stabilization and revitalization programs. Low-income homeowners also need access to rehabilitation programs to increase the life of their housing and lower maintenance costs with the goals of reducing cost and condition burdens while preserving their housing asset.

A healthy mix of income levels and housing options in all sections of the City will assist in maintaining a robust housing market.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

The following assumptions are made: There is a proportionate number of families with children across income levels and across housing unit age

- *Moderate Income:* 35,088 families * .497 of families have children * .826 of housing units built before 1980 = **14,404 families living in housing units built before 1980**
- *Low Income:* 24,946 families * .497 of families have children * .826 of housing units built before 1980 = **10,240 families living in housing units built before 1980**

Discussion

As housing 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 finds itself with either very young households or growth in seniors, both populations will have an increasingly difficult time to keep housing well-maintained. City and community housing rehab programs target these issues with a variety of financial options to assist in this regard.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

Minneapolis Public Housing Authority (MPHA) is the provider of publicly assisted housing in Minneapolis. MPHA is the largest public housing authority in Minnesota, providing over 21,000 residents with decent, safe and affordable housing. Designated by HUD as a Moving To Work (MTW) public housing agency, MPHA has the ability to develop and test local housing strategies in the aim of using federal housing resources more efficiently through work with families with children and greater choice in housing options made available. The flexibility in administering public housing granted by the MTW authority has allowed MPHA tailor delivery of public housing programming to best meet local needs. The authority has permitted MPHA to be an active participant in City and County housing strategies aimed at providing affordable housing to those who are homeless or are threatened with homelessness.

The numbers found in the tables below are provided by HUD and not necessarily reflective of current numbers that MPHA has available to them. Where there is a major discrepancy, clarified numbers from MPHA are provided for in the narrative text.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	523	12,414	9,782	691	8,366	1,003	100	1,078
# of accessible units									

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

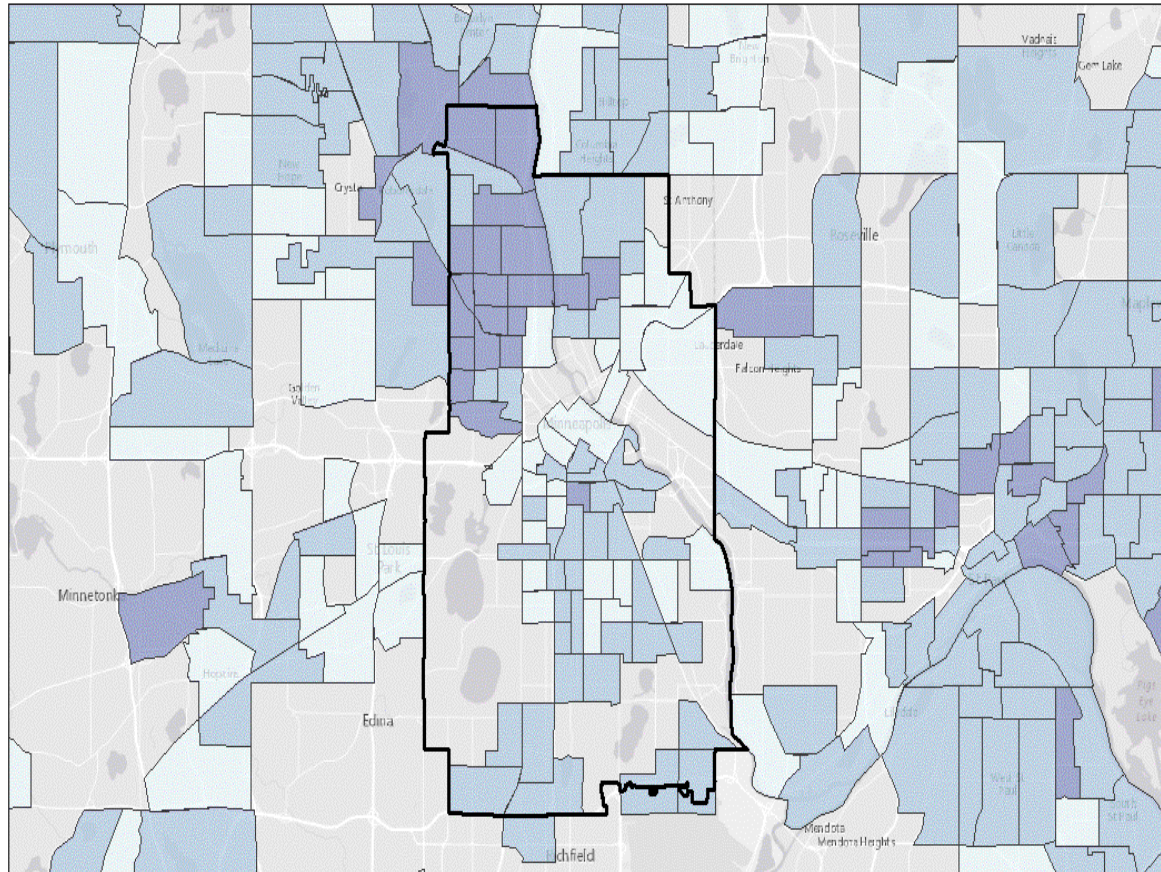
Table 43 – Total Number of Units by Program Type

Alternate Data Source Name:

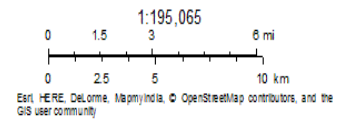
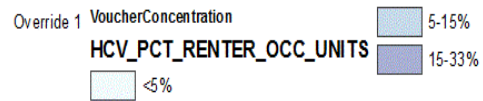
Public Housing Units

Data Source Comments: These are updated numbers received Minneapolis Public Housing Authority for 2014.

Voucher Concentration of Rental Stock -



March 11, 2015



Voucher Concentration of Rental Stock -

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

Minneapolis Public Housing Authority's (MPHA) housing stock is comprised of 42 highrise buildings, 733 scattered site homes, 184 rowhouse units, and three maintenance, administrative, and service facilities. Forty of the forty two highrise buildings 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 our single remaining row house development is 60+ years old. The most recent needs analysis indicates an unmet capital need of approximately \$244 million over the next ten years for MPHA's facilities.

Public Housing Condition

Public Housing Development	Average Inspection Score
MPHA systemwide	92

Table 44 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

MPHA's five-year strategy for addressing capital needs covers FY 15 through FY 19. Through Capital Fund Program appropriations and asset preservation strategies, MPHA anticipates allocating approximately \$65 million to implement capital work over this five-year period. The plan addresses primarily building systems, security and fire suppression improvements. Assuming current HUD Capital funding levels and MPHA's ability to implement various asset management strategies, MPHA's assets will continue to be in the "Poor" range over the next five years by housing industry standards. Aging properties and reductions in funding levels have made asset preservation an increasingly difficult challenge.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

MPHA's Strategic Direction 3 seeks partnerships with the goal of enhancing services, promoting health and wellness, contributing to safety and supporting residents and participants in their efforts to live independent lives.

Goal 1: Promote opportunities, in cooperation with its partners, for residents to age in place and receive services and supports that will allow residents to have quality lives.

Goal 2: Sustain its Senior Housing Designation Plan, which creates and sustains senior communities within MPHA public housing developments and, offers choices for seniors regarding housing location and assisted living programs.

Goal 3: Encourage and support resident involvement and participation in agency activities that impact residents and their homes. MPHA will work with established resident council and representation systems to support this goal.

Goal 4: Provide through its partnerships education, training and employment opportunities for residents and participants seeking to become economically self-sufficient.

Goal 5: Coordinate with the City of Minneapolis, Hennepin County and other partners to identify and implement specific strategies that promote health and wellness opportunities for residents and participants, including making MPHA smoke-free within the next five years.

Discussion:

In its current strategic plan, MPHA pursues the sustainable preservation and growth of its properties; programming responsive to the affordable housing needs of low-income residents; and pursuit of

partnerships that enhance and sustain the living environments of both the residents the agency directly assists and the surrounding community.

MPHA has maintained 98-100% occupancy of all available housing since 1996. There are over 6,103 families on its family public housing waiting list and more than 5,469 individuals on its highrise public housing waiting list. With its MTW authority, MPHA can pursue innovative housing delivery strategies through partnerships to house a variety of housing needs that present themselves in the community, such as working with young families with children who are not in a position to access adequate housing.

The Agency is planning to pursue authority (Faircloth subsidy) to develop up to 122 new units townhouse development that will be targeted to families that are leaving family shelter. It is also considering a Rental Assistance Demonstration application for the Glendale development to allow for project basing vouchers in Heritage Park and providing substantial rehabilitation of Glendale.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

The following numbers of Homeless Facilities and Housing targeted to homeless households is from the 2014 Housing Inventory Chart (HIC) of the Minneapolis-Hennepin County Continuum of Care.

In the Hennepin-Minneapolis Continuum of Care system Minneapolis is home to:

- 98% of emergency shelter beds for single adults
- 96% of all emergency shelter beds
- At least 60% of family permanent supportive housing units
- 83% of veterans permanent supportive housing beds
- 77% of youth permanent supportive housing beds
- 60% of all permanent supportive housing
- 100% of transitional housing beds for veterans
- 87% of transitional housing beds for youth
- 75% of all transitional housing units for families
- 79% of all transitional housing beds

This concentration of facilities for the homeless causes persons who encounter homelessness in the suburbs to have to relocate themselves to Minneapolis to receive services and rehousing options. The concentration stems from historic past locations and functions of services made available to those who are homeless. The Continuum of Care attempts to increase the number of beds/units in other locations in order to permit persons, especially families to remain located with existing social networks. It should continue to work to see that other communities in the metro area pick up some of the responsibility for meeting homeless needs where they occur in order to deconcentrate services and housing in the region. Recent new developments in Edina and Brooklyn Park are examples of meeting this need.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	1,237	375	669	1,914	66
Households with Only Adults	923	150	379	3,382	109
Chronically Homeless Households	322	0	255	1,718	24
Veterans	44	0	66	216	0
Unaccompanied Youth	37	0	142	194	0

Table 45 - Facilities and Housing Targeted to Homeless Households

Data Source Comments: Emergency Shelter beds for Chronically Homeless and Veterans as well as Transitional Housing beds for Chronically Homeless are not targeted but are number from of respective households from the 2014 PIT count.

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

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 services, workforce development and early childhood programming.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Homeless Single Adults: The County Shelter Team works with eligible clients who are homeless and require assistance after normal county office hours. They work with the Family Homeless Prevention and Assistance Program (FHPAP) providers to facilitate rapid-exit from shelter. Health Care for the Homeless clinics are located in community sites in Minneapolis that serve people who are homeless, such as shelters and drop-in centers.

Families with Children: A FHPAP Rapid-Exit Coordinator is located at the main county-funded shelter. In addition, outreach workers regularly visit family shelters. The Health Care for the Homeless Project and PATH/Access are housed at all family shelters. Public Health Nurses provide street outreach at sites homeless people frequent.

Veterans: Minnesota Assistance Council on Veterans provides for and coordinates chemical dependency and mental health treatment, day-care, life skills training, educational services, family support, and other support approaches to increase basic living skills and/or income in support of obtaining/retaining permanent housing. Veterans Affairs Homeless Services team provides outreach for HUD VASH vouchers and Grant per Diem programming.

Seriously Mentally Ill: PATH/Access and PATH/Hennepin County Mental Health Care (HCMHC) workers have regular outreach at Minneapolis shelters and drop-in centers giving linkage to financial services such as General Assistance qualification and referral assistance to SSI benefits. In addition, there are seven Community Support Program drop-in centers with housing support specialists. Access to legal aid assistance is 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 legal aid assistance is provided.

HIV/AIDS:Minnesota Department of Health HIV Prevention Unit contracts to provide street outreach to people in need of housing, including residents of emergency shelters, intravenous drug users, and youth. Access to legal aid assistance is provided.

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

Youth:StreetWorks Collaborative coordinates efforts of youth service agencies offering 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:Support services are provided at the county's two largest homeless shelters. Smaller shelters also provide support services and are visited regularly by outreach staff. The County Economic Assistance Shelter Unit provides families a single entry point for assessing service needs and making appropriate referrals. The County uses 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. The County strives to provide access to operated, contracted or community-based resources in a timely, respectful, and consistent manner.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

Minneapolis has a high priority for development and maintenance of permanent supportive housing that can serve non-homeless people with special needs. It seeks to fund projects that provide on-site or link to community-based services options where possible. Most special needs human service programs are funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies.

The following table from HUD showing "0" for designated units for people with HIV/AIDS and their families is incorrect and is supplemented by the alternate local table showing TBRA and Permanent Housing designated units.

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	0
PH in facilities	0
STRMU	0
ST or TH facilities	0
PH placement	0

Table 46– HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

TBRA	153
PH in Fac.	72

Table 47 - Minneapolis EMSA HOPWA Units

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

Elderly/Frail Elderly: The supportive housing needs for this population include affordable customized units with qualified providers who can address the needs of seniors requiring supervision due to dementia, especially the aging male population. The current market does not have enough units to address this need. One barrier to placement for low income seniors is a common requirement that a consumer private pay at least 2 years prior to transitioning to a waiver program.

Mentally Ill: Development of an array of housing options allowing persons with serious mental illness to be as integrated into community settings as possible remains a challenge. The County's advisory group of consumers, families, and providers has noted these gaps/needs: more safe affordable housing (due to a shortage and long wait lists), more services, e.g. tenancy support, and more landlord flexibility. Housing and support for people coming out of institutions are needed, especially those coming out of correctional institutions with severe mental illness or drug dependencies that need specialized housing.

Persons with Alcohol/Drug Addictions: The 2013 MN Human Services Drug and Alcohol Abuse Normative Evaluation System (DAANES) reported 20,083 treatment admissions for clients at least partially funded by the state; 3,983 of those were Hennepin County residents. Hennepin County authorized treatment for a total of 6,488 different individuals in 2013. There is a strong tie between chemical dependency and homelessness. The DAANES data showed 11.6% of treatment admissions statewide were homeless and in Hennepin County that rate was 24%. The most common housing problems are affordability and timeliness of access (wait lists too long for people leaving treatment). Specific populations with additional difficulty/housing needs are those who have a criminal background, need assisted living, or parents in recovery with children.

Developmentally Disabled: A continuum of housing options is needed that meets the needs of different people at different points in their lives, and, as much as possible, with individualization and community integration. Hennepin County serves nearly 3,100 people through its "waiver" programs and another 2,400 people not on a waiver, but who meet the criteria for services. These individuals currently reside in various housing settings including independent living, assisted living, group homes, and independent settings. There is a critical need for group home or individualized housing options for adolescents with very high behavioral needs – by far our number one need. Options for adults with high behavioral needs are also a significant need.

Physical Disabilities: Efforts are geared towards serving people in their home or, when this is not possible, in community based settings. Creating more local, independent, housing options for this population is needed.

HIV/AIDS: Most supportive housing programs for persons with HIV/AIDS will openly receive referrals, but clients exiting institutions may be unable to secure permanent supportive housing due to a shortage. Often a client may remain in a skilled nursing home for example, until an opening is available. Transitional housing programs are utilized, providing time to secure permanent housing. Clare Housing, the area's largest provider of HIV-specific supportive housing, will perform on-site assessment/intake for HIV clients being discharged. Once a client has secured supportive housing, most housing programs will hold a resident's space if they enter a hospital, nursing home, or treatment center for up to 60 days. However some subsidy sources do not continue funding, so the housing provider is left with a decision whether to hold the unit (unpaid) or to end the client's lease putting clients back in the cycle of searching for housing.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The Office to End Homelessness employed a full-time Adult Discharge Planning Coordinator to work directly with Hennepin County Corrections and the Hennepin County Medical Center to improve discharge strategies and outcomes. As a result, and the advent of the Affordable Care Act, Hennepin County has implemented Hennepin Health, which provides health insurance and wrap around social services, including housing, to Medicaid-eligible single adults. Hennepin County participates in hospital to home programming, so that homeless individuals being discharged from a hospital are provided with housing during their recuperation and help locating permanent housing. Heading Home Hennepin has also worked with County Corrections on a Transition from Jail to Community pilot to help people exiting the Adult Correctional Facility find appropriate and affordable housing.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

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 services, workforce development and early childhood programming. As well, the City works to assist low-income individuals and families avoid becoming homeless through delivery of homelessness prevention services. The City's Affordable Housing Trust Fund is a financing tool made available to organizations who can develop supportive housing options in the community.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Minneapolis has a high priority for development and maintenance of permanent supportive housing that can serve non-homeless people with special needs. It seeks to fund projects that provide on-site or link to community-based services options where possible. Most special needs human service programs are funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

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. It has adopted and implemented policies to provide lifecycle housing throughout the City, providing all residents with safe, quality and affordable housing, as a priority, in cooperation with public and private partners.

Minneapolis attempts to identify regulatory, transportation and financing issues as barriers to affordable housing. Although some of the barriers to 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 metropolitan area has 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.

Local policies may hinder the development or increase the costs to produce affordable housing. These include zoning regulations, building inspection codes and housing codes. The city has a responsibility to protect health and safety of its property owners and renters, however, 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. 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.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

The City of Minneapolis works to support businesses that create jobs and to ensure that Minneapolis residents are competitive for those jobs. We do this using a variety of strategies including by providing financing and technical assistance to businesses to support their growth and success and by supporting workforce training for both youth and adults and job placement. The City funds this work with a combination of discretionary City dollars, state funding and Federal funding, including through Community Development Block Grants for program-eligible activities.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	220	129	0	0	0
Arts, Entertainment, Accommodations	18,464	26,392	13	11	-2
Construction	2,663	3,691	2	2	0
Education and Health Care Services	32,889	58,667	24	25	1
Finance, Insurance, and Real Estate	16,943	39,240	12	17	5
Information	4,277	9,484	3	4	1
Manufacturing	11,112	15,029	8	6	-2
Other Services	6,755	11,144	5	5	0
Professional, Scientific, Management Services	19,334	41,952	14	18	4
Public Administration	0	0	0	0	0
Retail Trade	15,563	14,068	11	6	-5
Transportation and Warehousing	3,000	2,587	2	1	-1
Wholesale Trade	7,055	9,674	5	4	-1
Total	138,275	232,057	--	--	--

Table 48 - Business Activity

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	228,833
Civilian Employed Population 16 years and over	207,205
Unemployment Rate	9.45
Unemployment Rate for Ages 16-24	29.68
Unemployment Rate for Ages 25-65	6.70

Table 49 - Labor Force

Data Source: 2007-2011 ACS

Occupations by Sector	Number of People
Management, business and financial	63,555
Farming, fisheries and forestry occupations	10,663
Service	21,040
Sales and office	47,449
Construction, extraction, maintenance and repair	8,567
Production, transportation and material moving	7,750

Table 50 – Occupations by Sector

Data Source: 2007-2011 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	142,177	74%
30-59 Minutes	43,206	22%
60 or More Minutes	6,986	4%
Total	192,369	100%

Table 51 - Travel Time

Data Source: 2007-2011 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	12,439	2,537	8,870
High school graduate (includes equivalency)	23,712	3,634	9,119
Some college or Associate's degree	41,548	4,536	9,403
Bachelor's degree or higher	89,104	3,925	9,507

Table 52 - Educational Attainment by Employment Status

Data Source: 2007-2011 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	1,103	3,025	2,713	4,789	3,340
9th to 12th grade, no diploma	5,294	5,639	2,931	4,749	2,920
High school graduate, GED, or alternative	9,674	10,592	8,370	17,503	9,561
Some college, no degree	27,169	13,903	9,472	18,093	5,569
Associate's degree	1,869	4,682	3,526	5,831	1,451
Bachelor's degree	9,622	29,775	15,335	20,233	4,963
Graduate or professional degree	619	11,842	10,622	14,752	4,502

Table 53 - Educational Attainment by Age

Data Source: 2007-2011 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	18,108
High school graduate (includes equivalency)	24,011
Some college or Associate's degree	31,797
Bachelor's degree	45,500
Graduate or professional degree	62,218

Table 54 – Median Earnings in the Past 12 Months

Data Source: 2007-2011 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

As would be expected for a regional Central Business District community, jobs are concentrated with professional services, including education and health care; professional, scientific and manufacturing; finance, insurance and real estate; and arts, entertainment and accommodations; trailed by manufacturing and retail. There are actually a significant number of public administration jobs within the jurisdiction – between the City of Minneapolis and offices of Hennepin County located within the downtown; those jobs must be captured under another category, or perhaps the Hennepin County jobs captured in another reporting geography. Also as expected for a CBD, there are more jobs than local residents filling those jobs, as many workers commute in from other metro area municipalities for work.

Describe the workforce and infrastructure needs of the business community:

The reported 2007-2011 ACS unemployment rate of 9.45% is dated, and actually higher than any reported by the Department of Labor even during the recession (Minneapolis peaked at 7.6% in 2009). The current unemployment rate in Minneapolis proper is 3.1%. This very low unemployment rate means that businesses in growing sectors including tech and manufacturing are having difficulties attracting and retaining talent, and a regional effort led by our regional economic development organization GreaterMSP is working to address that. In Minneapolis, this low unemployment rate also masks racial disparities in unemployment. In 2011, a study by the Economic Policy Institute found that Minneapolis had the highest disparity in employment between whites and people of color, with African Americans having an unemployment rate three times that of whites.

These disparities persist. The regional development plan adopted by the Metropolitan Council – Thrive MSP 2040 – identifies several Racially Concentrated Areas of Poverty throughout the region for special attention, including two large areas within North and South Minneapolis. The American Community Survey 3-year estimates of unemployment broken down by race/ethnicity show for 2011-2013 a rate of 5.9% for whites, 21.5% for African Americans, 21% for American Indians, 10.3% for Asians and 8.5% for Hispanic/Latinos (chart in CPED Results Nov 2014, p. 9 <http://www.ci.minneapolis.mn.us/www/groups/public/@citycoordinator/documents/webcontent/wcms1p-134245.pdf>). This combination of available jobs, indicated by the very low overall unemployment rate and disparate access to employment for people of color is both a call to action and an opportunity to meaningfully increase employment in communities of color with workforce development programming.

Business infrastructure needs include primarily transit expansion, roadway maintenance, and freight transportation. Our region has, with Federal support, begun to expand our transit network to include a number of light rail and commuter rail lines, which connect the downtowns, the airport, and the Northwestern suburbs. Plans are underway for additional light rail, streetcar and bus rapid transit lines serving other parts of the metro, connecting workers to jobs more efficiently. There is a need to expand transit service to manufacturing areas that have not traditionally been well served, as company growth is constrained by the ability to provide employee parking on small urban sites.

With the oil boom in North Dakota, our freight rail network is operating over capacity, with impacts to businesses for access to freight, and the recent closure of the St. Anthony lock on the Mississippi River to block the spread of Asian carp will have some impacts to businesses that used barging for freight shipping, as well as to area roadways as those businesses shift their mode of transport to trucks (<http://metro council.org/METC/files/a7/a74e4dbe-8548-451d-b357-2ac8af7b4dfd.pdf>).

As a fully built out city in a harsh climate, Minneapolis struggles to maintain roadways in manufacturing areas. These roads typically were not built to current standards, some are comprised of compacted layers of oil and dirt over decades and they receive heavy truck use, but the total number of people and

vehicles using them is a fraction of the use of arterials and thus it is challenging to prioritize scarce infrastructure maintenance and reconstruction resources to these roadways.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

North Minneapolis and an area immediately South of Downtown have both been designated Racially Concentrated Areas of Poverty in the region's Thrive MSP 2040 plan (<http://www.metrocouncil.org/Planning/Projects/Thrive-2040/Thrive-MSP-2040-Plan.aspx?source=child>). Within these areas there are a number of efforts under way to support market investment and jobs growth. North Minneapolis was the focus of a 2014 Federal Promise Zone application.

The Minneapolis City Council in 2013 approved a new program to spur business investment called Grow North, providing expanding businesses with CDBG-funded loans for capital investment, forgivable if the business hires and retains a Northside resident. These forgivable loans are sourced with CDBG capital dollars. The City has also directed some local dollars to providing homebuyer assistance to employees of participating companies to purchase homes in North Minneapolis. Further, the City directs resources to customized training and hiring outreach to Grow North companies to aid them in both creating new jobs/moving incumbent workers forward allowing for backfill of more entry-level positions, and targeted recruitment to attract the right and best talent to their open positions.

There is a significant recent change that will impact some manufacturing businesses and the road network in North Minneapolis, as well as roadways in adjacent areas. In 2015, the St. Anthony Lock on the Mississippi River will be closed in an attempt to physically block the further spread of invasive Asian carp. There are a few private businesses along the river that ship goods by barge, and these will need to shift to other modes of transportation – rail and truck – with the expectation that the shift to truck transportation will have significant impacts on the road network (<http://metrocouncil.org/METC/files/a7/a74e4dbe-8548-451d-b357-2ac8af7b4dfd.pdf>).

The lock closure also has prompted the closure of a City-owned port facility in North Minneapolis, the Upper Harbor Terminal. This 50 acre facility is slated for jobs-intensive redevelopment (http://www.ci.minneapolis.mn.us/cped/projects/UHT_Redevelopment) with a riverfront parkway connected to the Grand Rounds National Scenic Byway (<http://www.minneapolisparcs.org/grandrounds/home.htm>) and serving both the adjacent residential community and surrounding current and future businesses. The site will require significant investment in soil remediation and infrastructure development to meet its potential.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

Like so many urban areas across the United States, the skill and education of the current and immediate future workforce is most acutely mismatched in the skilled technical trades, those trades that require high levels of math and science (STEM career skills). In Minneapolis young adults 18-24 years of age and older workers displaced from the labor force during the recession struggle to gain access to higher tech/higher wage careers based on lack of knowledge, training, and preparation. As noted above the skills mismatches are impacting our communities of color more dramatically than the majority white residents; producing uneven unemployment rates between racial and ethnic groups.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

City of Minneapolis Employment and Training, the workforce development arm of City of Minneapolis government and administrative entity for the Minneapolis Workforce Investment Board, focuses resources towards direct job placement services, career training in in-demand industry sectors, and job growth strategies to meet the demand of the changing labor force dynamics since the end of the recession. One notable effort underway is the City of Minneapolis' Train-to-Career program that provides both skills training and job placement support through seven partnering community-based agencies. The training must end in an industry-recognized credential, be listed as in-demand by the State of Minnesota, and provide living-wage income post-training. This project requires close partnership with our community college partners and non-profit trainers, which respond with both customized training and credit programming that meets the needs of our job seekers.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Yes, Hennepin County maintains a CEDS for that jurisdiction which includes the City of Minneapolis (<http://www.hennepin.us/~media/hennepinus/Business/work-with-hennepin-county/Documents/ceds-2012-final-approved-october-9-2012.pdf>).

The CEDS notes several target areas within Minneapolis (<http://www.hennepin.us/~media/hennepinus/Business/work-with-hennepin-county/Documents/ceds-2012-final-approved-october-9-2012.pdf> p. 7). These areas coincide with target

intervention areas within the Racially Concentrated Areas of Poverty, including North Minneapolis (focus of a 2014 Promise Zone application), as well as opportunity areas around transit.

Discussion

The City of Minneapolis economic development and anti-poverty strategy is to support businesses with the potential to create jobs and to support our residents to be competitive for those jobs. The City intervenes in areas of market failure with both business and workforce development activities. We deploy CDBG dollars for business capital support, business consulting to income-eligible microentrepreneurs and workforce development, and supplement these Federal dollars with City and other local funds.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Households experiencing multiple housing problems of overcrowding and cost burdens are more likely to be found in a line of the city following I-94 in north Minneapolis and I-35 in south Minneapolis towards the center of the city as well in areas surrounding the University of Minnesota. These sections of the city contain its oldest housing stock and most affordable rent situations.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

In 2012, Minneapolis determined that an area of poverty concentration is a census tract that is double the city's average poverty rate as determined by the latest ACS 5-year average, so as of the latest ACS 5-year average, tracts that are composed of at least 45% of persons in poverty are considered concentrated. An area of minority concentration is a census tract that has a minority population that is at least 50% minority population. This minority concentration percentage is consistent with the HUD Regional Fair Housing and Equity Assessment definition standard of 50 percent.

Poverty-concentrated tracts are found around the University of Minnesota and Cedar Riverside, the north, east and west sides of Phillips, a portion of south central Minneapolis, census tracts along Broadway Avenue in north Minneapolis and in Sumner Field.

Minority-concentrated tracts are found in most areas of north Minneapolis north of the Bassett Creek corridor and west of the Mississippi River and most of south Minneapolis in a path from Cedar Riverside south to Central neighborhood in an area generally bounded on the west and east by Uptown and Hiawatha Avenue respectively. There is a tract on concentration on the southern Minneapolis border along Highway 62.

The maps in the Appendix illustrate these areas.

What are the characteristics of the market in these areas/neighborhoods?

These areas have been locations where the most affordable housing options in the city could be accessed. Land values that were lower than other areas have made it easier over the past decades to locate supportive and affordable housing developments in these areas. A higher proportion of lower assessed property values in these areas as well made it a target for heavy homeownership and property holding investments in the 2000s. The housing stock in these neighborhoods being older are more likely to need a heavier level of maintenance which not all homeowners or landlords were willing or able to provide. The recession's real estate crash hit these areas harder than the rest of the city. All of the city's NSP eligible target areas were found in these same neighborhoods. There is a shortage of business

development, higher paying jobs, high profile regional cultural assets and ownership and medium cost rental housing in these areas.

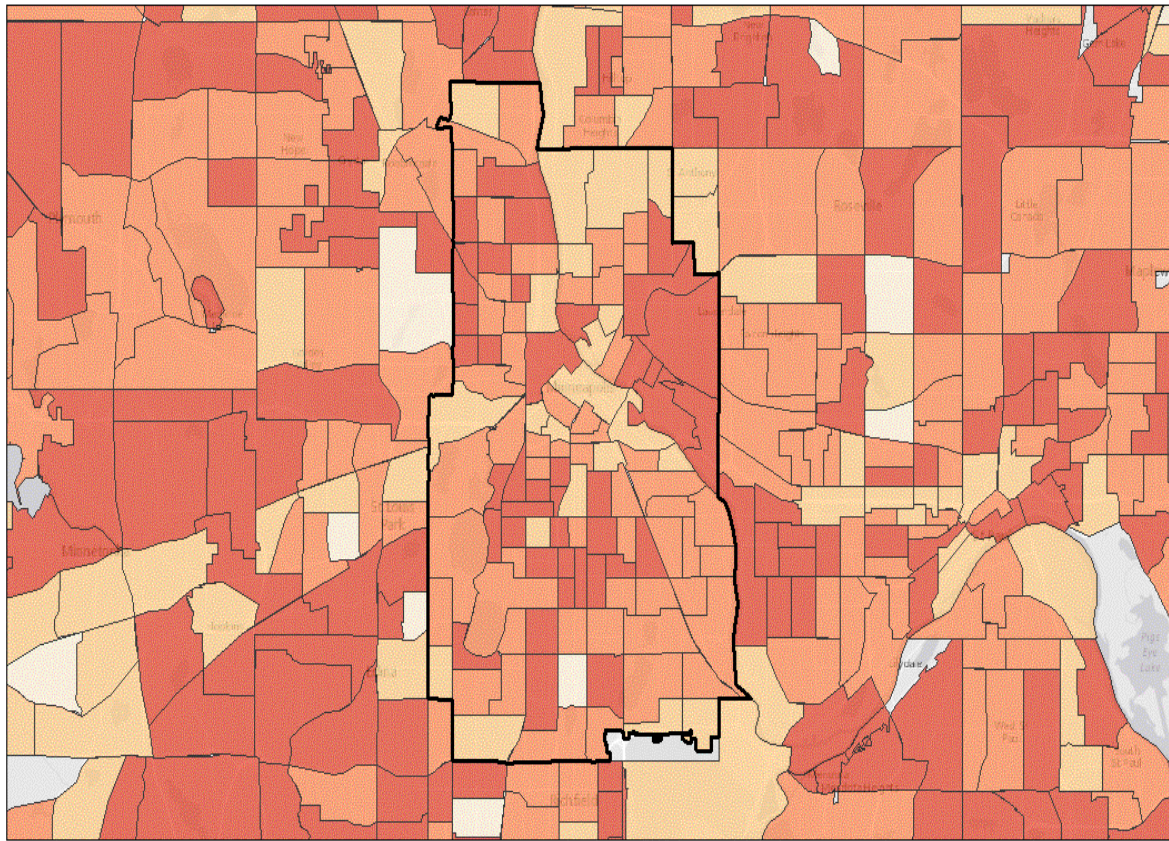
Are there any community assets in these areas/neighborhoods?

These areas do benefit from a variety of investments in public transportation, health care facilities, social welfare services, and access to entry level jobs. Many of these investments have occurred over time due to the lower property costs and opportunities that presented themselves following past actions to revitalize these areas. The commercial corridors have seen some level of sustainable activity that have created new economic opportunities in these communities. The completion of the Blue LRT line has spurred new residential and commercial investments. These communities all contain portions of designated commercial growth corridors by the city.

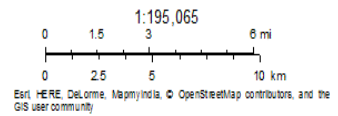
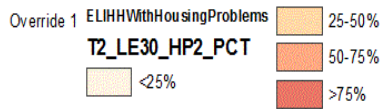
Are there other strategic opportunities in any of these areas?

Many of these neighborhoods are located with commercial corridors that are a specific economic development growth strategy target of the city. This public emphasis and investment has prompted the market to take another look at these areas for investment. Revitalization of the housing stock in these areas, especially along current and future transit corridors is drawing in new homeowners and renters. North Minneapolis is proposed as a federal Promise Zone that irrgardless of designation, is a vehicle for coalescing a variety of revitalization interests around this part of the city. However, the drawback to this is that localized commercial and housing rents can rise and threaten to dislocate long-time community residents and community assets. The City will need to recognize any potential displacement threats and provide a balance of program options to mitigate those threats for existing long time residents who may wish to realize practice of housing choice by remaining in these neighborhoods.

Very Low-Income Households with Severe Housing Problems - Consolidated Plan and Continuum of Care P

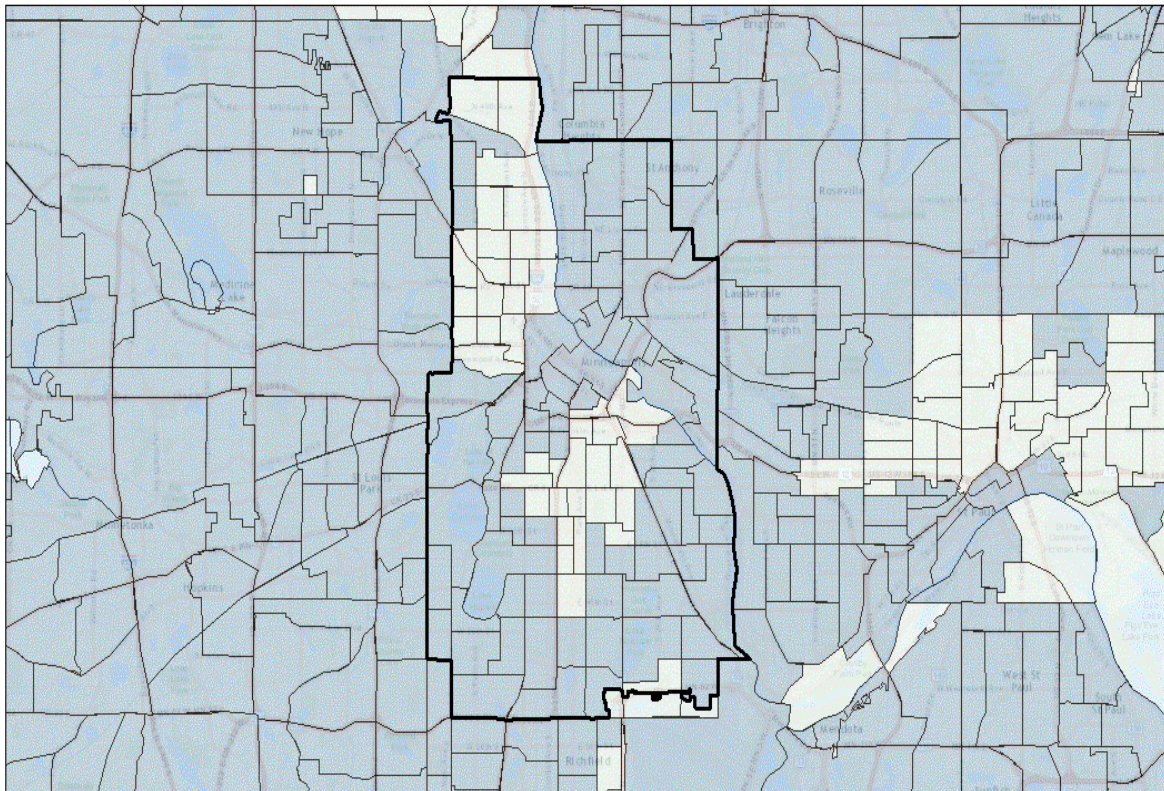


March 7, 2015



Percent of Very Low-Income Households with Severe Housing Problems - Consolidated Plan and Continuum of Care Planning Tool

Areas of Minority Concentration - Consolidated Plan and Continuum of Care Planning Tool



March 7, 2015

Override 1 WhiteAlone >50%
B03002EST3_PCT
 <50%

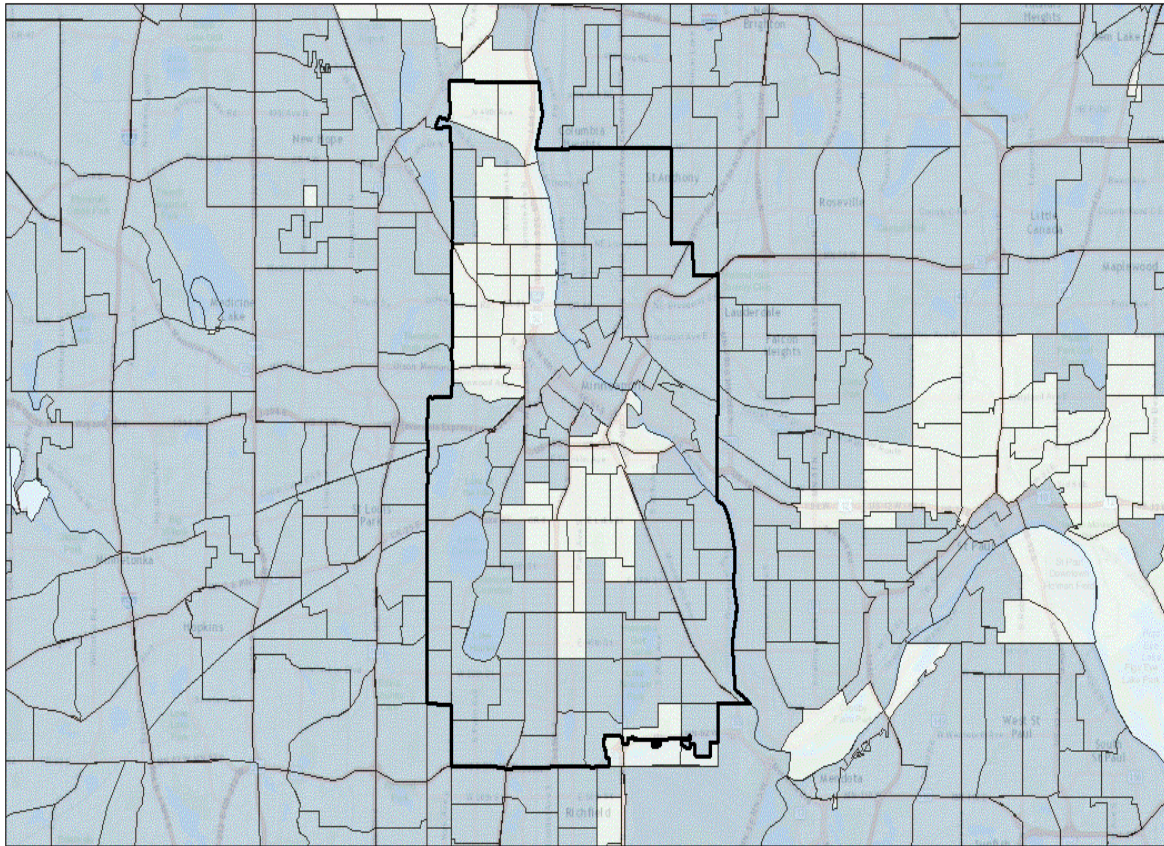
1:195,065

0 1.5 3 6 mi
 0 2.5 5 10 km

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Swis (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

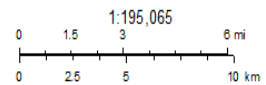
Areas of Poverty Concentration -

Areas of Minority Concentration - Consolidated Plan and Continuum of Care Planning Tool



March 7, 2015

Override 1 WhiteAlone >50%
B03002EST3_PCT
 <50%



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri, China (Hong Kong), Esri, Thailand, TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Areas of Minority Concentration - Consolidated Plan and Continuum of Care Planning Tool

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The City will undertake a variety of strategies to address its priority needs that have been described in the Consolidated Plan. The Strategic Plan outlines the city's approach to addressing the needs.

City actions for the 2015 Annual Plan will be follow the strategic plan. In summary, the City will undertake the following:

- Support strategies for fostering and maintaining affordable housing;
- Assist those homeless and special needs populations through a 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 (this discussion is contained in the Appendix and is part of this Plan);
- Coordinate actions among public and private housing providers and social service agencies;
- Address its non-housing community development needs; and
- Address barriers to the provision of affordable housing.

The City's Unified Housing Policy sets forth the following priorities for rental housing 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.

- Annually the City will create more units affordable at 30-60% of Metropolitan Median Income (MMI) through new construction/positive conversion than the number of habitable units affordable to 30-60% of MMI that are demolished as a result of City sponsored projects.
- Funding for housing programs serving those above 60% of Metropolitan Area Median Income 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 60% or less of the Metropolitan Area Median Income. 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.
- Projects which utilize any funding from the Affordable Housing Trust Fund (CDBG/HOME) must have 20% of the housing units available to households at or below 50% of area median income.

In terms of senior housing, the City seeks to provide and focus on senior housing needs and options so that, as the population ages, senior residents can maintain a household in the city and not be forced to find suitable living arrangements elsewhere. Thus, the City will:

- Partner with the development community to create one new senior housing project of at least 35 units in each ward of the city by 2025.
- Set aside 30% of the annual Affordable Housing Trust Fund budget for senior rental housing financing.
- Set aside 25% of the annual Housing Revenue Bond Allocation for senior housing.
- City Council will have a goal to budget \$1.5 million annually for an owner occupied rehab program of which \$1 million will be set-aside for senior households.
- CPED will report out annually on the number of senior housing units created or enhanced and use the report as an opportunity to add new goals addressing the progress of the Senior Housing Initiative.

Â

Ownership Housing

Over the next year the City will provide financing and administer programs for the development and preservation of affordable ownership housing.

- Preserve and improve the physical condition of existing ownership housing through home improvement offerings.
- Support in-fill development of new three or more bedroom houses for large families through a combination of construction GAP financing and affordability loans.
- A minimum of 20% of all HUD-assisted ownership projects of 10+ units be affordable at 50% AMI.
- Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- Promote and support first-time homeownership opportunities and outreach for traditionally underserved populations.
- Streamline City development review, permitting, and licensing to make it easier to develop property in the City of Minneapolis.
- Develop and foster close dialog with community participants about appropriate locations and design standards for new housing and growth.

- 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.

Subsidized and Code Compliant Housing

The preservation and stabilization of federally 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.

In the area of housing quality, the City will continue to work through its Regulatory Services and CPED departments to ensure that the City's market and affordable housing supply is safe in compliance with the housing code. The City's Problem Properties Unit (PPU) is a cross-departmental group that works with housing properties that consume many City resources in the areas of inspections and public safety. The Problem Properties Unit responds to and develops strategies to monitor and resolve, or eliminate issues associated with nuisance and boarded and vacant properties. Solutions can include up to securing buildings with boards, entering into restoration agreements to ensure timely rehab of properties, or demolish buildings under the provisions of Chapter 249 of the City's code of ordinances. These activities will be pursued with recognition of the potential of displacement of protected class residents and the need to mitigate any displacement through appropriate actions.

Economic Development, Public Services, Special Needs

The City's economic development and anti-poverty strategy is to support businesses with the potential to create jobs and to support our residents to be competitive for those jobs. The City intervenes in areas of market failure with both business and workforce development activities. The City deploys CDBG dollars for business capital support, business consulting to income-eligible microentrepreneurs and workforce development, and supplement these Federal dollars with City and other local funds.

The City will target economic development to its commercial and transit corridors to increase accessibility of the resulting jobs to its low- and moderate-income residents.

The City will provide support for eligible public service activities, including but not limited to employment training, youth development, crime prevention, public safety, health services and public services for vulnerable residents. Beneficiaries will be low- and moderate-income persons and households and presumed benefit populations. The City will seek to provide up to 15% of its annual CDBG grant in support of this need.

Minneapolis has a high priority for development and maintenance of supportive housing options that serve people with special needs. It seeks to fund projects that provide on-site or link to community-based services options where possible. Most special needs human service programs are funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies.

The City is an active participant in supporting the housing strategies of the Heading Home Hennepin Plan for homelessness. This will include providing capital funds to the creation of additional housing units to the supportive housing inventory, rehabilitating and renovating emergency shelters, providing street outreach funding and working through community-based services providers to distribute rapid rehousing and homelessness prevention assistance.

On behalf of the metropolitan area, the City will administer the HOPWA grant in pursuit of the housing priorities set forth by the HIV Housing Coalition.

Planning and Administration functions will support all associated goals of the Consolidated Plan and its implementation priorities, strategies and programming.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 55 - Geographic Priority Areas

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

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 in this plan in section AP-35 Project Summary.

CDBG will directed on an area basis to census tracts in the city where, based on the American Census Survey, the majority of residents are of low- and moderate-income. In the Appendix, past CDBG expenditures for 2005-2013 that could be traced to a specific location or service facility are charted showing expenditures by city ward in order to illustrate areas of the city where CDBG spending traditionally occurs. This spending chart does not reflect locations personal direct beneficiaries since qualification for that spending is at a client level.

The City will continue to work with the MPHA for opportunities to develop 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 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 Housing Coalition and through an annual RFP process.

HOME funds are spent throughout the City for income-eligible units.

The City's Affordable Housing Trust Fund program composed partially of CDBG and HOME funds, awards priority points for new housing construction in non-poverty-impacted areas of Minneapolis (CDBG new housing construction is only through a Community Housing Development Organization). If a new construction project receives HOME funds out this program, that project is sited in an area that is non-impacted by race or poverty. New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 56 – Priority Needs Summary

1	Priority Need Name	Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Chronic Homelessness Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	
	Associated Goals	Sustainable, Affordable Housing
	Description	Work to maintain and increase the community's availability of decent, safe and sanitary affordable housing options for low- and moderate-income households in line with the city's goals of Living Well and One Minneapolis.

	Basis for Relative Priority	The City will seek to address the housing needs for its very low-, low- and moderate-income households with emphasis on senior housing development. Housing for those with special needs will be sought with developer interest and supported by the City. 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.
2	Priority Need Name	Economic Development
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Community Economic Development
	Description	Work to create economic growth opportunities accessible to low- and moderate-income residents and support workforce training options enabling residents to take advantage of those opportunities consistent with the city's goals of One Minneapolis and A Hub of Economic Activity and Innovation.
	Basis for Relative Priority	The City of Minneapolis economic development and anti-poverty strategy is to support businesses with the potential to create jobs and to support our residents to be competitive for those jobs. The City intervenes in areas of market failure with both business and workforce development activities. We deploy CDBG dollars for business capital support, business consulting to income-eligible microentrepreneurs and workforce development, and supplement these Federal dollars with City and other local funds. The City will target economic development to its commercial and transit corridors to increase accessibility of the resulting jobs to its low- and moderate-income residents.

3	Priority Need Name	Public Services
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Victims of Domestic Violence Elderly Frail Elderly Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Community Economic Development Safe, Equitable, Livable Environment
	Description	Provide services and programming that support low- and moderate-income residents in realizing safe, equitable and livable communities promoting healthy lives consistent with the city's goals of Living Well, One Minneapolis, and Great Places.
	Basis for Relative Priority	Provide support for eligible public service activities, including but not limited to employment training, youth development, crime prevention, public safety, health services and public services for vulnerable residents. Beneficiaries will be low- and moderate-income persons and households and presumed benefit populations. The City will seek to provide up to 15% of its annual CDBG grant in support of this need.
4	Priority Need Name	Special Needs: Homeless/HIV/AIDS
	Priority Level	High

Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
Geographic Areas Affected	
Associated Goals	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
Description	Support activities that assist special needs populations in realizing safe, equitable and livable communities promoting healthy lives consistent with the city's goals of Living Well, One Minneapolis, and Great Places.

	Basis for Relative Priority	<p>Minneapolis has a high priority for development and maintenance of supportive housing options that serve people with special needs. It seeks to fund projects that provide on-site or link to community-based services options where possible. Most special needs human service programs are funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies.</p> <p>The City is an active participant in supporting the housing strategies of the Heading Home Hennepin Plan for homelessness. This will include providing capital funds to the creation of additional housing units to the supportive housing inventory, rehabilitating and renovating emergency shelters, providing street outreach funding and working through community-based services providers to distribute rapid rehousing and homelessness prevention assistance.</p> <p>On behalf of the metropolitan area, the City will administer the HOPWA grant in pursuit of the housing priorities set forth by the HIV Housing Coalition.</p>
5	Priority Need Name	Planning & Administration
	Priority Level	High
	Population	Extremely Low Low Moderate Middle
	Geographic Areas Affected	
	Associated Goals	Sustainable, Affordable Housing Community Economic Development Safe, Equitable, Livable Environment
	Description	Planning and administrative activities that support eligible grant administration, housing, economic development, and public service activities.
	Basis for Relative Priority	Planning and Administration functions will support all associated goals of the Consolidated Plan and its implementation priorities, strategies and programming.

Narrative (Optional)

The City of Minneapolis has identified four global community priority needs associated with its Strategic Plan: Affordable Housing, Economic Development, Public Services, and Special Needs. Strategies and programs to address these needs are described in their description as well as in the remainder of the Strategic Plan and Annual Plan.

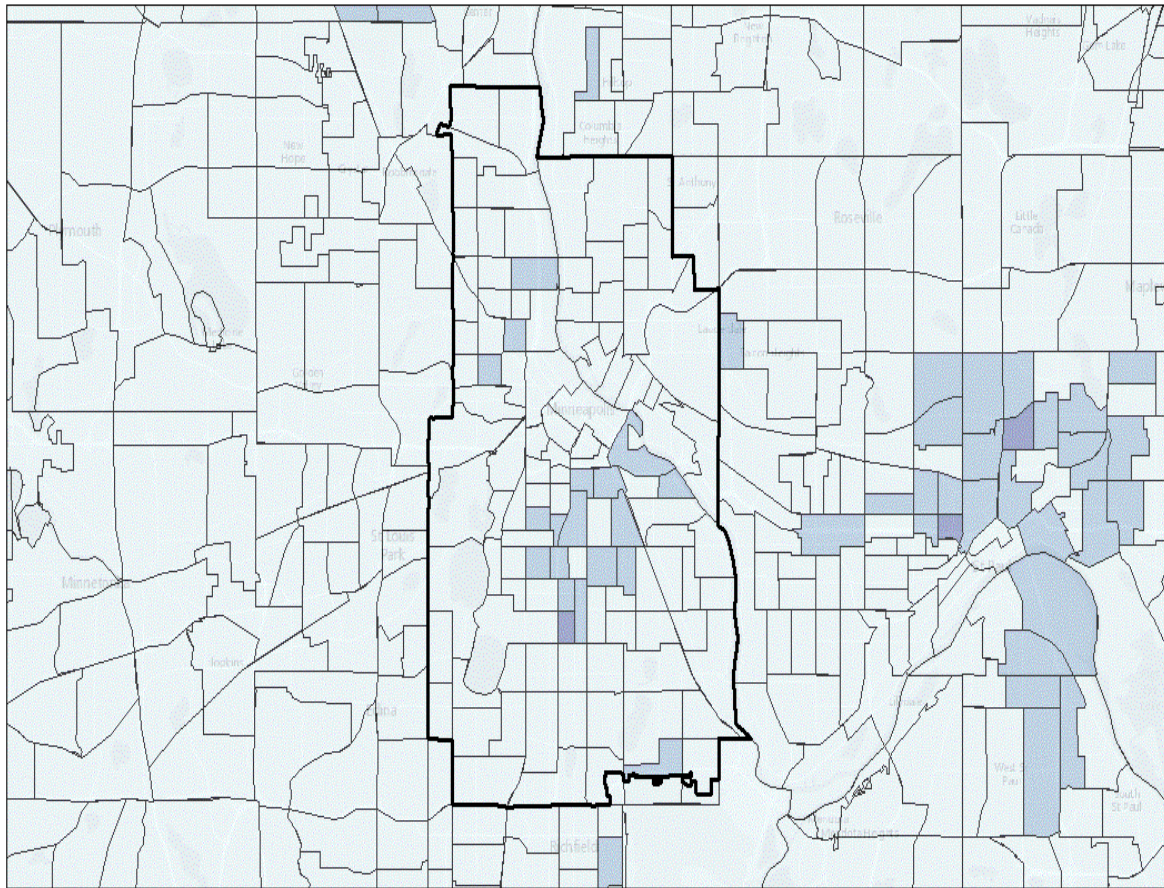
SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

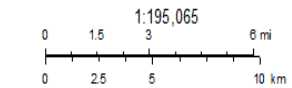
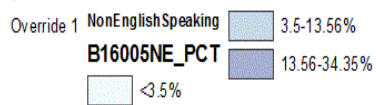
Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	The City does not fund TBRA activities with its HOME funds.
TBRA for Non-Homeless Special Needs	The City will use HOPWA funds to support the TBRA demands of those with HIV/AIDS in the metropolitan area. Ability of recipients to receive permanent alternative sources of income supports for housing will allow for frequent turnover of these TBRA vouchers.
New Unit Production	New construction of housing will be affected by land costs, construction pricing, market demand for the particular unit design, unit size, available land suitable for new residential construction and resulting level of subsidy needed per unit.
Rehabilitation	Housing rehabilitation will be affected by construction pricing, market demand for a particular unit design, unit size, housing stock available to be acquired for rehabilitation and resulting level of subsidy needed per unit.
Acquisition, including preservation	Acquisition costs will be variable especially with the growing gap between affordable and market rents, available land and residential developments to acquire and overall market demand for the development sites.

Table 57 – Influence of Market Conditions

Language in Minneapolis - Consolidated Plan and Continuum of Care Planning Tool



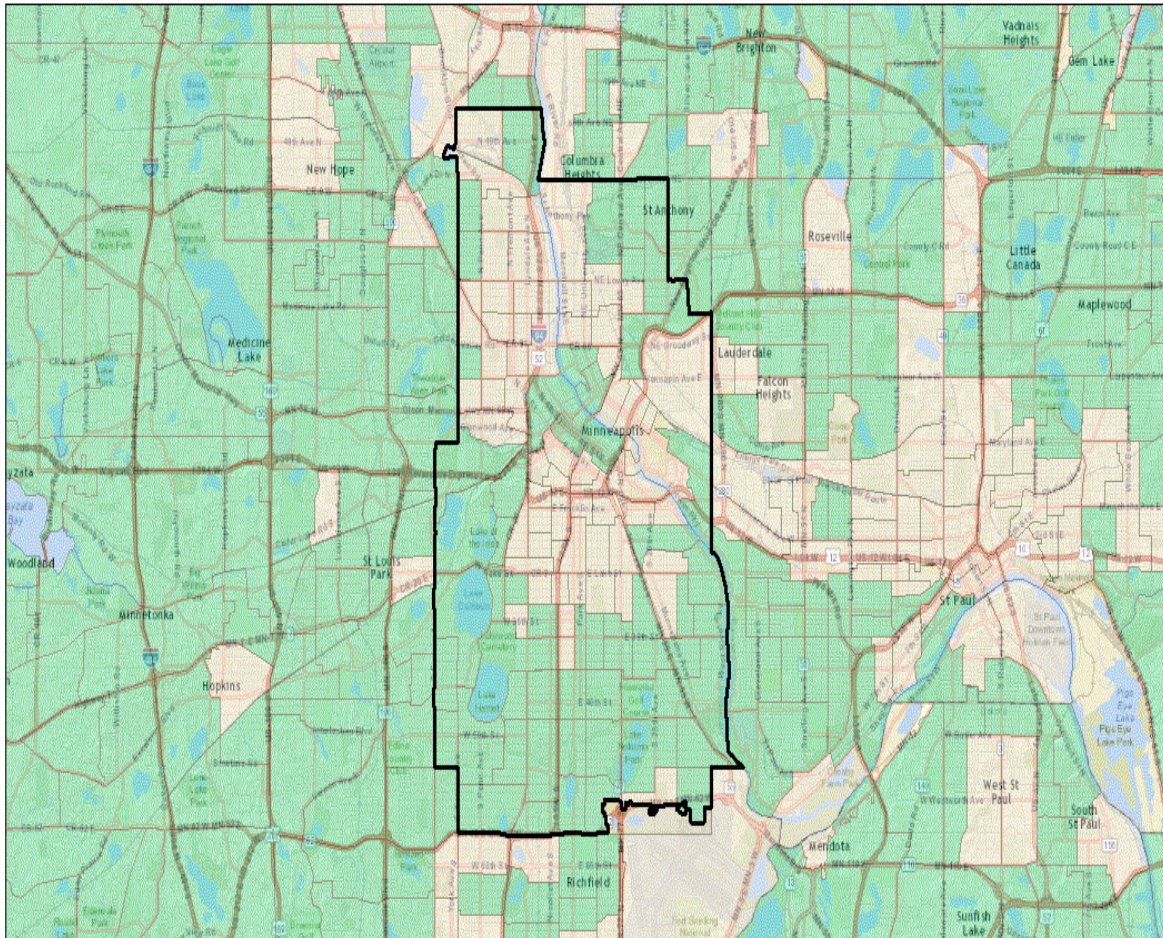
March 7, 2015



Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

Language in Minneapolis - Consolidated Plan and Continuum of Care Planning Tool

Areas Below Median Household Income - Consolidated Plan and Continuum of Care Planning Tool



March 7, 2015

Override 1 MedianHouseholdIncome >\$47,478
B19013EST1
 <\$47,478

1:204,663
 0 1.75 3.5 7 mi
 0 2.75 5.5 11 km

Source: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri, China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Areas Below Median Household Income - Consolidated Plan and Continuum of Care Planning Tool

Map: Areas below Median Household Income

This map illustrates city census tracts that are composed of households below the city's median income level of \$47,478. The city's median income is below the metro region's median income of \$86,600 (FY15) . The map shows where Consolidated Plan needs are likely to be more prevalent.

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

Anticipated resources are based on assumptions about future federal funding levels. Annual funding levels are dependent upon the annual Congressional appropriation process and changes in the number of formula recipients. The City should also factor in potential changes to one or more of the formulas that be may realized over the next five years.

Based on previous five years funding and anticipated future direction, city staff anticipate the following annual changes to respective funds:

CDBG annual 6% reduction

HOME annual 3% reduction

ESG annual 3% reduction

HOPWA annual 1.2% increase

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	10,452,853	1,200,000	0	11,652,853	35,904,849	annual 6% reduction for average annual amount of \$9,271,540

HUD-Approved
Consolidated Plan

MINNEAPOLIS

139

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,953,039	220,000	0	2,173,039	7,243,560	annual 3% reduction for average annual amount of \$1,839,320
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,039,291	0	0	1,039,291	4,369,221	annual 1.2% increase for average annual amount of \$1,081,702

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	955,772	0	0	955,772	3,544,830	annual 3% reduction for average annual amount of \$900,120

Table 58 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

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 resources expected during Consolidated Plan five year cycle to support housing and community development goals will be Minnesota Housing, 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.

The following describes how required Consolidated Plan formula matches will be obtained.

HOME: 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 Housing Revenue Bonds with the automatic 4% Low Income Housing Tax Credit entitlement
- Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

Based on previous years' performance, HOME program income for 2015 is estimated to be \$220,000.

ESG: A one-for-one match is required for the ESG grant. It is obtained by eligible match contributions received and expended by sub recipients during the program year that applies to the ESG funding. Match will only be counted if it is used by the sub recipient to support eligible ESG programming and activities.

Sources of match by sub recipients can be unrestricted federal, state, local or private sources; however, if any match is federal the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Minnesota State statute requires Hennepin County to dispose of tax-forfeited land through two approaches—sale to the City of Minneapolis or through an public auction process. The City typically acquires and treats those properties that are blighted (condemned and/or boarded and vacant) through either demolition or responsible rehabilitation.

Discussion

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Minneapolis Public Housing Authority	PHA	Public Housing	Jurisdiction
Minneapolis Community Planning and Economic Development Department	Redevelopment authority	Economic Development Homelessness Ownership Planning Rental	Jurisdiction
Minneapolis Health Department	Departments and agencies	Planning neighborhood improvements public services	Jurisdiction
Heading Home Hennepin	Continuum of care	Homelessness Planning	Region
MID-MINNESOTA LEGAL ASSISTANCE	Non-profit organizations	Non-homeless special needs Public Housing Rental public services	Jurisdiction
Minneapolis Youth Coordinating Board	Non-profit organizations	Planning public services	Jurisdiction
Domestic Abuse Project	Non-profit organizations	Non-homeless special needs public services	Jurisdiction
The Link	Non-profit organizations	public services	Jurisdiction
WAY TO GROW	Subrecipient	public services	Jurisdiction
GMHC	Subrecipient	Ownership	Jurisdiction

Table 59 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

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. 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.

These partnerships have allowed the city to realize progress on its housing and community development work. For example, over the past five years, 191 units of housing were delivered to homeowners at or below 50% of median income and 329 units of housing for those at very low-incomes. Another example is that the overall unemployment rate in the city is on par with the metro region. However, much remains to be done especially in the area of delivering the benefits of progress equitably throughout the community. Communities of color and very low-income continue to realize unequal outcomes in housing and service delivery compared with the broader community. How institutional actors work to address these gaps will be a focus of the city over this five year planning cycle.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X	X	X
Other Street Outreach Services	X	X	X
Supportive Services			
Alcohol & Drug Abuse	X		
Child Care	X		
Education	X		
Employment and Employment Training	X		
Healthcare	X		X
HIV/AIDS	X		X
Life Skills	X	X	
Mental Health Counseling	X	X	X
Transportation	X		X

Other			

Table 60 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The Continuum of Care networks many supportive service providers together to assist homeless persons with a continuum of services to address housing and non-housing needs. The City holds an outreach services contract with St. Stephen's Outreach Team to provide street outreach services to unsheltered persons primarily in the downtown area.

Services to persons with HIV who are either homeless or at-risk is provided through Minnesota AIDS Project (MAP), who is contracted by the city for rental assistance provision with the HOPWA grant. MAP is the front door services resource provider for city and metro residents with HIV. MAP provides case management for housing services, supportive services, employment service access and other basic life skills to achieve/support independent living.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Minneapolis does have populations of people that are precariously housed and in need of supportive services to allow them to remain in their current housing situations, or retain a sustainable living environment. Though Hennepin County is the primary provider of most non-housing social services with federal and state assistance funds, the City does provide for some of these needs through use of its CDBG funds devoted to public service programming.

The City and County continually seek to address improved coordination of service delivery through planning venues such as the Continuum of Care (Heading Home Hennepin). This effort is staffed with city and county resources through the Office to End Homelessness whose director reports to both County and City officials.

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. The City and Hennepin County collaborate to identify the needs and coordinate implementation of the ESG funding through the City-County Office to End Homelessness and Heading Home Hennepin. Over the next five years, Hennepin County will implement a Coordinated Assessment process, bringing together all aspects of the continuum of homeless services into a unified process. Each person seeking homeless services will be assessed within one week for their vulnerability

and people will be triaged to the most appropriate level of intervention needed to end their homelessness.

The inclusion of McKinney Vento grantees and low-income tax credit properties into 2013 Violence Against Women Act renewal (2013 VAWA) housing protections for victims of domestic violence, sexual assault, stalking and dating violence is new. Covered entities may be unaware of the law or need guidance on policy/procedure for its implementation.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The City works with these partners to design programs that work to address needs present in the City. As noted above though, program delivery gaps occur, whether through funding shortfalls, differing timetables, and contrary program design, or the benefits of delivery systems do not accrue to those who need it the most. 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.

In light of concerns raised by the advocacy groups around recognition of 2013 VAWA housing protections by housing providers, the City will raise the concerns in appropriate forums with its housing partners and seek collaborative opportunities for appropriate education and training on these housing protections.

The coordinated assessment process under development by Heading Home Hennepin should recognize the need for continued and expanded collaborations with domestic and sexual violence service providers in the planning and implementing of coordinated/centralized assessment to reflect their concerns including but not limited to entry point designation; assessment tool development; waiting list prioritizations; referral procedures when violence is identified at any point in the process; trauma-informed data-sharing protocols; and allocation of resources for these collaborations.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
------------	-----------	------------	----------	----------	-----------------	-----------------	---------	------------------------

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Sustainable, Affordable Housing	2015	2019	Affordable Housing Public Housing Non-Homeless Special Needs	MINNEAPOLIS	Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration	CDBG: \$26,269,364 HOPWA: \$540,851 HOME: \$9,196,599	Rental units constructed: 475 Household Housing Unit Rental units rehabilitated: 775 Household Housing Unit Homeowner Housing Added: 50 Household Housing Unit Homeowner Housing Rehabilitated: 150 Household Housing Unit Direct Financial Assistance to Homebuyers: 50 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 375 Households Assisted Homeless Person Overnight Shelter: 250 Persons Assisted Housing for People with HIV/AIDS added: 30 Household Housing Unit 149 Buildings Demolished: 100 Buildings Housing Code

HUD-Approved
Consolidated Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Community Economic Development	2015	2019	Non-Housing Community Development		Economic Development Public Services Planning & Administration	CDBG: \$10,044,170	Public service activities other than Low/Moderate Income Housing Benefit: 2595 Persons Assisted Jobs created/retained: 1875 Jobs Businesses assisted: 500 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Safe, Equitable, Livable Environment	2015	2019	Homeless Non-Homeless Special Needs Non-Housing Community Development Public Services		Public Services Special Needs: Homeless/HIV/AIDS Planning & Administration	CDBG: \$10,044,170 HOPWA: \$4,867,661 ESG: \$4,500,602	Public service activities other than Low/Moderate Income Housing Benefit: 9853 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 400 Households Assisted Rental units rehabilitated: 224 Household Housing Unit Homeowner Housing Rehabilitated: 56 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 750 Households Assisted Homeless Person Overnight Shelter: 375 Persons Assisted Other: 227472 Other

Table 61 – Goals Summary

Goal Descriptions

1	Goal Name	Sustainable, Affordable Housing
	Goal Description	Work to maintain and increase the community's availability of decent, safe and sanitary affordable housing options for low- and moderate-income households in line with the city's goals of Living Well and One Minneapolis. Funding allocations shown are estimates based on historical use of respective funds towards support of the goal and projected future resources available.
2	Goal Name	Community Economic Development
	Goal Description	Work to create economic growth opportunities accessible to low- and moderate-income residents and support workforce training options enabling residents to take advantage of those opportunities consistent with the city's goals of One Minneapolis and A Hub of Economic Activity and Innovation. Funding allocations shown are estimates based on historical use of respective funds towards support of the goal and projected future resources available.
3	Goal Name	Safe, Equitable, Livable Environment
	Goal Description	Provide services and programming that support low income residents in realizing safe, equitable and livable communities promoting healthy lives consistent with the city's goals of Living Well, One Minneapolis, and Great Places. Funding allocations shown are estimates based on historical use of respective funds towards support of the goal and projected future resources available.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City of Minneapolis preliminarily estimates providing Consolidated Plan housing resources to meet the unit goals for the following income groups in the period of 2015-19:

HUD-Approved
Consolidated Plan

MINNEAPOLIS

152

New Construction for Renters: Very Low-income 120; Low-income 185; Moderate-income 170

Rehabilitation for Renters: Very Low-income 108; Low-income 428; Moderate-income 239

New Construction/Opportunities for Ownership: Low-income 47; Moderate-income 53

Rehabilitation for Ownership: Low-income 69; Moderate-income 81

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The MPHA is not subject to a Section 504 Voluntary Compliance Agreement.

Activities to Increase Resident Involvements

The MPHA will continue its work in supporting public housing resident involvement and participation in agency activities that impact residents and their homes. MPHA will work with established resident councils and representation systems such as its resident committees including, Resident Advisory Board, Tenant Advisory Committee, Security Advisory Committee and the Maintenance, Modernization and Management Committee to support this goal.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the ‘troubled’ designation

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

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

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. It has adopted and implemented policies to provide lifecycle housing throughout the City, providing all residents with safe, quality and affordable housing, as a priority, in cooperation with public and private partners.

Minneapolis attempts to identify regulatory, transportation and financing issues as barriers to affordable housing. Although some of the barriers to 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 metropolitan area has 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.

Local policies may hinder the development or increase the costs to produce affordable housing. These include zoning regulations, building inspection codes and housing codes. The city has a responsibility to protect health and safety of its property owners and renters, however, 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. 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.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The city continually reforms its regulations to eliminate barriers to affordable housing. It works to avoid cost burdens in the areas of construction codes, permitting, fee structures, Truth in Sale of Housing compliance, improved document access for marketing and closing, and identifying housing deficiencies to be repaired at time of sale. City staff work closely with buyers of condemned properties assisting with code compliance inspections and fees. It works to improve mechanical permitting and supports

comprehensive testing to ensure the competency of individuals performing all work on housing to improve the quality of the housing stock. The city's zoning codes are continually updated to improve the flexibility for developing affordable housing with, for example, density bonuses and improved transit area pedestrian oriented overlay districts. It refines program guidelines and funding criteria to increase densities and mixed uses in areas designated for growth. CPED's land acquisition programs for high density multifamily and mixed-use projects address key barriers to assembling sites to gain control of land for disposition to developers of affordable and mixed-income development on the city's corridors, creating a critical linkage between affordable housing, jobs and transit. CPED continues to operate its Low Income Housing Tax Credits, Housing Revenue Bond, Affordable Housing Trust Funds programs which financially assist in the development and stabilization of affordable housing. The city works with county and community partners to address lead-based paint problems which can serve as barriers to the preservation of safe and affordable housing. The city continues to work together with CPED and Regulatory Services to restore dilapidated property, and demolish where appropriate and economically feasible.

The city addresses transportation barriers for low-income residents and its impact on accessing job opportunities that promote economic self-sufficiency. The city's multifamily funding programs have established priority points ranking for proximity to jobs and transit. 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, along commercial corridors, community corridors, streets served by local bus transit. This supports development of new housing types and recruitment of land uses that value convenient access to downtown Minneapolis and institutional or employment centers well served by transit.

Minneapolis financing strategies include preservation policies for federally subsidized housing through proactive efforts with housing partners. Its Affordable Housing Trust fund furthers opportunities for persons at or below 50% AMI retain rehabbed, converted and stabilized housing. It is integral for funding special needs housing for the elderly, disabled, people living with AIDS, families, workforce housing and the homeless. To keep private housing affordable, the city provides funding for programs preventing mortgage foreclosures, including counseling, and financial assistance. The city also provides intensive marketing and outreach to underserved populations.

The City continues to advocate full federal and state financial participation in its affordable housing efforts. Legislation the City supports for affordable housing include: bonding, income tax credits, land trust project, and review of property tax code to enable housing production and preservation.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Minneapolis works with Heading Home Hennepin street outreach efforts through a contract with St. Stephen's Street Outreach team funded by ESG. Street outreach's primary focus is downtown Minneapolis, where most unsheltered people spend the night under bridges and overpasses, in the skyway, or camping along the Mississippi River.

Street Outreach has connections with the Minneapolis Police Department, and the Hennepin County mental health access unit for specialized help for those in crisis.

Addressing the emergency and transitional housing needs of homeless persons

Hennepin County has a policy of providing emergency shelter to all who have no alternative housing. Families receive a voucher for an emergency shelter room for each family seeking assistance. The shelter provides three meals a day, child care, and after school programming. Each family gets their own room with a bath. When demand exceeds shelter capacity in Hennepin, a local hotel provides rooms for the increased demand. Singles are sheltered in one of seven emergency shelters throughout Minneapolis. Shelter capacity is expanded during the winter months to ensure there is room for everyone seeking shelter. Youth-specific shelters are extremely limited in Hennepin County. Most young people are served in the adult shelter system. A new youth shelter, the first in suburban Hennepin, opened February 1st in Brooklyn Center with room for ten transitional living rooms and two emergency shelter beds.

The City commmits to funding the capital needs identified in the Heading Home Hennepin plan both the creation of supportive housing units as well as additional affordable housing inventory for very low-income persons. It will continue to provide its ESG resources to the funding of street outreach and rapid rehousing/homelessness prevention services as well as continue its longstanding commitment to the capital needs of emergency shelters by providing ESG funding for the renovation and rehabilitation of emergency shelters.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The Continuum of Care has placed an emphasis on chronically homeless individuals and families in its ten year plan. Most chronically homeless individuals are assisted with Group Residential Housing, which is a state-funded program to permanently house long-term homeless individuals with disabilities. The primary strategy for families is rapid rehousing, with a new emphasis in the past year on a more intensive rehousing program for families who come back to shelter. This strategy, called Stable Families Initiative, provides housing subsidy funds with service dollars to support young families who have cycled through shelter twice in the past two years. Older long-term homeless families are targeted for Permanent Supportive Housing, and are a primary target for Coordinated Assessment.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

Low-income individuals and families receive prevention services first from Hennepin County through the Emergency Assistance program, which can pay rent arrears, utility arrears, damage deposits, and first month's rent. That program is available once a year. If a family or individual needs assistance a second time in a year, they can apply for homeless prevention assistance through many community agencies that receive state funding through Family Homeless Prevention and Assistance Program (FHPAP). For families who have repeated shelter stays in Hennepin County, the Stable Families Initiative (described above) offers additional housing support to maintain current housing, and avoid another shelter entry. Hennepin County has two "opportunity centers" that bring together housing resources, government benefit programs, employment and education resources, and case management for adults and youth in our community. Services for families are coordinated through the County's social service office and the "shelter team".

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City works with county and community partners to address lead-based paint problems to preserve existing housing. The City is committed to working with local partners to achieve lead-based paint hazard mitigation goals, to achieve a sustainable balance in the quality of affordable housing, and to provide economic opportunities.

The goal of the City of Minneapolis is to end lead poisoning within the City of Minneapolis through continued lead hazard reduction and education activities using available city, CDBG, HUD and other funding. The City will continue to undertake the following strategies to treat lead-based paint hazards in City housing stock.

- Risk assessments, lead education, lead safe work practices education, clearance tests, swab cleanings for lead hazards, developing work specs for income eligible families housed in units with children with identified elevated blood lead levels.
- Identification and removal of lead hazards from units occupied by children with elevated blood lead levels, including offering a free lead dust cleaning to reduce lead hazards.
- Implement a mandatory inspection trigger of a blood lead level of ≥ 5 micrograms per deciliter of blood as permitted by state law.

How are the actions listed above related to the extent of lead poisoning and hazards?

As a recipient of several HUD lead grants, the City has established a set of programming protocols around the rehabilitation of housing that contains lead-based paint hazards. The City prioritizes family households and neighborhoods with extensive older housing for rehabilitation efforts that include lead remediation. An additional priority is where a child has been identified through the health system as being lead poisoned, the respective property owner of that child's housing is targeted for enrollment in the City's lead hazard control program for appropriate remediation actions.

How are the actions listed above integrated into housing policies and procedures?

The City implements policies that support primary prevention without reduction in the efforts for secondary prevention response.

- The City will continue to identify and reduce lead hazards through the efforts of City departments, including the Healthy Homes and Lead Hazard Control program, and Community Planning and Economic Development, and through agencies such Minneapolis Public Housing Authority. Federal Title X (Section 1012/1013 and 1018) rules are incorporated into their policies and procedures.

- The City's housing inspections process continues to emphasize paint condition during rental license inspections and requires property owners issued interior corrective orders on paint condition to take the Renovation, Remodeling and Painting rule.
- CPED requests lead risk assessments in assisted properties and has 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.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The city focuses 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. It is important to raise incomes of residents to lower their housing costs and to increase their housing options.

The city mandates businesses that receive financial assistance from city agencies in excess of \$100,000 hire city residents at livable wage levels. The city defines a living wage as a worker earning 110% of the federal poverty level 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 while seeking or expanding a site in the city. CPED pursues Brownfield redevelopment initiatives from federal, state and local levels to clean up old industrial sites to prepare them for business investment. These efforts seek to broaden the availability of business opportunities providing jobs to the city's low and moderate-income residents. Annually the city expects to address contaminated sites with cleanup funds.

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 leads this effort. The department has in place culturally specific outreach staff to serve the community.

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 work to deconcentrate poverty, increase the variety of housing options and support residential displacement and relocation policies through project selection criteria in funding solicitations. As a HUD recipient, the city offers Section 3 assistance through project notification procedures, bid requirements, and monitoring applicable projects. The Section 3 promotion and enforcement monitoring is delivered through the Civil Rights Department.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The city uses selection criteria in affordable housing programs to actively deconcentrate poverty through offering preference for siting new affordable housing projects in non-concentrated areas of poverty. Section 3 is pursued in affordable housing project development and rehabilitation. The city

actively seeks to link job training programs in the construction trades with its affordable housing development programs.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City Finance and IGR/Grants Offices provide overall assurance that Consolidated Plan grant programs implemented through the City, its Subrecipient programs, and other community-based organizations are being carried-out as required. Each department who manages grant-funded programming is responsible for monitoring their respective program activity for compliance with City, OMB, and HUD program standards. Finance and IGR/Grants will monitor these activities in cooperation with the department implementing Consolidated Plan programming.

Programmatic, regulatory and contract compliance is achieved through the City's administrative structure, its offices of contract management, and through Finance/Grants and the IGR/Grants Office. Structured reviews are conducted on-site to ensure consistency with the contract, for determining the adequacy of program performance and to ensure that reported information is accurate. The Finance and Grants Offices monitor for program compliance and performance, provide technical assistance to grant-funded program managers. This framework allows for an effective oversight of the monitoring and technical assistance process. This communication link, together with guidance offered from the Minneapolis HUD Field Office, provides the capacity to identify potential risk. 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 determined by the City, State and Federal government. If potential issues of non-compliance are identified a corrective action is implemented based on City policy to prevent continuance of a violation and to mitigate adverse effects of violation.

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, and 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).

HOME is a critical source of funding in several of the City's housing programs managed through CPED. A third-party contracted provider monitors all HOME-funded rental projects, including on-site property and property management file inspections, on at least an annual basis to verify compliance with HOME requirements including tenant income, rent restrictions, unit mix and occupancy, lease provisions, and affirmative marketing.

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.

Further, compliance monitoring is achieved through 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. This system provides awareness of programming priorities and program implementation on a year-to-year basis.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Anticipated resources are based on assumptions about future federal funding levels. Annual funding levels are dependent upon the annual Congressional appropriation process and changes in the number of formula recipients. The City should also factor in potential changes to one or more of the formulas that be may realized over the next five years.

Based on previous five years funding and anticipated future direction, city staff anticipate the following annual changes to respective funds:

CDBG annual 6% reduction

HOME annual 3% reduction

ESG annual 3% reduction

HOPWA annual 1.2% increase

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	10,452,853	1,200,000	0	11,652,853	35,904,849	annual 6% reduction for average annual amount of \$9,271,540
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,953,039	220,000	0	2,173,039	7,243,560	annual 3% reduction for average annual amount of \$1,839,320

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,039,291	0	0	1,039,291	4,369,221	annual 1.2% increase for average annual amount of \$1,081,702
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	955,772	0	0	955,772	3,544,830	annual 3% reduction for average annual amount of \$900,120

Table 62 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Other resources from federal, private and non-federal public sources that are reasonably expected to be available to address Consolidated Plan

HUD-Approved
Consolidated Plan

MINNEAPOLIS

167

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 resources expected during Consolidated Plan five year cycle to support housing and community development goals will be Minnesota Housing, 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.

The following describes how required Consolidated Plan formula matches will be obtained.

HOME: 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 Housing Revenue Bonds with the automatic 4% Low Income Housing Tax Credit entitlement
- Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

Based on previous years' performance, HOME program income for 2015 is estimated to be \$220,000.

ESG: A one-for-one match is required for the ESG grant. It is obtained by eligible match contributions received and expended by sub recipients during the program year that applies to the ESG funding. Match will only be counted if it is used by the sub recipient to support eligible ESG programming and activities.

Sources of match by sub recipients can be unrestricted federal, state, local or private sources; however, if any match is federal the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Minnesota State statute requires Hennepin County to dispose of tax-forfeited land through two approaches—sale to the City of Minneapolis or through an public auction process. The City typically acquires and treats those properties that are blighted (condemned and/or boarded and vacant) through either demolition or responsible rehabilitation.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Sustainable, Affordable Housing	2015	2019	Affordable Housing Public Housing Non-Homeless Special Needs		Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration		
2	Community Economic Development	2015	2019	Non-Housing Community Development		Economic Development Public Services Planning & Administration		
3	Safe, Equitable, Livable Environment	2015	2019	Homeless Non-Homeless Special Needs Non-Housing Community Development Public Services		Public Services Special Needs: Homeless/HIV/AIDS Planning & Administration		

Table 63 – Goals Summary

Goal Descriptions

HUD-Approved
Consolidated Plan

MINNEAPOLIS

170

1	Goal Name	Sustainable, Affordable Housing
	Goal Description	The City will work to maintain and increase the community's availability of decent, safe and sanitary affordable housing options for low- and moderate-income households in line with the city's goals of Living Well and One Minneapolis.
2	Goal Name	Community Economic Development
	Goal Description	The City will work to create economic growth opportunities accessible to low- and moderate-income residents and support workforce training options enabling residents to take advantage of those opportunities consistent with the city's goals of One Minneapolis and A Hub of Economic Activity and Innovation.
3	Goal Name	Safe, Equitable, Livable Environment
	Goal Description	The City will provide services and programming that support low income residents in realizing safe, equitable and livable communities promoting healthy lives consistent with the city's goals of Living Well, One Minneapolis, and Great Places.

Projects

AP-35 Projects – 91.220(d)

Introduction

Allocation of funds for 2015 are aligned with the high priority housing and community development needs identified in the needs assessment and housing market analysis. The budget received comment during the Minneapolis 2015 city budgeting process.

Projects

#	Project Name
2	Adult Training, Placement, and Retention
4	Affordable Housing Trust Fund
6	Economic Development Activities
8	Vacant & Boarded Housing
9	High Density Corridor Housing
12	Lead Hazard Reduction
13	New Problem Properties Strategy
14	Youth Employment Training
16	Way to Grow
17	CCP-SAFE Crime Prevention Specialists (CPS)
19	Curfew and Truancy Services
31	Domestic Abuse Project
37	Civil Rights/CDBG Compliance/Fair Housing
40	CPED Planning Department
42	Grant Administration
43	Way to Grow Administration
44	Finance Administration
45	Grants & Special Projects
46	Mid-Minnesota Legal Aid
47	Youth Violence Prevention
48	Youth Coordinating Board
50	Housing Discrimination Law Project
51	Access & Outreach
52	HOME Program
53	Emergency Solutions Grants (ESG)
54	HOPWA (Housing Opportunities for Persons with AIDS)

Table 64 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocations for these projects were approved by the City Council after holding two public hearings on the 2015 city budget in December. These hearings were preceded by a public hearing on Consolidated Plan Needs in October 2014.

The primary obstacle to addressing underserved needs is the reduction in HUD funding levels made available for these types of programming needs. Over the past decade the City has seen a cut in its CDBG grant of one-third. These reductions have not permitted the City to continue to fund past priority needs.

AP-38 Project Summary
Project Summary Information

HUD-Approved
Consolidated Plan

MINNEAPOLIS

174

1	Project Name	Adult Training, Placement, and Retention
	Target Area	
	Goals Supported	Community Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$1,215,600
	Description	Employment services for adult low-income Minneapolis residents. Training provider agencies are located throughout the city. An updated list is available from Minneapolis Employment & Training by calling 673-5298 or by accessing our website.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	375 Adults will benefit from programming.
	Location Description	Citywide through a network of community-based providers.
	Planned Activities	Twelve community-based organizations are contracted to provide low-income residents career counseling, job placement and job retention services. CDBG funded employment services are provided by organizations that 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. The employment goals are given in the agency's contract with Minneapolis Employment & Training. Agencies are monitored yearly to ensure program requirements and standards are being met.
2	Project Name	Affordable Housing Trust Fund
	Target Area	
	Goals Supported	Sustainable, Affordable Housing
	Needs Addressed	Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration
	Funding	CDBG: \$3,193,840 HOME: \$1,406,189
	Description	Multifamily new construction and rehabilitation program.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	An estimated 155 units will be created/rehabbed. Most will be occupied by households at or below 50% AMI. Some developments may serve special needs populations or have units set aside for homeless households to address Heading Home Hennepin goals.
	Location Description	Citywide with new construction targeted to non-impacted areas of the city and along transit and commercial corridor areas. Rehabilitation can be citywide.
	Planned Activities	Gap financing loans provided to development companies, non-profit developers, community housing development corporations, limited partnerships, and joint ventures. Deferred payment loans typically with 30 year terms at 1% interest with principal and accrued interest due at term's end. Substantial changes to program criteria are subject to 45-day neighborhood review. Annual RFP anticipated to be announced in June of every year. 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 or <50% MMI. Program income can be realized through this program. Activities set up under this funding project may be revolving loan programs.
3	Project Name	Economic Development Activities
	Target Area	
	Goals Supported	Community Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$119,900
	Description	Acquisition, construction, demolition, rehabilitation of commercial/industrial structures through Great Streets program offering. Preservation of historic buildings. Financial assistance to businesses. Technical assistance to income-eligible microentrepreneurs.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	100 persons anticipated to be assisted.

	Location Description	Funding is to businesses that are located in majority low- and moderate-income neighborhoods along designated commercial corridors, or businesses whose primary service area is the same. Individual business owners may also be assisted if they are income eligible.
	Planned Activities	Applications from developers and businesses for real estate and equipment loans 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 and businesses. "Businesses" are the end users (occupants). Technical assistance contracts are awarded to qualified non-profit business consulting organizations, many of them designated CDFIs, through an annual competitive RFP process.
4	Project Name	Vacant & Boarded Housing
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Economic Development Special Needs: Homeless/HIV/AIDS
	Funding	CDBG: \$1,708,200
	Description	Acquisition and disposition of vacant and substandard housing to eliminate blight. The parcels may later be packaged for redevelopment.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	No families will directly benefit from this activity as it is the removal of slum/blight influences.
	Location Description	Citywide.

	Planned Activities	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. This program also supports the property management expenses with holding the property until disposition occurs. Program income can be realized through this program.
5	Project Name	High Density Corridor Housing
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Community Economic Development Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Economic Development Special Needs: Homeless/HIV/AIDS
	Funding	CDBG: \$564,200
	Description	Acquisition of sites for site assembly supporting mixed-income rental and ownership multifamily housing development on community commercial and transit corridors as defined in Minneapolis Plan.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	No families receive direct benefits as this is an area benefit.
	Location Description	Acquisition of sites for site assembly supporting 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.
	Planned Activities	Acquisition of sites for site assembly supporting mixed-income rental and ownership multifamily housing development on community commercial and transit corridors as defined in Minneapolis Plan. With these future development opportunities, 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.
6	Project Name	Lead Hazard Reduction
	Target Area	

	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$59,500
	Description	Support for lead hazard reduction activities of the City's Healthy Homes and Lead Hazard Control Program.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	80 families anticipated to benefit.
	Location Description	Citywide with focus on properties where a child has been identified as lead-poisoned.
	Planned Activities	Work will include performing risk assessments, lead education, lead safe work practices education, clearance tests, swab cleanings for lead hazards, 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. Used as match funds towards a HUD Lead Hazard Control Grant for eligible activities.
7	Project Name	New Problem Properties Strategy
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Planning & Administration
	Funding	CDBG: \$85,800
	Description	The Problem Properties Unit is housed in the Housing Inspections Services division of Regulatory Services and is charged with identifying the City's worst properties and developing an action plan to resolve their issues. PPU includes staff from various City departments that work together to reduce the number and severity of problem properties in Minneapolis.

	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	86 families are estimated to potentially receive benefits under this program. The program works with both single family and multifamily dwellings.
	Location Description	Citywide.
	Planned Activities	The Problem Properties Unit identifies the city's worst properties in terms of meeting housing code standards and develops effective solutions to reduce or eliminate problems and establish long-lasting goals of quality housing. Solutions include mitigation steps up to securing buildings with boards, winterizing condemned properties, entering into restoration agreements to rehab vacant properties, or demolishing buildings under the provisions of Chapter 249 on the city's code of ordinances.
8	Project Name	Youth Employment Training
	Target Area	
	Goals Supported	Community Economic Development
	Needs Addressed	Public Services
	Funding	CDBG: \$247,303
	Description	Provision of summer employment training opportunities for income eligible city youth 14-21 years old.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	519 low-income youth to benefit directly.
	Location Description	Citywide. Youth apply through schools, WorkForce Centers and libraries.
	Planned Activities	Services include Step-Up work experience, education, community service and leadership development. Community-based organizations and school programs partner to operate the program. Youth apply through schools, WorkForce Centers and libraries.
9	Project Name	Way to Grow
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment

	Needs Addressed	Public Services
	Funding	CDBG: \$206,600
	Description	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 through age six.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	590 households will receive direct benefits on an area basis.
	Location Description	Program office at 125 W. Broadway, Minneapolis, MN 55411, with services delivered both north and south Minneapolis (targeted to Near North and Phillips neighborhoods).
	Planned Activities	Programming is open to all, but targets the Near North and Philips neighborhoods. CDBG support is provided to program sites serving low income areas.
10	Project Name	CCP-SAFE Crime Prevention Specialists (CPS)
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Public Services
	Funding	CDBG: \$874,100
	Description	Crime prevention public services delivered by the Minneapolis Police Department.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	There are approximately 227,472 persons in the affected census tracts.
	Location Description	Services are delivered in areas of the city that are at least 51% majority low- and moderate-income residents.

	Planned Activities	<p>With CDBG emphasis on targeted neighborhoods that are at least 51% low- and moderate-income due to their inverse violent victimization rates based on household income Crime Prevention Specialists work with low- and moderate-income residents, neighborhood organizations and businesses to</p> <ul style="list-style-type: none"> • 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
11	Project Name	Curfew and Truancy Services
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Public Services
	Funding	CDBG: \$100,000
	Description	Juvenile Supervision Center (JSC); Operations, staffing and services provided by The Link for curfew and truancy activities as part of broader JSC operations.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	The majority of the youth that benefit from these services are from census tracts that are at least 51% low-and moderate-income.
	Location Description	The JSC is located in Minneapolis City Hall Room room 21A, 350 S. 5th Street, Minneapolis, MN 55415.

	Planned Activities	The JSC provides short-term supervision for youth under the age of 18 who are detained by law enforcement professionals for low level offenses (e.g. assault, theft, runaway, disorderly conduct, etc.), truancy, or violation of the Minneapolis curfew ordinance. The JSC assures that youth are safe until they can be returned to a safe and appropriate environment (i.e., school, home, or short-term shelter). While at the center, JSC staff complete a needs assessment with youth and offer additional services when applicable. Some youth who visit the JSC and who demonstrate increased needs are engaged in short-term case stabilization or long-term case management. JSC staff identify youth that are currently receiving County services and document communication with Case Manager, Probation Officer etc. regarding incident for possible follow up.
12	Project Name	Domestic Abuse Project
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Public Services
	Funding	CDBG: \$73,100
	Description	Domestic Abuse Project provides advocacy services for victims of domestic violence.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 150 persons will receive this presumed benefit.
	Location Description	Office located at 204 W. Franklin Avenue Mpls MN 55404
	Planned Activities	The Domestic Abuse Project works to ensure that each victim has information about how to protect him/herself and their children including developing a safety plan and information about her/his rights and options within the legal system, promoting self-sufficiency and reducing isolation by assisting with meeting victim's basic life needs, and referral for other community services through a city-wide case management system.
13	Project Name	Civil Rights/CDBG Compliance/Fair Housing
	Target Area	

	Goals Supported	Sustainable, Affordable Housing Community Economic Development Safe, Equitable, Livable Environment
	Needs Addressed	Economic Development Planning & Administration
	Funding	CDBG: \$326,400
	Description	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 and Section 3 wage monitoring and outreach.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	350 South Fifth St. Minneapolis
	Planned Activities	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 and Section 3 wage monitoring and outreach.
14	Project Name	CPED Planning Department
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Community Economic Development Safe, Equitable, Livable Environment
	Needs Addressed	Planning & Administration
	Funding	CDBG: \$876,807
	Description	Administration of comprehensive planning activities Consolidated Plan strategies.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	350 South Fifth St. Minneapolis
	Planned Activities	Administration of comprehensive planning activities Consolidated Plan strategies.
15	Project Name	Grant Administration
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Planning & Administration
	Funding	CDBG: \$60,400
	Description	Grant development and program management for CDBG public service programs.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	350 South Fifth St. Minneapolis
	Planned Activities	Grant development and program management for CDBG public service programs.
16	Project Name	Way to Grow Administration
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Public Services Planning & Administration
	Funding	CDBG: \$14,600
	Description	General administration for Way to Grow program.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	350 South Fifth St. Minneapolis
	Planned Activities	General administration for Way to Grow program.
17	Project Name	Finance Administration
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Community Economic Development Safe, Equitable, Livable Environment
	Needs Addressed	Planning & Administration
	Funding	CDBG: \$175,000
	Description	Financial administration and accountability for Consolidated Plan programs.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	350 South Fifth St. Minneapolis
	Planned Activities	Financial administration and accountability for Consolidated Plan programs.
18	Project Name	Grants & Special Projects
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Community Economic Development Safe, Equitable, Livable Environment
	Needs Addressed	Special Needs: Homeless/HIV/AIDS Planning & Administration

	Funding	CDBG: \$170,300 HOPWA: \$31,178 HOME: \$15,000 ESG: \$5,000
	Description	Resource development and management for Consolidated Plan strategies; Part 58 environmental review process; overall city management of Consolidated Plan.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	350 South Fifth St. Minneapolis
	Planned Activities	Resource development and management for Consolidated Plan strategies; Part 58 environmental review process; overall city management of Consolidated Plan. City staffing on HIV Housing Coalition, Fair Housing Implementation Council, Heading Home Hennepin Coordinated Assessment Leadership Committee.
19	Project Name	Mid-Minnesota Legal Aid
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration
	Funding	CDBG: \$24,000
	Description	Contracted administrative function to provide advice and representation with special emphasis on housing and shelter-related issues to income eligible persons and groups in low and moderate income neighborhoods.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.

	Location Description	430 First Ave. N., Minneapolis
	Planned Activities	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.
20	Project Name	Youth Violence Prevention
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Planning & Administration
	Funding	CDBG: \$154,000
	Description	The Health Department leads and coordinates citywide efforts to implement the Youth Violence Blueprint for Action through policy, planning, community support, and programming.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	250 South Fourth St. Minneapolis
	Planned Activities	Activities include: planning and service coordination with jurisdictional partners, technical assistance to community-based agencies, oversight of the Juvenile Supervision Center for curfew, truancy, and low-level offenders, and individualized case management and mentoring for youth at risk of involvement with violence.
21	Project Name	Youth Coordinating Board
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Planning & Administration
	Funding	CDBG: \$64,803
	Description	Advocate, catalyst and developer of comprehensive services and systems benefiting children, youth and families.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	330 2nd Avenue South Minneapolis
	Planned Activities	<p align="LEFT">Dedicated to promoting the healthy, comprehensive development of Minneapolis children and youth ages 0-20 through collaborative action and policy alignment.</p>
22	Project Name	Housing Discrimination Law Project
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration
	Funding	CDBG: \$39,000
	Description	City contracted administration project serving low-income clients with investigation of housing discrimination claims, negotiation, advice and referrals and representation in court and administrative actions.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity. It is estimated that 80 households will benefit.
	Location Description	430 First Ave. N. Minneapolis
	Planned Activities	Services will include complaint intake, investigation, advocacy and litigation.
23	Project Name	Access & Outreach
	Target Area	
	Goals Supported	Safe, Equitable, Livable Environment
	Needs Addressed	Planning & Administration
	Funding	CDBG: \$99,400

	Description	The Access and Outreach Team provides support for a broad range of engagement activities to cultural communities and under engaged groups in the City enterprise. It also manages various state and federally mandated programs that create equity in accessibility.
	Target Date	5/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	This is an administrative activity.
	Location Description	105 Fifth Ave. S.
	Planned Activities	<p>Access and outreach provides the logistical and office support for cultural engagement services and federally mandated programming. This includes the following services:</p> <ul style="list-style-type: none"> • Americans with Disabilities Act (ADA) compliance, • continuation of Limited English Proficiency planning, interpretation and translation services, • administration of the One Minneapolis Fund, the Hello Neighbor program among other activities. • core infrastructure support to eliminating barriers to participation in neighborhood organizations, boards and commissions, and City programming.
24	Project Name	HOME Program
	Target Area	
	Goals Supported	Sustainable, Affordable Housing
	Needs Addressed	Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration
	Funding	HOME: \$531,850
	Description	Administration of HOME program and funding for multifamily rental development and single family homeownership. The budget shown with this activity consists of proposed administration and homeownership HOME funds. HOME funds for rental development are included with the project Affordable Housing Trust Fund.
	Target Date	5/31/2016

	Estimate the number and type of families that will benefit from the proposed activities	110 low- and moderate-income households assisted with homeownership and affordable rental opportunities.
	Location Description	105 Fifth Avenue South Minneapolis
	Planned Activities	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 (approximately 15 Housing Units), Affordable Housing Trust Fund (95 Housing Units), 10% Administration. Overall, a minimum of 15% of the grant will be used to support CHDO-sponsored activities. The HOME funds will be used as development gap on new and rehabilitated ownership and rental projects and affordability gap assistance on ownership projects. Further details on delivery of HOME funds for multifamily rental development and single family homeownership is contained in the Appendix.
25	Project Name	Emergency Solutions Grants (ESG)
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Public Services Special Needs: Homeless/HIV/AIDS Planning & Administration
	Funding	ESG: \$955,772
	Description	Shelter Rehabilitation/Renovation, Street Outreach, Rapid Rehousing and Homelessness Prevention services.
	Target Date	5/31/2017
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 200 persons may be served with rapid rehousing/homelessness prevention services and 75 persons with street outreach services.
	Location Description	Citywide.

	Planned Activities	<p>Rehabilitation of emergency or transitional housing shelters serving homeless families and persons. Projects are selected through an annual request for proposal process (RFP) coordinated with the Affordable Housing Trust Fund RFP. Awards will be made by end of year. Funding is also provided to St. Stephen's Human Services for street outreach programming.</p> <p>ESG Rapid Re-Housing, Homlessness Prevention funds: Minneapolis will award ESG funding for eligible rapid re-housing and homelessness prevention fund to community providers.</p> <p>ESG Administration and HMIS: Funding of 7.5% of grant will be reserved for ESG administration and a potential amount no more than 3% of the grant may be used for HMIS administration costs.</p>
26	Project Name	HOPWA (Housing Opportunities for Persons with AIDS)
	Target Area	
	Goals Supported	Sustainable, Affordable Housing Safe, Equitable, Livable Environment
	Needs Addressed	Affordable Housing Special Needs: Homeless/HIV/AIDS Planning & Administration
	Funding	HOPWA: \$1,008,113
	Description	<p>Subrecipient programming to assist those living with HIV/AIDS at risk of homelessness, living across the 13-county Eligible Metropolitan Statistical area, achieve and maintain housing stability and improve health care access. The City is allowed 3% of program year HOPWA funding to administer the program, and Subrecipients are allowed 7% of their respective funding amount to administer their programs. HOPWA funds are advertised through an RFP process each year, and currently the grant is split between two Subrecipient tenant-based rent (TBRA) providers: (1) Minnesota AIDS Project (MAP) expects 95 clients to be served for 2015 program year with intake, case management, and transitional housing assistance through a Transitional Housing Program - provision of 24 months for families and 12 months for individuals; (2) Metropolitan Council Housing Redevelopment Authority (MetroHRA) expects 58 clients to be served for the 2015 program year through the Housing Assistance Program - clients who have exhausted time limits are referred here from the Transitional Housing Program run by MAP. HOPWA Administration: 3% of grant will be reserved for HOPWA administration</p>

Target Date	5/31/2018
Estimate the number and type of families that will benefit from the proposed activities	Minnesota AIDS Project (MAP) expects 95 clients to be served for 2015 program year a Transitional Housing Program - provision of 24 months for families and 12 months for individuals; Metropolitan Council Housing Redevelopment Authority (MetroHRA) expects 58 clients to be served for the 2015 program year through the Housing Assistance Program - clients who have exhausted time limits are referred here from the Transitional Housing Program run by MAP.
Location Description	Metrowide. Metropolitan Council HRA is located at while Minnesota AIDS Project is located at
Planned Activities	<p>The City is allowed 3% of program year HOPWA funding to administer the program, and Subrecipients are allowed 7% of their respective funding amount to administer their programs. HOPWA funds are advertised through an RFP process each year, and currently the grant is split between two Subrecipient tenant-based rent (TBRA) providers: (1) Minnesota AIDS Project (MAP) provides clients with intake, case management, and transitional housing assistance through a Transitional Housing Program - provision of 24 months for families and 12 months for individuals; (2) Metropolitan Council Housing Redevelopment Authority (MetroHRA) serves clients through the Housing Assistance Program - clients who have exhausted time limits are referred here from the Transitional Housing Program run by MAP.</p> <p>HOPWA Administration: 3% of grant will be reserved for HOPWA administration</p>

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

CDBG will directed on an area basis to census tracts in the city where, based on the American Census Survey, the majority of residents are of low- and moderate-income.

The City will continue to work with the MPHA for opportunities to develop its public housing programs throughout the City. The City will work with MPHA to site new units in areas of the City with low numbers of assisted units in order to assist in meeting deconcentration of publicly assisted housing in the city.

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 Housing Coalition and through an annual RFP process.

HOME rehabilitation funds are spent throughout the City for income-eligible units.

The City's Affordable Housing Trust Fund program composed partially of CDBG and HOME funds, awards priority points for new housing construction in non-poverty-impacted areas of Minneapolis. If a new construction project receives HOME funds out this program, that project is sited in an area that is non-impacted by race or poverty. New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.

Geographic Distribution

Target Area	Percentage of Funds

Table 65 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City will locate its funding priorities in line with approved city policies and priorities with respect to CDBG, ESG and HOME. The City has an interest in the comprehensive redevelopment and stabilization of its neighborhoods where a majority of residents are $\leq 80\%$ of median income. New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.

CDBG funds will be provided predominately to areas of the city where at least 51% of the residents are low- and moderate-income. 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. The City will site new construction projects assisted with HOME funds in geographic areas of the City that are not minority concentrated by City definition.

Discussion

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

This section sets forth Minneapolis' approach to meeting its Consolidated Plan goals of Sustainable, Affordable Housing and Safe, Equitable, Livable Environment in program year 2015.

One Year Goals for the Number of Households to be Supported	
Homeless	275
Non-Homeless	0
Special-Needs	153
Total	428

Table 66 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	353
The Production of New Units	95
Rehab of Existing Units	155
Acquisition of Existing Units	20
Total	623

Table 67 - One Year Goals for Affordable Housing by Support Type

Discussion

RENTAL HOUSING The City will pursue the following strategies over the next year to assist rental housing.

- 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 HUD-assisted rental projects of 10+ units be affordable at 50%MFI.
- Create additional 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 new affordable housing development outside areas of concentrated poverty.
- Use the affordable housing trust fund to provide a 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.

OWNERSHIP HOUSING Over the next year the City will provide financing and administer programs for the development and preservation of affordable ownership housing.

- Preserve and improve the physical condition of existing ownership housing through home improvement offerings.
- Support in-fill development of new three or more bedroom houses for large families through a combination of construction GAP financing and affordability loans.
- A minimum of 20% of all HUD-assisted ownership projects of 10+ units be affordable at 50% AMI.
- Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- Promote and support first-time homeownership opportunities and outreach for traditionally underserved populations.
- Streamline City development review, permitting, and licensing to make it easier to develop property in the City of Minneapolis.
- Develop and foster close dialog with community participants about appropriate locations and design standards for new housing and growth.
- 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.

In the area of housing quality, the City will continue to work through its Regulatory Services and CPED departments to ensure that the City's market and affordable housing supply is safe in compliance with the housing code. The City's Problem Properties Unit (PPU) is a cross-departmental group that works with housing properties that consume many City resources in the areas of inspections and public safety. The Problem Properties Unit responds to and develops strategies to monitor and resolve, or eliminate issues associated with nuisance and boarded and vacant properties. Solutions can include up to securing buildings with boards, entering into restoration agreements to ensure timely rehab of properties, or demolish buildings under the provisions of Chapter 249 of the City's code of ordinances. These activities will be pursued with recognition of the potential of displacement of protected class residents and the need to mitigate any displacement through appropriate actions.

Homelessness strategies are detailed in the following AP-65 pages.

AP-60 Public Housing – 91.220(h)

Introduction

The City recognizes the important role that public housing plays in the provision of affordable housing. In the past, the City has provided CDBG assistance to the MPHA to support their housing rehabilitation program as well as supporting their resident initiatives. Due to reduced CDBG funding levels, these activities are no longer budgeted. However, Minneapolis and MPHA continue to work with each other in the development of housing policies and strategies to implement a range of housing options in support of mutual goals of providing housing choice and opportunity to residents.

Actions planned during the next year to address the needs to public housing

The City will continue to seek partnerships with MPHA in joint housing developments that need project-based housing vouchers to finance low-income units. The current MPHA annual plan indicates up to 51 units assisted in this manner. A recent example of similar work is the PHA being able to utilize project-based resources in several properties of one the City's NSP partners, Project for Pride in Living. This accounts for 21 units. The MPHA is actively working to site project-based units targeted to the homeless in support of the Heading Home Hennepin plan to end homelessness.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

As noted above, prior to recent CDBG funding level reductions, the City did fund public housing resident participation initiatives. The City will work to support these efforts as it can through other means such as staff support.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

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

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The following section outlines the City's strategies to addressing homeless and other special needs. Further details can also be found in the Strategic Plan and Market Analysis sections of this Plan.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City will fund the St. Stephen's Outreach Team with ESG and general funds. Street outreach services serve individuals meeting Category 1 and 4 definitions of homelessness with high barriers according to a VI-SPDAT assessment. Outreach services consist of engagement, case management, emergency and mental health services, transportation and unique services that work to connect users to housing opportunities and support services for which they are eligible.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City will continue its longstanding commitment to addressing the capital rehabilitation/renovation needs of the Continuum's emergency shelters. The City budgets the greater of its Hold Harmless amount (\$558,377) or 60 percent of the grant annually to shelter rehabilitation and street outreach activities. The City will issue an RFP for rehabilitation/renovation projects and anticipates assisting 1-2 shelters.

Projects must be located in the City or Hennepin County serving Minneapolis families and individuals. ESG funds may also be used for furniture, security systems and/or equipment in a new construction, positive conversion or renovation/rehabilitation project consistent with compliance with Minneapolis Consolidated Plan and applicable HUD regulations. The City does not fund any other operating costs as defined under §576.102(3).

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City prioritizes funding rapid re-housing over homeless prevention. Rapid re-housing serves Minneapolis residents -- homeless families and single adults without children who reside in a Hennepin

County sited homeless shelter (previous permanent address was within Minneapolis) as well as unaccompanied youth who are verifiably homeless according to the HUD definition found at 24 CFR §576.2.

Homelessness prevention must be last resort funds to keep a person/household at risk of homelessness in housing. Similar target populations noted under rapid re-housing are also served under homelessness prevention. A person/household at risk of homelessness is defined at 24 CFR §576.2. For purposes of this definition's paragraph (g), someone who lives in housing that has characteristics associated with instability and an increased risk of homelessness is defined as follows: a renter household with income at/or below 30% of median income adjusted for family size whose housing costs exceed 50% of their income and upon provider assessment is shown to be at imminent risk of losing existing housing.

Rapid Re-housing and homelessness prevention funds can be for short-term or medium-term rental assistance for no longer than to obtain permanent housing. The rental assistance can be tied to the recipient or consist of project-based assistance that can "float" within a development serving eligible recipients. Housing relocation and stabilization services can also be provided consisting of financial assistance or services. Financial assistance is rental application fees, security deposits, last months rent, utility deposits, utility payments and moving costs. Financial services can include housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

The City is an active participant in supporting the capital housing strategies of the Heading Home Hennepin Plan for homelessness. This work includes providing capital funds to the creation of additional housing units to the supportive housing inventory or the creation of additional affordable housing units at the very low-income level.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

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 services, workforce development and early childhood programming. As well, the City works to assist low-income individuals and families avoid becoming homeless through the homelessness prevention delivery of services described above.

Discussion

AP-70 HOPWA Goals - 91.220 (I)(3)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	153
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	36
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	189

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

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. It has adopted and implemented policies to provide lifecycle housing throughout the City, providing all residents with safe, quality and affordable housing, as a priority, in cooperation with public and private partners.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

As described in SP-55, the City continually pursues a variety of policy work aimed at reducing barriers to affordable housing. As an example, with the 2015 budget the City increased its funding commitment to the Affordable Housing Trust Fund. Several zoning changes have been completed over the past year and work continues on that front. The City will continue to work with its governmental and non-governmental partners to increase affordable housing funding and regulatory and policy approaches that promise to increase the availability of affordable housing.

Discussion:

AP-85 Other Actions – 91.220(k)

Introduction:

Most of the actions that follow in this section are discussed more fully in previous sections of the plan. Please refer to those sections as appropriate.

Actions planned to address obstacles to meeting underserved needs

In order to address obstacles to meeting underserved needs, the City will continue to commit its full Consolidated Plan resources to addressing priority needs identified in its goals of 1) Sustainable Affordable Housing; 2) Community Economic Development; and 3) Safe, Equitable, Livable Environment. The City will also seek additional funding for both its entitlement resources and complementary funding efforts.

Actions planned to foster and maintain affordable housing

Please refer to SP-05 and AP-55 for actions to foster and maintain affordable housing.

Actions planned to reduce lead-based paint hazards

Please refer to SP-65 for actions to reduce lead-based paint hazards.

Actions planned to reduce the number of poverty-level families

Please refer to SP-05 and SP-70 for actions to reduce the number of poverty-level families.

Actions planned to develop institutional structure

Please refer to SP-40 for this discussion of actions to develop institutional structure.

Actions planned to enhance coordination between public and private housing and social service agencies

Please refer to SP-40 for this discussion of actions to develop institutional structure.

Discussion:

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Fuller discussion of how the ESG and HOME programs operate are found in the appendix.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	1,200,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	1,200,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	80.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City of Minneapolis does not use HOME dollars for other forms of investment beyond those identified in Section 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Recapture- It is likely the majority of purchasers buying properties with HOME funds will receive direct buyer assistance. In instances where purchasers receive direct assistance a note and mortgage will be placed against the property with repayment due at the time of sale or maturity of the 1st mortgage. No resale provision will apply. Affordability period will be based on the amount of direct assistance received by the buyer.

Resale-resale will ensure the initial purchaser with fair return on their initial investment. Details are found in the Appendix. Resale terms would be spelled out in a promissory note and mortgage and filed against the property along with a Declaration of Restrictive Covenants.

The only instances where the City will use a resale provision will be when properties are sold through a developer who already has mechanisms in place to ensure long term affordability for target buyers as part of their program such as a land trust. In cases where a lower income purchase needs additional financial assistance to ensure affordability the land trust will provide direct assistance.

With the land trust model, the homebuyer only purchases the improvements. The land trust retains fee title to the land. The homeowner can recover its purchase price for the improvements and share of market value appreciation. At resale, the home is made affordable to income qualified homebuyers because the new homebuyer only has to finance the improvements and the sale price is restricted by the terms of the ground lease. At resale, the purchase price must be affordable to a reasonable range of low-income homebuyers defined as a 70-80% AMI Qualified Buyer whose housing-related debt ratio cannot exceed 33% and total combined debt ratio cannot exceed 50%. They are households 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. These requirements are spelled out in a Declaration of Restrictive Covenants and all necessary documents related to the developer's program. In consideration for the title to land, the Land Trust provides an affordability investment that makes the home affordable for low-moderate income households in perpetuity. In most cases they provide anywhere from 2-3 times the value of the land as the mechanism ensuring long-term affordability.

Property market value will be based on an independent appraisal or broker price opinion from a qualified party done for the seller at the time the property is listed plus the original cash investment and improvement completed during ownership. The value of improvements will be based on building permitted work value only. Properties sold during the affordability period must be affordable to a reasonable range of low-income homebuyers as defined above. 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 HUD.

If the purchaser does not owner occupy the property for the required period of affordability, the entire amount of the HOME funds invested in the property is due and payable to the City of Minneapolis.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

HOME funds are typically only used for the acquisition of single family properties intended for homeownership. See the response for number 2 above. In rare instances where HOME is used as an acquisition source for a multifamily project, the response to number 4 below would apply.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

There are currently no plans to use HOME funds to refinance existing debt secured by multifamily housing. While the city of Minneapolis often provides HOME loans through their Affordable Housing Trust Fund (AHTF) and will refinance existing loans in a subordination effort when a project refinance their first mortgage through another lender, the city of Minneapolis does not use HOME funds to refinance existing debt as described under 24 CFR 92.206(b).

Emergency Solutions Grant (ESG) Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

The ESG Written Standards for Assistance are presented in the Appendix and provide a guide to how the City will implement the homelessness prevention and rapid re-housing services aspects of the ESG grant as well as outline the standards used in local emergency shelter and street outreach supported efforts. These Standards are reviewed as an RFPs for ESG funding are developed to reflect prioritized standards as of the issuance of the RFP. This will assure that Minneapolis can implement ESG programming to effective national and local best practices. Changes to the standards outlined in any resultant RFP will not be considered a substantial change to the Consolidated Plan.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Since 2013, Minneapolis and Hennepin County, through the Office to End Homelessness, have been developing and implementing a system of coordinated access and referral to cover all homeless serving agencies. This system will take a population specific approach, with different access points

and assessments for unique populations. Families seeking shelter will access through a central access point, be assessed for diversion or shelter, and assigned shelter when appropriate. Single adults and youth will take on more of a no wrong door approach, with standardization taking place in the assessment and referral process. Each agency will enter all client data, including VI-SPDAT assessment into HMIS. All housing vacancies will then be filled by a centralized housing coordinator who will assess all clients in shelter for the most appropriate match with each particular vacant unit. Particular attention will be given to domestic violence providers and veterans, where specific arrangements will be made to accommodate special needs and unique funding streams.

The Coordinated Assessment System will implement operations for families in spring 2015 with operational start for single adults in fall 2015. A coordinated assessment system for youth is scheduled to start in the fall of 2015 on a metrowide basis.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The process for making sub-awards is detailed in the appendix.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Emergency Solutions Grant coordinates with the local Continuum of Care planning process that is countywide including Minneapolis. The Heading Home Hennepin (HHH) initiative is the local Continuum of Care and is the local 10 year Plan for Ending Homelessness. It is under the direction of the Heading Home Hennepin Executive Committee and staffed by the City-County Office to End Homelessness. The HHH Executive Committee includes homeless/formerly homeless members in its makeup and its planning committees and subcommittees include homeless/formerly homeless individuals. The role of the Executive Committee is to provide overall policy direction and oversight to the implementation of the Heading Home Hennepin plan.

As described above with the description of the HHH Executive Committee composition and the committees and subcommittees that serve under it, the City meets the requirements of 24 CFR §576.405 (b).

Sub recipients of ESG funds will be required to involve those who are homeless or formerly homeless in the development and delivery of ESG-funded projects and activities to the maximum extent practicable.

5. Describe performance standards for evaluating ESG.

Performance standards are described in the appendix.

HOPWA Project Sponsor Selection Criteria

The City of Minneapolis issues an annual competitive solicitation for its entitlement Housing Opportunities for Persons with HIV/AIDS (HOPWA) funding. Allocated from HUD to the City of Minneapolis, HOPWA funds provide housing options to persons with Acquired Immune Deficiency Syndrome (AIDS). Eligible applicants include non-profit organizations or governmental housing agencies that can contract with the City of Minneapolis, in compliance with Federal regulations and have capacity to carry out eligible activities serving the 13-county Eligible Metropolitan Statistical area (EMSA).

The Minnesota HIV Housing Coalition is the community planning and advisory group that assists with identifying the housing needs for persons living with HIV/AIDS in the EMSA served by the Minneapolis HOPWA grant. Based on its recommendation, renewals for existing programs, providing continuum of care strategies, are a HOPWA funding priority, and if funds appropriated exceed the amount necessary to continue those programs at comparable levels (or if priorities change to address changing needs) funds should be made available for capital projects. The City of Minneapolis considers capital requests to be a top priority.

Discussion:

Further information on administration of HOME and ESG grants are found in the appendix.

Attachments

Citizen Participation Comments

Bower, Matthew A.

From: Bower, Matthew A.
Sent: Friday, April 17, 2015 9:55 AM
To: Bower, Matthew A.

-----Original Message-----

From: Snow-Kaster, Christy [<mailto:csnow-kaster@centralmnlegal.org>]
Sent: Tuesday, April 07, 2015 10:13 AM
To: Garner, Coral S.; Segal, Susan L.; Bower, Matthew A.
Cc: Arneson, Kristine; Musicant, Gretchen G.; Jacobson, Michelle M.; Cotton, Sasha; Roe, Shelley; Gl'iddon, Elizabeth A.; Goodman, Lisa R.; Brennan, Andrea; tstark@tubman.org; Wider, Dorinda
Subject: RE: City of Minneapolis Consolidated plan and DV numbers

Matt,

I have put in a request to have a report run from legal aid to see what numbers of clients we have served who either live in public/subsidized housing in Minneapolis and are victims of domestic violence and how many family law clients we have served that are victims of domestic violence and live in Minneapolis in 2014. I have identified at least 9 cases that CMLS has had in the last three months where the person lives in Minneapolis (4 in MPHA housing/Section 8 through MPHA) that are all victims of domestic violence. Please note that CMLS is the smaller of the two legal aid programs that serve Minneapolis.

MPHA should be able to provide numbers - in their Statement of Policies for administering the Public Housing units and in the Administrative Plan for administering the Section 8 program they detail a preference for placement for victims of domestic violence, dating violence, sexual assault and stalking under the Violence Against Women Act (VAWA). I would assume that since they are collecting the information for preference purposes that they could provide data on how many applicants are victims. Additionally I would assume they would be able to provide numbers on how many residents or applicants of both programs who have claimed VAWA protections during the course of a year. MPHA is also required to ensure that there is consistency between the MPHA annual plan and the Minneapolis Con. Plan.

I am hoping that Tubman can provide the numbers of their shelter guests and those in transitional housing and the numbers of turnaways. I am hoping that DAP could also provide some numbers. According to DAP's 2013 annual report DAP advocates provided 32,352 services to 2,043 victims of domestic violence in 2013 some of who I am sure are residents of the City of Minneapolis. Additionally HOME, HOPWA and McKinney Vento programs are covered by VAWA housing provisions and may be able to provide numbers although not specific identifying information.

I know that there is a hotspots grant through the Minneapolis police where they are looking at hotspots of criminal activity and DV has been one of the surprising statistics for police calls in hotspot locations.

Finally, I can tell you that in 2013 according to the Sexual Assault Resource Service(SARS), they conducted 639 sexual assault exams in Hennepin County. Of those 346 were conducted at HCMC, 20 at U of M East Bank (University), 30 at U of M West Bank (Riverside), and 49 at Abbot Northwestern Hospital. These are Minneapolis based hospitals which is where most people would go if they were assaulted in Minneapolis or lived in Minneapolis. This totals 55.3%-- this is a rough estimate but it can give you a reality of the number of assaults happening in Minneapolis. I can also give you national numbers on sexual assaults and compare them to Minneapolis-- the 2010 census reported 382, 578 people living in Minneapolis. Of that number 190,141 are women (49.7%) and 192,437 are men (50.3%). If we were to take the national numbers of nearly 1 in 5 women (18.3%) and 1 in 71 men (1.4%) experience rape at some point in their lifetime, this would mean that 34,796 women and 2,694 men have or will experience rape at some point in their lifetime in Minneapolis.

1

Other statistics: in 2010, 2,661 of the Orders for Protection were filed in the 4th Judicial District which includes the city of Minneapolis. Court Administration should be able to provide updated numbers. Nationally, 1 in 4 women have been victims of severe physical violence by an intimate partner while 1 in 7 men experienced severe physical violence by an intimate partner. (National Intimate Partner and Sexual Violence Survey (2010) Fact Sheet, Centers for Disease Control and Prevention, National Center for Injury and Prevention Control, Division of Violence Prevention (Nov. 2011), http://www.cdc.gov/ViolencePrevention/pdf/NISVS_FactSheet-a.pdf.)

I am unable to attend today's meeting which is why I am providing this information.

Thank you
Christy

Christy Snow-Kaster, Esq.
Managing Attorney
Central Minnesota Legal Services
430 First Ave North, Suite 359
Minneapolis, Minnesota 55401-1780
(612) 746-3774 phone
(612) 334-3402 fax

This email may contain confidential and privileged information. If you are not the intended recipient, please destroy this and do not disclose its contents. Please call or send me an email to advise of the error. Thank you.



Minnesota Coalition
for Battered Women

60 East Plato Blvd, Suite 130
St Paul MN, 55107
651.646.6177 –
www.mcbw.org

April 9, 2015

VIA EMAIL: Matthew.Bower@Minneapolismn.gov

Matt Bower, Manager, Resource Coordination
Intergovernmental Relations – Office of Grants and Special Projects
307M City Hall, 350 South Fifth Street, Minneapolis, MN 55415

RE: Comments on the Minneapolis' Proposed FY 2015-2019 Consolidated Plan.

Dear Matt Bower:

The Minnesota Coalition for Battered Women appreciates the opportunity to comment on Minneapolis' Proposed 2015-2019 Consolidated Plan. We recognize the amount of work that has already gone into the plan and look forward to the City's response to our comments.

MCBW is an association of over 80 programs that provide domestic and sexual violence services to victims/survivors and their families. MCBW works with our membership, system partners and communities to impact public policy, provide training and technical assistance and increase public awareness of domestic violence.

Since 1978, MCBW's policy efforts have focused on addressing the underlying social conditions that enable abusive intimate partners to entrap women and children in cycles of rape and abuse. We know that the lack of safe, decent, affordable housing is one of the top conditions exploited by abusive intimate partners. **48% of homeless women and 22% of homeless men reported that they had stayed in abusive relationships because they had nowhere to go.**¹ Abusive partners know this. Domestic violence is among the leading causes of homelessness.² In a 2012 survey of domestic violence providers in Minnesota, **92% of domestic violence victims' unmet requests for services were for housing.**³ During only one month in 2014, MCBW membership reported that victims requested and could not access housing 2461 times.⁴ The issue of homelessness/housing instability is a priority for MCBW.

We acknowledge the promising work that is already being done in Minneapolis to address the needs of victims facing homelessness/housing instability. The draft Consolidated Plan provides an opportunity to more formally recognize, build upon and sustain that work as it is related to the following policies:

- The **Violence Against Women Act of 2005 and 2013's** enhanced housing protections for victims has been supported by the City.⁵ As a result of these recent changes championed by Senator Al Franken, VAWA protects the housing of victims by prohibiting Public Housing Authorities, Section 8 landlords, McKinney Vento grantees, Low-Income Housing Tax Credit recipients, and other programs from denying housing or evicting for reasons directly related to domestic violence, sexual assault, stalking and dating violence.⁶
- **HUD's definition of homelessness** includes those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening situations that relate to violence against an individual or family member.⁷
- The **HEARTH Act, ESG, CoC and HMIS** rules and regulations further recognize that **coordinated entry and/or coordinated/centralized assessment**⁸ must evaluate how systems respond to domestic violence, sexual assault and stalking victims/survivors who are facing homelessness/housing instability, and must integrate practices informed by and in collaboration with local domestic and sexual violence programs.

¹Wilder Research, *Homelessness in Minnesota: Findings from the 2012 statewide homeless study* <http://www.wilder.org/Wilder-Research/Publications/Study%20on%20Homelessness%20in%20Minnesota%20Study%20Final%20Report%2010-15-2014.pdf>

²C.K. Baker et al., *Domestic violence, housing instability, and homelessness: A review of housing policies and program practices for meeting the needs of survivors. Aggression and Violent Behavior* 15(2010)430-439 – citing numerous studies. http://v3.cd.nyu.edu/handle/10023/11647/1/baker_et_al_2010.pdf

³National Network to End Domestic Violence, *DV Counts Survey, Minnesota, 2012*. http://www.nnendv.org/press/2013/Census%20Counts%20DVCounts%20StateSummary_MN.pdf

⁴MCBW Survey of membership for gaps in services, Fall 2014.

⁵Senator Al Franken was the chief author of the improved VAWA housing protections in the 2013 reauthorization. There was a contentious battle in Washington D.C. over VAWA as a whole, and the city resolved to support the victim centered VAWA that MCBW support. March 7, 2013 City Council Meeting. <http://www.ci.minneapolis.mn.us/press/2013/03/07/press-release-council-meeting-03-07-2013.pdf>

⁶For a full list of VAWA 2013 covered entities: <http://www.hudexchange.info/files/2013/03/07/vawas-2013-covered-entities-list-combined-03-07-2013.pdf>

⁷HEARTH Homeless Definition Final Rule <https://www.federalregister.gov/documents/2015/01/07/2015-01-07-homeless-definition-final-rule>

⁸HUD Coordinated Entry Policy Brief, HUD, 2014: <https://www.hudexchange.info/files/2014/03/03/documents/Coordinated-Entry-Policy-Brief.pdf>

We submit for your consideration the following **four recommendations**, which 1) lift up domestic and sexual violence as urgent housing-related needs in our community; and 2) provide specific action steps for the strategic planning portion of the Plan:

NEEDS ASSESSMENT: ISSUES & RECOMMENDATIONS:

- **Issue #1:** On page 60 of the draft plan, under “Characteristics of Residents in Public Housing Programs,” there are zero reported cases of domestic or sexual violence in all of Minneapolis Public Housing Programs. In conversations with our membership and Mid-Minnesota Legal Aid, we know that there are indeed cases of domestic and sexual violence in these housing programs.
 - **Recommendation #1:** *Insert the following text: “While our data collection process did not report any cases of domestic violence or sexual assault, we know that people who have experienced domestic and sexual violence do live in public housing programs, given that the CDC reports that 1 in 3 women and 1 in 7 men have experienced domestic violence and 19.3% of women and 1.7% of men have been raped.⁹ Better data collection methods must be implemented to more accurately gather the information on the victimization of residents.”*
- **Issue #2:** On page 38, in response to the question “Estimate the number and types of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault or stalking” the draft plan states that “the City of Minneapolis does not have numbers and types of families in need of housing assistance for this question.”
 - **Recommendation #2:** *Insert the following text: “At least 33% of families in need of housing assistance are victims of domestic violence, dating violence, sexual assault and stalking. This is a conservative estimate based on Minnesota’s results from CDC’s National Intimate Partner and Sexual Violence Survey.”¹⁰*

STRATEGIC PLAN: ISSUES & RECOMMENDATIONS:

- **Issue #3:** The inclusion of McKinney Vento grantees and low-income tax credit properties into VAWA 2013 housing protections for victims of domestic violence, sexual assault, stalking and dating violence is new. Many covered entities are unaware of the law or are uncertain of policy/procedure for its implementation, which may create unintended liabilities for the City.
 - **Recommendation #3:**
 - *Insert on page 144 of the current draft, which addresses gaps in service delivery for special needs, or insert wherever else most appropriate:* The inclusion of McKinney Vento grantees and low-income tax credit properties into VAWA 2013 housing protections for victims of domestic violence, sexual assault, stalking and dating violence is new. Covered entities may be unaware of the law or need guidance on policy/procedure for its implementation.
 - *Insert on page 145 of current draft, which addresses strategies to overcome gaps, or insert wherever else most appropriate in the strategic plan:* “Cross-training of all consolidated plan funding grantees (including front-line workers) is required on VAWA 2013 housing protections for victims of domestic violence, sexual assault, stalking and dating violence. Cross-trainings will be developed and delivered in collaboration with local domestic and sexual violence services providers. Resources will be committed to this VAWA 2013 capacity building and compliance with VAWA 2013 will be reviewed.”
- **Issue #4:** Preliminary work is currently being done to address the needs of victims of domestic and sexual violence in the coordinated assessment process.
 - **Recommendation #4:** *Insert on page 145 of current draft, which addresses strategies to overcome gaps, or insert wherever else most appropriate in the strategic plan:* “Continue and expand collaborations with domestic and sexual violence service providers in the planning and implementing of coordinated/centralized assessment, including but not limited to: 1) entry point designation; 2) assessment tool development; 3) waiting list prioritizations; 4) referral procedures when violence is identified at any point in the process; 5) trauma-informed data-sharing protocols; and 6) allocation of resources for these collaborations.”

Thank you for reviewing our comments. We look forward to a response and the opportunity for ongoing dialogue and collaboration.

Sincerely,

Liz Richards
Executive Director

⁹ Prevalence and Characteristics of Sexual Violence, Stalking, and Intimate Partner Violence Victimization — National Intimate Partner and Sexual Violence Survey, United States, CDC, 2011. http://www.cdc.gov/nprive/documents/sexual_violence_111911.pdf
¹⁰ Lifetime Prevalence of Rape, Physical Violence, and/or Stalking by an Intimate Partner by State of Residence—U.S. Women, CDC, National Intimate Partner and Sexual Violence Survey, 2010. Minnesota = 41.7%. National = 36.6%. http://www.cdc.gov/nprive/documents/sexual_violence_national_statistics_tables_10.html

Institute on Metropolitan Opportunity Comments on Proposed Minneapolis Consolidated Plan

In order to satisfy HUD's Affirmatively Furthering Fair Housing (AFFH) requirements, which are precondition to the receipt of HOME, CBDG, HOPWA, and ESG grants, a city must conduct an Analysis of Impediments to Fair Housing (AI). As permitted by HUD regulation, Minneapolis has joined with twelve other regional entitlement jurisdictions to conduct a regional AI, under the auspices of the Fair Housing Implementation Council (FHIC). This AI is adopted as one component of the proposed Consolidated Plan. Unfortunately, the Regional AI that FHIC has produced is severely inadequate, and cannot form the basis of a HUD AFFH certification.

Attached are two memorandums addressing the deficiencies of the FHIC AI. Together, they form a comprehensive catalogue of the AI's shortcomings. Both memorandums will also be provided to the HUD authorities responsible for overseeing grantee civil rights certifications. Problems discussed include:

- The AI contains no analysis, instead functioning only as a repository of basic statistical data.
- The AI ignores the public sector as a source of impediments, and offers a discussion of public sector investment which contains obvious inaccuracies and misrepresentations.
- The AI does not directly discuss or analyze regional segregation.
- The AI does not utilize the region's recent Fair Housing Equity Assessment, which contains extensive information about segregation and housing impediments, or other important data sources such as low-income housing occupancy data.
- The AI makes minimalistic policy recommendations and cedes most of the responsibility for developing the details of those recommendations to future policymakers.
- The AI does not report the outcomes of the recommendations in the previous AI nor suggest any system for monitoring the results of its own policy recommendations.
- The AI was not developed in coordination with essential regional partners, such as civil rights organizations or major state agencies.
- The AI defends its limited scope by offering inaccurate legal theories.

Each of these problems is discussed in greater detail in the attached documents. We request that the City review these documents carefully.

We recognize that the City of Minneapolis did not draft this AI directly. Unfortunately, Minneapolis, as an entitlement jurisdiction, bears ultimate responsibility for satisfying its own AFFH requirements. As such, we must recommend that Minneapolis strongly reconsider adopting this AI as a component of those requirements. To do so would potentially endanger the City's ability to certify that it has met its AFFH obligations, and in turn, endanger the HOME, CDBG, HOPWA, and ESG funding that relies on that certification.

Institute on Metropolitan Opportunity

**Comments on the Final FHIC 2014 Twin Cities Analysis of Impediments for the
Twin Cities Region**

The Fair Housing Implementation Council's (FHIC's) Twin Cities Regional Analysis of Impediments (AI) is severely inadequate. It compounds the failings of earlier drafts with erroneous legal theories and poor analysis. It argues that it does not have to examine important housing topics and dismisses its own recommendations as "aspirational." FHIC's public comment process has produced a document that is even less adequate than the previous version. Moreover, FHIC's alterations to the AI in response to public comments leave no doubt that its deficiencies are the result of intentional policy decisions.

This memorandum is intended to accompany the Institute on Metropolitan Opportunity's (IMO's) earlier comments on the AI.² It focuses on new additions to the AI in the final draft, many of which appear to be directly in response to earlier critiques. The additions fail to address those critiques.

I. Background

Every version of the Twin Cities AI has suffered from numerous, critical shortcomings, any one of which is individually sufficient to undermine its prescribed role as the chief policy document guiding the Affirmatively Furthering Fair Housing (AFFH) process. These include:

- The AI contains no analysis, instead functioning only as a repository of basic statistical data.
- The AI ignores the public sector as a source of impediments.
- The AI does not directly discuss or analyze regional segregation.
- The AI does not utilize the region's recent Fair Housing Equity Assessment, which contains extensive information about segregation and housing impediments, or other important data sources such as low-income housing occupancy data.

¹ Fair Housing Implementation Council, 2014 Analysis of Impediments to Fair Housing Choice: Twin Cities Region (2015), available at http://www.housinglink.org/Files/2014_FHIC_AI_FINAL.pdf [hereinafter FHIC AI].

² Institute on Metropolitan Opportunity, Comments on FHIC 2014 Draft AI (2015), available at <http://www.law.umn.edu/uploads/E3/e0/E3e0da2aa9163568346b0083ae5f6967/IMO-Comments-on-FHIC-AI.pdf> [hereinafter IMO Comments].

- The AI makes minimalistic policy recommendations and cedes most of the responsibility for developing the details of those recommendations to future policymakers.
- The AI does not report the outcomes of the recommendations in the previous AI nor suggest any system for monitoring the results of its own policy recommendations.
- The AI was not developed in coordination with essential regional partners, such as civil rights organizations or major state agencies.

In an effort to remedy these shortcomings, IMO provided public comments on the FHIC's earlier draft AI that catalogued its deficiencies in detail.³ The public comments were then provided to the drafting agency, and to all thirteen entitlement jurisdictions which intend to rely on the AI.⁴ No response was received.

The finalized AI, which adds 13 pages to the public comment draft, was released on February 13, 2015. It does not resolve any of the deficiencies. Despite receiving notice that the earlier draft was "entirely inadequate," the AI has undergone minimal revision.⁵ Nonetheless, the few revisions and additions have introduced a number of errors, misstatements, and half-truths into the AI.

Significant changes in the final AI appear to be limited to the following items:

- A new preface has been added, running from pages 6-11.
- Minor changes have been made to the identified impediments: Impediment 2 has a new recommendation, Impediment 4 has been extended to more protected classes, and Impediment 8 has a new recommendation.
- Passing mentions to the recent Regional Fair Housing Equity Assessment have been added in several places.
- A new section on "public sector investment" has been added, on pages 44-46.
- The "Assessment of Current Fair Housing Activities" section has been reorganized.
- The list of fair housing activities conducted by the entitlement jurisdiction, on pages 64-67, has been extended, with a number of activities added to Hennepin County. Activities have also been added for Bloomington and Minneapolis, which were omitted from the draft.
- An appendix listing organizations that were purportedly invited to participate in the AI process has been added, on pages 144-145.

³ *Id.* The public comment draft of the FHIC AI has been removed from the drafting agency's website, but is on file with the Institute on Metropolitan Opportunity.

⁴ See Letter from Myron Orfield, Director, Institute on Metropolitan Opportunity, to Maury McGough, Director, Midwest Regional Office, HUD (Jan. 21, 2015) (on file with Institute on Metropolitan Opportunity).

⁵ IMO Comments at 1.

- An appendix listing purported collaborators in the AI process has been added, on page 146.

Many of these alterations appear to be in response to critiques offered in comments on the public comment draft. However, most are either superficial in nature, or actively detrimental to the AI. Significantly, the identified impediments are all but identical to the public comment draft; there is no reason to believe that this AI would function any differently in practice than the earlier version.

The following sections will describe and critique the revisions to the AI in detail.

II. The New Introductory Section Misleadingly Describes the AI's Contents and Presents Invalid Legal Theories

The most substantial addition to the draft AI is a new introductory section. Much of this section appears to be devoted to responding to concerns raised in IMO's comments on the earlier AI. It fails to address those issues, however, and the introduction is problematic in its own right.

a. Topics Omitted from the AI

The most damaging new addition to the AI is the introductory subsection entitled "Policy Items Outside the Purview of this AI."⁶ This short section opens with the assertion that "[i]t is important . . . to identify what an AI is but also to define what an AI is not."⁷ Unfortunately, the subsection appears to contain no such definition, and suffers from uneven grammar and scattered organization that make its formal purpose hard to discern. It functions primarily as a short apologia for the AI, attempting to justify the minimization or omission of certain subjects – in particular, any subject which tends to show the concentration of low-income housing or protected classes in particular neighborhoods or municipalities.

The subsection strongly implies that the AI is permitted to exclude any housing policy not emerging directly from a limited set of HUD funding. It states that the recent Fair Housing Equity Assessment, regional Housing Policy Plan, and recent fair housing complaints "do not apply directly to this AI because they stemmed from causes or funding stream different from those of the AI."⁸ Statements elsewhere in the document reinforce this idea. For instance, in order to excuse an incomplete list of public fair housing activity, the AI notes that certain municipal "financing tools . . . are local in nature and not funded by the CDBG, ESG, HOME or HOPWA that trigger the need for this AI."⁹ While these sentences do not propose an explicit legal theory, they seem premised on that the idea that, to merit inclusion in an AI, a housing impediment or policy must have "stemmed from" the CDBG, ESG, HOME, or HOPWA grants that give

⁶ IHC AI at 7.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 46.

rise to the AI itself. Other impediments are outside the purview of the analysis and, presumably, are included at FHIC's discretion.

As a legal theory, this is plainly incorrect. HUD guidance is clear about the requirement that an AI conduct a searching "assessment of conditions, both public and private, affecting fair housing choice for all protected classes."¹⁰ The mere inclusion of the private market in this assessment indicates that it must necessarily extend outside policies directly affected by federal grants. HUD's Fair Housing Planning Guide, a 170-page document describing the AFFH process, contains dozens of far-reaching questions that should be examined or considered when drafting an AI, the vast majority of which have no direct relation to any particular source of federal funding (e.g., "[a]re there concentrations of low- and moderate-income housing in one or more localities or neighborhoods within the jurisdiction's geographic area?").¹¹ This viewpoint was also confirmed in the recent *Westchester* litigation, in which a federal court found that a jurisdiction's failure to broadly discuss racial segregation was enough to render an AI deficient.¹² Nowhere in the *Westchester* decision did the court consider whether racial segregation had any direct connection to CDBG, ESC, HOME, or HOPWA funding.

Even the AI's own drafters do not seem to believe this theory. After all, most of the subjects actually described in the AI are unrelated to HUD grants. Nor does the document ever describe how any particular impediment connects to any particular HUD funding stream. The only circumstance in which FHIC's novel theory of relevance arises is when it is attempting to explain the absence of a specific topic. Considering that this reasoning only appeared *after* IMO's previous comments pointed out a number of omissions in the AI, it is hard not to think that the entire theory is a flimsy attempt to cover the document's shortcomings.

The new subsection also spends several paragraphs discussing the Section 8 Housing Choice Voucher (HCV) program, arguing that many aspects of the program are not an appropriate subject for the AI.¹³ It states that "[i]ndividual entitlement jurisdictions may choose to address this issue depending on the context of how vouchers are managed within their geographic area."¹⁴ It notes repeatedly that voucher policies are reviewed by HUD, and begs off any responsibilities for these policies: "[A]ny concerns about such preferences should be directed to the appropriate HUD office."¹⁵ With regard to vouchers, the AI's position is unmistakable: "The review of local preferences adopted by housing authorities is beyond the scope of this AI."¹⁶

¹⁰ U.S. Department of Housing and Urban Development, Fair Housing Planning Guide 2.7 (1996), available at <http://portal.hud.gov/hudportal/documents/huddoc?id=fhpg.pdf> [hereinafter FHPG].

¹¹ *Id.* at 5-6.

¹² United States ex rel. Anti-Discrimination Center v. Westchester County, 668 F.Supp.2d 548 (2009).

¹³ FHIC AI at 7-8.

¹⁴ *Id.* at 8.

¹⁵ *Id.*

¹⁶ *Id.*

Unfortunately, HUD's position is equally unmistakable, and the opposite. This Fair Housing Planning Guide proposes that an AI address the following question:

“Do the policies and procedures of the [Public Housing Authority] or other administering agency in the grantee’s jurisdiction, or PHAs or agencies administering one or more assisted housing programs in neighboring jurisdictions, discourage or reject applications from lower-income households that do not reside in their jurisdiction by imposing residency or other local preferences?”¹⁷

Alongside this question are no fewer than 39 other proposed questions, including both broad topics like the geographic concentrations of voucher recipients, and narrower inquiries into the specific policies used to administer the voucher program at the local level.¹⁸

Nor does HUD suggest that its own administrative review of voucher policies somehow obviates the need to discuss vouchers in an AI, and for good reason: the two requirements serve very different purposes. An AI provides a comprehensive overview of discriminatory housing pressures in a region, and seeks to capture the full interplay of economic forces, zoning laws, housing policy, and other factors that create segregation and isolation. In this context, it is incoherent to argue that the HCV program – the single largest housing subsidy provided to low-income families – is “beyond the purview” of the analysis.

Finally, the new subsection appears to preemptively undercut the AI’s recommendations. It argues that, rather than forming the basis of a structured effort to affirmatively further fair housing, the AI’s recommendations are subject to the vicissitudes of local politics, and form no binding commitment for jurisdictions. The section notes that “[a]s they mature in their status, it is possible that entitlement jurisdictions may choose to change internal policies and/or procedures in the future.”¹⁹ While it is of course possible that entitlement jurisdictions may change their policies and procedures in the future, this does not diminish the role of the AI – this is, in fact, the exact process which the AI seeks to channel.

Worse, however, is the next sentence, which states that “many cities and counties budget on one-year calendar cycles” and that “aspirational goals must not be confused as budgetary commitments.”²⁰ These statements misrepresent the purpose of an AI. While jurisdictions are not required to set forth firm budgets in their AIs, AFFH obligations require grantees to “[t]ake appropriate action to overcome the effects of any impediments identified” by their analysis.²¹ In other words, the recommendations of an AI are far from being mere “aspirational goals,” and a failure to diligently pursue those recommendations would invalidate an entitlement jurisdiction’s ability to complete its AFFH certification.

¹⁷ FHFG at 5-14, 5-15.

¹⁸ *Id.* at 5-13, 5-14, 5-15, 5-16.

¹⁹ FHIC AI at 7.

²⁰ *Id.*

²¹ FHFG at 1-2.

Budget process notwithstanding, jurisdictions cannot ignore or deemphasize the AI's findings without consequence. It is disturbing that the Twin Cities AI appears to regard its own recommendations as non-binding and optional.

b. Historic background

Another introductory subsection provides a brief overview of the impediments identified by the previous Regional AI, which was drafted in 2009.²² This may be in response to IMO's criticism that the AI's public comment draft "[did] not communicate the results of previous AI recommendations."²³ If so, however, it does not address the previous criticism in a meaningful way.

The new section is short and lacks detailed information. It lists the previous set of impediments and a handful of actions taken to address those impediments. Only three responses are identified: testing for discrimination, workshops for landlords on unfair housing practices, and "outreach," consisting of a series of YouTube videos, which were released in 2014 and mostly received fewer than 100 views.²⁴ Nowhere does the AI analyze the outcome of those actions, except to note that the results of "investigatory pairs-based testing were "somewhat inconclusive."²⁵ No empirical data is provided on the outcomes of the outreach or education programs. The only quantitative component of the subsection is a small table listing expenditures in response to the previous AI, averaging about \$35,000 annually.²⁶ This is far from the "records reflecting the analysis and actions taken" that HUD requires jurisdictions to maintain; indeed, the presentation casts some doubt on whether such records even exist.²⁷

c. Other concerns

The new introductory section also contains a number of smaller – but still troubling – errors and omissions.

The AI's preface now contains an accurate description of the AI's purpose. It states that "[t]he overarching goal of HUD's Fair Housing policies, and by extension this Analysis of Impediments . . . is to eliminate racial and ethnic segregation, illegal physical and other barriers to persons with disabilities and other discriminatory practices in housing."²⁸ This accords well with IMO's description of the AI from the earlier public comments – in fact, the final AI seems to have lifted this language directly from those

²² FHIC AI at 8-10.

²³ IMO Comments at 12.

²⁴ FHIC AI at 9. Outreach videos available at <https://www.youtube.com/channel/UC0aye1Yxm1bc61srnhtUBA>.

²⁵ FHIC AI at 9.

²⁶ *Id.* at 10.

²⁷ FHPG at 1-2.

²⁸ FHIC AI at 6.

comments.²⁹ This passage leaves no doubt, at least, that those comments were read and considered.

But there has been no discernible attempt to modify the AI to comport with this language, creating strange discrepancies between the document's preface and its body. For instance, while the introduction states that an "overarching goal" of the AI is to "eliminate racial and ethnic segregation," the subject of segregation is never again substantively addressed.³⁰ The word "segregation" only appears four more times in the entire document: once in a public comment in an appendix; twice in the description of a recent report which warned of growing segregation in the Twin Cities area; and once more, ironically, in a description of the recent *Westchester* case, which held that an entitlement jurisdiction's AI constituted fraud on the federal government – because it had not discussed segregation.³¹

Previous comments also critiqued the AI's failure to rely on the regional Fair Housing Equity Assessment (FHEA) in a substantive fashion.³² In response, a number of mentions of the FHEA – entitled *Choice, Place, and Opportunity* – have been added to the text. Unfortunately, these mentions are almost entirely superficial. For instance, a newly inserted sentence acknowledges that the *Choice* report identifies "the place-based dynamics of racial disparities," – i.e., public and private sources of segregation.³³ But the AI goes no further. The actual findings of the *Choice* report are not revealed in any way. These off-hand references to the FHEA are no substitute for the AI's failure to incorporate the FHEA's actual findings.

The authors leave no doubt the omission of the FHEA was intentional, because the introductory section takes care to draw a clear line between the *Choice* report and the AI. It notes that "completely separate from the statutory requirements governing this AI, HUD required the Metropolitan Council . . . to complete an FHEA."³⁴ The emphasis is in the original document, and this is the only phrase in the entire AI to be highlighted in such a way.

III. The New "Public Sector Investment" Section Is Inadequate and Inaccurate

In the earlier comments, IMO criticized the draft AI for "completely ignor[ing] the public sector as a source of impediments."³⁵ As IMO pointed out at the time, HUD

²⁹ See IMO Comments on FHIC AI at 2 ("The overarching goal of HUD's fair housing policies, the AFFH certification process, and by extension the AI, is to eliminat[e] racial and ethnic segregation, illegal physical and other barriers to persons with disabilities and other discriminatory practices in housing." (internal quotations omitted)).

³⁰ FHIC AI at 6.

³¹ *Id.* at 72, 75, 120.

³² Metropolitan Council, *Choice, Place, and Opportunity: An Equity Assessment of the Twin Cities Region* (2014), available at <http://www.metrocouncil.org/Planning/Projects/Thrive-2040/Choice-Place-and-Opportunity.aspx>.

³³ FHIC AI at 56.

³⁴ *Id.* at 11.

³⁵ IMO Comments at 5.

requires grantees to conduct “a very searching analysis of public activities, practices, and procedures involving housing and housing-related activities,” noting that the Fair Housing Planning Guide apparently envisioned this analysis taking up half or more of the AI.³⁶ Topics for analysis include zoning codes, government services, redevelopment, job creation, intra- and inter-governmental interactions, jurisdictional divisions, and, especially, site selection and the concentration of subsidized housing.³⁷ Notably, the Guide is careful to include policy “omissions” (e.g., of enforcement mechanisms) as an important potential topic for an AI.

The finalized FHIC AI newly acknowledges the need to analyze the public sector for housing impediments, an improvement from the earlier draft. In lieu of actually conducting any such analysis, however, the final AI instead inserts one short subsection entitled “Public Sector Investment,” which totals less than three pages. The subsection does not mention impediments. Instead, it casts the public sector’s role in housing as entirely and unambiguously positive. Most significantly, in the new subsection’s opening paragraphs, the AI makes the expansive claim that “[w]ithin the Twin Cities metropolitan region, housing affordable to low-income households is in fact diversely spread across city and county borders.”³⁸

This is not an assertion that can be made lightly. In the last year alone, academic research on subsidized housing placement³⁹, coverage in local media sources⁴⁰, and a HUD fair housing complaint filed by multiple suburban cities⁴¹ have all argued that there are severe imbalances in the siting of affordable housing in the Twin Cities. The AI makes no attempt to work these competing narratives into its account, or even to rebut them in a systematic fashion. Instead, it mounts a flubbed defense of public sector

³⁶ *Id.* at 6 (internal quotations omitted).

³⁷ *Id.*

³⁸ FHIC AI at 44.

³⁹ See, e.g., Institute on Metropolitan Opportunity, *Why Are the Twin Cities So Segregated?* (2015), available at <http://www.law.mn.edu/uploads/ed/00/ed00e05a000f1eb88165512e02e9129/Why-Are-the-Twin-Cities-So-Segregated-2-26-15.pdf>.

⁴⁰ See, e.g., David Peterson, *Few Likely to Build over Met Council’s Affordable Housing Plan*, STAR TRIBUNE (Mar. 15, 2015), available at <http://www.startribune.com/local/west/296392961.html>; Peter Callaghan, *Why Are the Twin Cities So Segregated? A New Report Blames Housing Policies and Education Reforms*, MINNPOST (Mar. 5, 2015), available at <https://www.minnpost.com/politics-policy/2015/03/why-are-twin-cities-so-segregated-new-report-blames-housing-policies-and-edu/>; Editorial Board, *Facing the Facts on Affordable Housing in the Twin Cities*, STAR TRIBUNE (Jan. 18, 2015), available at <http://www.startribune.com/opinion/editorials/288886771.html>; Editorial Board, *Find a Fairer Balance in Metro’s Affordable Housing*, STAR TRIBUNE (Sept. 29, 2014), available at <http://www.startribune.com/opinion/editorials/277519181.html>; Frederick Melo, *Twin Cities Housing Policies Contribute to Segregation, Report Says*, PIONEER PRESS (Feb. 10, 2014), available at http://www.twincities.com/localnews/ci_25105588/twin-cities-housing-policies-contribute-segregation-report-says.

⁴¹ See, e.g., Peter Callaghan, *Civil Rights Complaint Seeks to Stop Cities from Concentrating Low-Income Housing in High-Poverty Neighborhoods*, MINNPOST (Apr. 14, 2015), available at <https://www.minnpost.com/politics-policy/2015/04/civil-rights-complaint-seeks-stop-cities-concentrating-low-income-housing-hi/>; Shannon Prather, *Brooklyn Park, Brooklyn Center Accuse State of Fair-Housing Violations*, STAR TRIBUNE (Sept. 20, 2014), available at <http://www.startribune.com/local/north/275901391.html>.

investment – a defense that is at turns methodologically outrageous, poorly executed, and factually false.

The AI offers only two pieces of evidence in support of its contention that subsidized housing is distributed equitably throughout the region:

- A single map, which “shows the location of affordable rental projects funded in whole or in part by public sector financing between the year [sic] of 2010 and 2013.”⁴²
- A brief bulleted list noting public financial contributions to housing by several of the AI’s entitlement jurisdictions.⁴³

Each of these items is severely deficient.

Because the map is restricted to projects funded during a short span of years, only a small fraction of the region’s existing subsidized housing informs the AI’s public investment “analysis.” Discussion or depiction of broader regional patterns in subsidized housing availability is nowhere to be found. The AI treats the many tens of thousands of units of publicly funded housing constructed prior to 2010 as if they simply do not exist. Instead, the document states that the map shows “that while Minneapolis and St. Paul are the region’s two largest communities, affordable housing is in fact present in a much broader number of locales.”⁴⁴ It does not disclose names of those locales, their relative degrees of prosperity or poverty, the amount of housing they contain, the characteristics of their schools, or any other information relevant to housing opportunity.

The AI offers a remarkable excuse for these omissions: it argues that “[t]he significant quantity of publicly-funded affordable housing investments makes it difficult to show on a single map.”⁴⁵

HUD does not assign page limits for AIs. There was nothing preventing FHHC, if it had so chosen, from including several – or even many -- maps. Nor is there any shortage of data on the location and characteristics of the region’s subsidized housing stock; the group contracted to produce the AI maintains a detailed and well-organized database containing precisely this information. The only reasonable explanation for this information’s absence from the AI is that it was intentionally omitted.

It is worth noting that, methodological failings aside, the AI also botches the map’s presentation. The map is so small that most key details are illegible, and the dots depicting individual projects frequently overlap and obscure each other. It appears to have been vertically compressed, badly distorting the region’s geography. These readability issues are compounded by minimalistic labelling, particularly of municipal boundaries. The result is muddled and amateurish.

⁴² FHHC AI at 45.

⁴³ *Id.* at 46.

⁴⁴ *Id.* at 44.

⁴⁵ *Id.* at 45.

Ironically, despite these problems, one conclusion *can* safely be drawn from the map: there are severe regional disparities in the distribution of subsidized housing. The map clearly shows that the vast majority of recent publicly funded rental units are located in Minneapolis and Saint Paul, while investment is sparse or nonexistent in most surrounding suburbs. In other words, the AI claims that housing is “diversely spread” throughout the region -- and then presents evidence that immediately refutes that conclusion.

The bulleted list of financial activity by entitlement jurisdictions is equally deficient. The items listed are not presented in a consistent format, do not use a consistent metric (whether that be expenditures made, units created, or something else), do not cover a consistent timeframe, and seem to be drawn haphazardly from whatever public investments could be tangentially connected to housing. For instance, Anoka County’s efforts are limited to \$1.5 million spent on “infrastructure improvement, water hookups, wastewater treatment and septic system updates,” while Washington County’s “land acquisition for a food shelf” is included.⁴⁶ Even when the information relates directly to housing, it is not described in a way that reveals what actually transpired. For example, while Eden Prairie spent “\$119,000 helping 202 households avoid homelessness,” no further detail is provided.⁴⁷ Meanwhile, one item for Washington County – “42 single-family units funded for new construction Habitat for Humanity or land trust housing options” – is not intelligible as an English sentence.⁴⁸

The AI once more admits that its own methods are incomplete and insufficient. The authors state that the examples given are “certainly not an exhaustive list” but instead “highlighted to illustrate how public sector agencies are, in fact, investing in projects that assist low-income communities across the region and are not investing solely in areas that have high concentrations of low-income housing.” Rather than the “comprehensive” analysis demanded by the Fair Housing Planning Guide, the AI’s authors here confess to selectively picking evidence to support the point they wish to convey.⁴⁹

And here again, the evidence does not tell the story the AI claims it does. Given the mixed-finance nature of much publicly-subsidized affordable housing, simply repeating unit counts or total spending can be deceiving. One municipality may spend a great deal on new affordable rentals because it is footing nearly the entire bill for the new development, another may generate many more units, while spending much less, because of substantial private sector and charitable assistance. (Indeed, the lopsided availability of such assistance in low-income neighborhoods is a potential cause of poverty concentration.)

But most importantly, the same regional imbalances that appeared in the AI’s public investment map also appear in the list of housing investments. Minneapolis is cited for building 60 new multifamily projects – surely numbering into the many hundreds of

⁴⁶ *Id.* at 46.

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ *Id.*

units, though the exact number is conspicuously absent.⁵⁰ Hennepin County, in which Minneapolis is located, has contributed 643 affordable units. Ramsey County, in which Saint Paul is located, has produced 451 affordable units.⁵¹ Apart from an ambiguous reference to a Dakota County program from 2002, no other municipality or county is described as having produced affordable rental units.⁵²

In short, the AI's assertion that the region that has "diversely spread" its subsidized housing cannot survive even brief contact with its own evidence. The discrepancy between the information presented and the conclusion drawn is so great that it is difficult to believe it arose from an objective evaluation of the data. Instead, the authors appear to be engaged in a purposeful exercise in evasion – either because the drafters do not think the subject important enough to address, or because they do not wish to discuss impediments that implicate the entitlement jurisdictions themselves.

It is also worth noting that the new additions do not even purport to have examined zoning laws, land use laws, or any non-fiscal public sector activity in any way. Perhaps the best way to demonstrate the severity of this omission is through comparison: the last AI for the city of Moorhead, Minnesota, population 39,000, conducts a more extensive analysis of its laws and regulations than the Twin Cities AI conducts for any of its thirteen entitlement jurisdictions, which contain a combined population of 2.85 million people.⁵³

IV. The New Appendices Do Not Demonstrate Sufficient Collaboration with Regional Experts

The final AI also incorporates two new appendices meant to illustrate the collaborative process by which the AI was drafted. The Fair Housing Planning Guide encourages AI drafters to "use existing organizational relationships" when conducting their analysis.⁵⁴ This process is particularly vital in the context of the Twin Cities, because "members of the FHIC wanted to undertake the 2014-2015 AI with a closer focus on community engagement-driven data as opposed to heavy reliance on Census and other online data." By deemphasizing quantitative, empirical sources of information like the Census, the FHIC has increased the importance of the AI's collaborative element. Unfortunately, the new appendices do not suggest that FHIC has sufficiently harnessed the expertise of third party organizations or the communities that surround them.

The first of the new appendices, Appendix C, is entitled "List of Organizations Invited to Participate."⁵⁵ The invitation in question, however, was not for close or detailed collaboration. Instead, the AI specifies elsewhere that this is a list of

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² *Id.*

⁵³ City of Moorhead, *Analysis of Impediments for Moorhead* (2002), available at <http://www.cityofmoorhead.com/home/showdocument?id=1822>.

⁵⁴ FHIC at 2-20.

⁵⁵ FHIC AI at 144.

organizations included on a mass e-mail invitation to join in-person engagement meetings.⁵⁶ An examination of this list reveals the flaw in this “one size fits all” approach: the organizations involved run the gamut from dozens of real estate developers and landlords, to law firms, to the Minnesota Public Radio news office. The scale of the invitees ranges from single individuals to the University of Minnesota, the local campus of which educates or employs approximately 73,000 people. A large number of private health care providers are included, as are some government entities – HUD, the Metropolitan Council, and public housing authorities. However, no school districts and few educational groups appear on the list, despite interplay of schools and housing. Inviting, via e-mail, such a diverse range of entities to an undifferentiated set of engagement sessions is unlikely to result in productive collaboration.

Appendix D, the second new addition, demonstrates the failure of the e-mail engagement strategy. Out of nearly 170 organizations receiving invitations, only fifteen attended the “in-person community conversations.”⁵⁷

V. The AI’s Deficiencies Are Intentional

The earlier drafts of the Twin Cities Regional AI were deficient. The final version is worse: it makes clear beyond a doubt that the document’s critical shortcomings are the result of an intentional policy choice by its authors.

FHIC has been repeatedly notified of its responsibility to conduct a searching examination of all regional impediments, to consider racial segregation, and to investigate public sector investment. It has been notified of these obligations both during the drafting process and during the public comment period. The shortcomings of the earlier draft were catalogued at length, and a copy of those comments was provided not only to the drafting agency but to the relevant government officials in all thirteen entitlement jurisdictions.

Nonetheless, the AI’s drafters have remained resolute in their refusal to admit that public investment, site selection, zoning law, or other mainstays of public housing policy either reflect or produce any actual impediments to housing choice. According to this AI, the entitlement jurisdictions, other regional municipalities, the regional government, and the state have been all but faultless in their support for fair housing. If this AI is to be believed, the Twin Cities remain unburdened by segregation. When asked to produce analysis to support these assertions, the FHIC has added a scant thirteen pages to a 146-page document – pages which say, in essence, “There’s no problem here, and if there were, it’s not ours to worry about.”

To make matters worse, the AI deploys a series of cynical evasions to justify these failings. We are left with no choice but to conclude that it has been written in bad faith. Its omissions and deficiencies are too egregious, and its deflections too implausible, to be attributed to carelessness. This is not an honest effort to reckon with the problem of

⁵⁶ *Id.* at 76.

⁵⁷ *Id.* at 146.

housing discrimination in the Twin Cities. The jurisdictions have created, in essence, a mock-up calculated to satisfy HUD – a perfunctory document designed to check a box, which gives the outward appearance of examining impediments to fair housing without actually doing so.

If this document is any indication, the thirteen entitlement jurisdictions intending to rely upon the FHIC AI remain profoundly unserious about HUD's AFFH requirements. Metropolitan-area Minnesotans should not be forced to endure this level of indifference about fair housing from their local governments. Until the jurisdictions make a genuine attempt to grapple with the difficult problem of analyzing and addressing impediments to fair housing, HUD should not certify that they have fulfilled their federal civil rights requirements.

Institute on Metropolitan Opportunity

**Comments on the Draft FHIC 2014 Analysis of Impediments for the Twin Cities
Region**

The draft Analysis of Impediments to Fair Housing Choice completed by the Fair Housing Implementation Council is entirely inadequate.¹ It is a series of tables and charts, followed by a handful of pages of vaguely-described impediments and action steps. It is a hodgepodge of copy-paste drafting that eschews the analysis required by federal law in favor of ambiguously presented summary statistics. Among its most notable omissions are its failure to discuss segregation in a substantive fashion, and its refusal to analyze the role of public sector in creating impediments to fair housing. It is particularly shocking that such a substandard AI would come forward after the region has spent the last two years assembling data and analysis in the FHEA process.

In its current state, the draft Twin Cities regional AI is deficient to such an extent that it cannot conceivably fulfill its prescribed statutory role in the Affirmatively Further Fair Housing (AFFH) certification process. Unless these deficiencies are corrected, it is therefore impossible for the entitlement jurisdictions relying upon this AI to accurately certify that they are complying with the HUD AFFH requirements.

I. Role of the AI in the AFFH Certification Process

As a component of its Fair Housing Act obligations, HUD requires HOME and CDBG grantees to certify that they are Affirmatively Furthering Fair Housing (AFFH). In order to fulfill these requirements, a grant recipient must take three steps:²

1. Conduct an AI identifying obstacles to fair housing choice within its jurisdiction and making recommendations to reduce or remove those obstacles
2. Take appropriate actions to overcome the effects of the identified impediments
3. Monitor these actions and maintain records showing they were taken

¹ Fair Housing Implementation Council, 2014 Analysis of Impediments to Fair Housing Choice: Twin Cities Region (Public Comment Draft), available at <http://www.housinglink.org/files/2014-FHIC-AI-Public-Comment-Draft.pdf> [hereinafter FHIC AI].

² U.S. Department of Housing and Urban Development, Fair Housing Planning Guide 1-2, 1-3 (1996), available at: <http://portal.hud.gov/hudportal/documents/huddoc?id=3hpg.pdf> [hereinafter FHPG].

The AI serves as the catalyst for this three-step process. The AI documents existing impediments to fair housing, determines their relative severity, and explores remedies, as well as discussing other actions a grantee may have undertaken affirmatively further fair housing. Without an accurate AI, it is impossible for entitlement jurisdictions to proceed to Step 2, because they lack information about which impediments they should be taking action against or what strategies would be most effective in reducing those impediments.

The overarching goal of HUD's fair housing policies, the AFFH certification process, and by extension the AI, is to "eliminat[e] racial and ethnic segregation, illegal physical and other barriers to persons with disabilities and other discriminatory practices in housing."³

HUD's Fair Housing Planning Guide lays out, in voluminous detail, the parameters of a successful AI. Although the Guide does not mandate a particular format, and of course does not require that every jurisdiction find the same set of impediments, it does clearly describe specific areas that must be investigated in order to uncover all significant impediments to fair housing. Moreover, it makes clear the depth of analysis that entitlement jurisdictions must conduct.

For example, in its opening pages, the Guide summarizes the tasks an AI must accomplish – a summary that is repeated in the opening pages of the FHEC draft document:

The AI is a review of impediments to fair housing choice in the public and private sector. The AI involves:

- A comprehensive review of a State or Entitlement jurisdiction's laws, regulations, and administrative policies, procedures, and practices.
- An assessment of how those laws affect the location, availability, and accessibility of housing.
- An evaluation of conditions, both public and private, affecting fair housing choice for all protected classes.
- An assessment of the availability of affordable and accessible housing in a range of unit sizes.

As this summary indicates, HUD places great emphasis on *comprehensive* analysis and evaluation of trends and findings. The AI is not meant to function as a depository of facts or data but as an analytic document that synthesizes facts and data into concrete conclusions about the regional causes of housing segregation and housing

³ *Id.* at 1.

discrimination. This is bolstered elsewhere in the Guide, where HUD specifies that “[t]he scope of the AI is broad” and that it “covers *the full array* of public and private policies, practices, and procedures affecting housing choice.”⁴ Through the AI, “jurisdictions must become *fully aware of the existence, nature, extent, and causes of all fair housing problems and the resources available to solve them* [and a] properly completed AI provides this information.”⁵ In part, this entails becoming “familiar with all studies that apply to their community and region,” and “carefully consider[ing] the conclusions and recommendations of other housing studies prior to deciding what to study in the AI.”⁶

HUD encourages jurisdictions, where possible, to undertake “metrowide” or regional fair housing planning. It notes a number of advantages to this approach, including its ability to allow jurisdictions to “overcome spatial separation and segregation” and “affirmatively further fair housing throughout the metropolitan area” by integrating the policies of local jurisdictions.⁷

Conducting an AI is no small task. AIs in many jurisdictions frequently run into the hundreds of pages, much of which is spent on complex discussion of specific local housing trends. They frequently include dense appendices of qualitative and quantitative background research, which informed this discussion.⁸ Unfortunately, these successful AIs bear no resemblance to the FHIC’s draft document.

It is essential to recognize that promulgating an inadequate AI can have severe consequences for HUD grantees, including a loss of funding and severe penalties running into the many millions of dollars. This was demonstrated in a recent landmark federal court case. In *United States ex rel. Anti-Discrimination Center v. Westchester County*, a federal court found that a New York county, by certifying to HUD it had affirmatively furthered fair housing after producing a badly deficient AI, was committing fraud against the United States government.⁹ In a settlement, the County agreed to pay penalties exceeding \$62 million dollars – a sum greater than the total of its HUD grants over the five year period covered by the deficient AI.

The FHIC AI is deeply and unambiguously insufficient. The following sections will describe some of the document’s most severe deficiencies.

II. The FHIC AI Contains No Analysis Whatsoever

⁴ *Id.* at 2-8 (emphasis added).

⁵ *Id.* at 2-8 (emphasis added).

⁶ *Id.* at 2-18, 2-19.

⁷ *Id.* at 2-11.

⁸ See, e.g., Portland Housing Bureau, 2011 Analysis of Impediments to Fair Housing, available at <http://www.portlandoregon.gov/phb/60788>; City and County of Denver, Analysis of Impediments to Fair Housing Choice, available at <http://www.denvergov.org/Portals/690/documents/DenverAnalysisOfImpedimentsToFairHousingChoice.pdf>.

⁹ *United States ex rel. Anti-Discrimination Center v. Westchester County*, 668 F.Supp.2d 548 (2009) [hereinafter *Westchester II*].

The most pervasive flaw in the FHIC AI is its complete lack of analytic content. Rather than evaluating the condition of fair housing in the Twin Cities region, it instead provides a smattering of data and statistics related to housing opportunity and discrimination, unaccompanied by the in-depth analysis that HUD requires from an AI. The entire draft can be summed up in four words: “But where’s the beef?”

The vast majority of the FHIC draft consists of background data on the demographic makeup of entitlement jurisdictions and summary data of housing complaints. This information is presented devoid of context or discussion and cannot be plausibly be said to constitute any sort of analytic thinking.

The demographic section – which the HUD Guide says should only be used as “background data” – alone makes up approximately 50 percent of the substantive material of the document.¹⁰ Moreover, this data is presented in a format that is minimally useful: tables of summary statistics of each entitlement jurisdiction (e.g., the percent of each jurisdiction that is a member of various racial or ethnic groups). Only a handful of lines in the entire document acknowledge or discuss the contents of these tables; they are essentially presented without further comment. There is no data at all about geographic subdivisions below the city and county level, meaning that intra-jurisdictional disparities are effectively invisible in these summary tables. Though the AI professes to be “regional,” it includes no data about cities that are not members of the FHIC, meaning that there is no indication of disparities among or within over one hundred of the region’s incorporated municipalities. Also included are a number of school district maps, which simply overlay racial composition of census tracts over school district boundaries. But because they are accompanied by no figures whatsoever about racial or demographic composition of the districts, schools, or census tracts, and because census tracts can be of varying density, it is impossible to even roughly approximate the composition of actual school districts – much less individual schools – with these maps alone. They are, in a word, useless.

HUD recommends that an AI include an “evaluation of [the] jurisdiction’s current fair housing legal status,” including a summary of complaints and current discrimination suits, reasons for trends and patterns, and discussion of fair housing concerns or problems.¹¹ The draft AI includes nearly 20 pages of summary statistics of fair housing complaints in the region, but once again, this section it contains absolutely no substantive discussion of those complaints. Rather than attempting to discern or explain trends, it takes the entirely neutral approach of summarizing complaints by their protected class basis, issue, location, resolution, etc. The task of identifying patterns or revealing their origins is, for all intents and purposes, left to the reader.

The draft’s “identification of impediments” section is equally deficient. HUD’s Guide makes clear that this section is ordinarily meant to be the heart of the document, where all previous analysis is synthesized into a detailed list of specific impediments within the jurisdiction. The Guide’s recommended AI format subdivides the section into

¹⁰ FHICG at 2-30.
¹¹ *Id.* at 2-30, 2-31.

subject matter groups, “zoning and site selection,” “neighborhood revitalization, municipal and other services, employment-related-transportation linkage,” “sale of subsidized housing and possible displacement,” “property tax policies,” “planning and zoning boards,” “building codes,” “fair housing enforcement,” and “visitability in housing.”

FFHC’s draft AI instead disposes of the list of impediments with a single short section comprised of less than three full pages, on which ten impediments are listed in outline form, each described in a single sentence. (The document’s “executive summary” includes a list of the impediments and recommendations; embarrassingly, this is not as summary at all but the entirety of the AI’s “identification of impediments,” reprinted in full at the beginning of the text. In other words, the identified impediments are so brief and so cursory that they can masquerade as their own summary.) There is absolutely no discussion at all of the nature or extent of each impediment, or the causes of any impediment. There is also absolutely no discussion of how these impediments were identified, or how they connect to the statistical or survey work that constitute the bulk of the AI. Many of the identified impediments are unacceptably vague; for instance, Impediment 10 says only “NIMBY-ism with regard to siting and placement of affordable housing,” making no attempt to answer the all-important questions of where, when, who, and how often.

The recommendations suffer from the same vagueness. They are, once again, minimal both in description and content. Most only consist of a single sentence or line. None include any discussion of how they were chosen or developed, or whether other strategies were considered and rejected. Many are imprecise enough that they are likely to prove entirely useless to entitlement jurisdictions; for example, confronted with Impediment 5 – “Housing choices for people of color are impacted by perceptions about school performance and neighborhood safety” the AI recommends that, unhelpfully, that jurisdictions “[d]evelop outreach and education strategies based on results of paired testing.” This sort of highly speculative recommendation, in which jurisdictions are called upon to research problems on their own, and then develop an independent solution with no real input from the AI, is the norm. Many recommendations begin with phrases such as “[e]xplore concepts,” “[e]ncourage practices” “[r]eview strategies,” and “[d]evelopment of partnerships.”

Failure to lay out recommendations in sufficient detail, as well as an overreliance on vague recommendations that require future research or discussion, short-circuits the entire AFFH certification process. Jurisdictions cannot undertake unreasonably broad remedies, or monitor their performance of actions that have been left undefined, inevitably resulting in a failure to complete steps two and three of the AFFH process. Many of the suggested remedies (e.g., education, outreach, and partnership building) are by their nature difficult or impossible to concretely monitor. A skeptical observer might infer that this is part of an intentional tactic to stymie HUD’s fair housing aims: devising nebulous remedies in order to satisfy HUD requirements without making any real, effective, or measurable commitments to remedy segregation or alter living patterns.

The impermissible lack of analysis in the FHIC AI mirrors the flaw that doomed Westchester County's AI in the *Westchester* court case. The lawsuit in *Westchester* was founded on the plaintiffs' claim that the County failed to "engage in any independent analysis or exploration of impediments, and refused to identify or analyze community resistance to integration on the basis of race and national origin as an impediment."¹² The plaintiffs argued that the County had a duty to consider race and racial segregation in its AI, which it had violated. The County attempted to counter this argument by referencing charts and tables in the AI which addressed race. The court ultimately sided with the plaintiffs, responding that analysis "certain demographic data as to the racial makeup of County and municipality populations does not in any way show that the County conducted any analysis as to how this demographic data related to the existence or lack of race-based impediments to fair housing choice."¹³

In the present case, the AI consists of *virtually nothing but* "certain demographic data as to the . . . makeup" of the jurisdictions in question. In other words, the AI "does not in any way show that the [FHIC] conducted any analysis" related to *any element* of fair housing choice. If the Westchester County AI fails because it omitted an essential assessment of racial segregation, the FHIC AI must also fail – for omitting the very act of assessment.

III. The FHIC AI Completely Ignores the Public Sector as a Source of Impediments

The Fair Housing Planning Guide makes clear that any AI should conduct a very searching analysis of "public activities, practices, and procedures involving housing and housing-related activities."¹⁴ This requirement is unambiguous; indeed, HUD's recommendations envision analysis of the public sector taking up half or more of the final document.

According to HUD, government "actions or omissions" that should be addressed in an AI include straightforward factors like housing or zoning codes, but also indirect government actions such as job creation efforts, patterns in the provision of services, and redevelopment activities. The Guide also places an emphasis on intra-governmental interactions – both horizontal, between different municipalities, and vertical, between agencies with overlapping authority.¹⁵

Special attention is given to issues surrounding site selection. The Guide is unambiguous on the subject: "[i]f fair housing objectives are to be achieved, the goal must be to avoid high concentrations of low-income housing."¹⁶ It also recognizes the

¹² United States ex rel. Anti-Discrimination Center v. Westchester County, 495 F.Supp.2d 375, 377 (2007) (internal quotation omitted) [hereinafter *Westchester I*].

¹³ *Westchester II* at 564.

¹⁴ FHIPG at 2-9.

¹⁵ *Id.* at 5-5.

¹⁶ *Id.* at 5-6.

considerable challenge of doing so: “many communities feel strongly that housing for [low-income, homeless, and disabled] persons should be provided but not in my backyard.”¹⁷ Additionally, it identifies jurisdictional divisions as a major obstacle to providing less concentrated subsidized housing: “in metropolitan areas, serious consideration should be given to ways [communities] can participate in cooperative, interjurisdictional planning for construction of assisted housing.”¹⁸

The Guide suggests several specific questions to guide this inquiry. These include “Are there concentrations of low- and moderate-income housing in one more localities or neighborhoods within the jurisdiction’s geographic area?” and “Has the jurisdiction adopted policies and procedures that promote the placement of new or rehabilitated housing for lower-income households . . . in a wide spectrum of neighborhoods?”¹⁹

It is also suggested that an AI consider actual demographic trends among public housing occupants; for instance, whether “there [is] a pattern in or more assisted housing developments of concentration of tenants by race or ethnicity,” or if there is a “pattern, by location and family type, of minority and nonminority certificate and voucher holders who rent units under the Section 8 . . . voucher housing assistance program.”²⁰

HUD’s Guide includes a number of “example” impediments, which demonstrate the type of public sector “actions or omissions” that should appear in an AI. These include the absence of an enforcement mechanism for correcting housing site selection disparities,²¹ zoning ordinances in suburban communities that prevent construction of multifamily housing,²² failure to support the local fair housing agencies,²³ and even apathy and status quo bias among political and community leaders.²⁴

In other words, HUD’s guidance makes clear that an analysis of the public sector is an essential – if not the most essential – component of an AI. But the FHIC draft document, in effect, writes government activity out of fair housing. The following is a complete summary of the AI’s treatment of government impediments to fair housing:

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.* at 5-6, 5-7.

²⁰ *Id.* at 5-13, 5-14.

²¹ “The State does not have an enforceable site selection policy for affordable housing that will compel its major cities to select sites for affordable housing located outside of minority or low-income areas or allocate such housing on a metropolitanwide basis.” *Id.* at 3-13.

²² “The suburban jurisdictions of the State’s major cities have exclusionary zoning ordinances that preclude the construction of affordable multifamily housing and keep out lower income and minority persons.” *Id.* at 3-11.

²³ “The local fair housing agencies are under-funded and ill-equipped to enforce their local fair housing ordinances.” *Id.* at 3-13.

²⁴ “The AI also documents the results of extensive interviews with all segments of the real estate community and community leaders of all races and ethnic groups; these interviews and surveys reveal that all parties concerned feel comfortable with the status quo of segregated housing patterns, racial hostility as it relates to housing issues, and the lack of any resolve to tackle these problems.” *Id.* at 3-12.

- One map, unaccompanied by any discussion or analysis, depicting “Access to Social Services and Basic Necessities and Concentrated Areas of Poverty”²⁵
- One survey question, unaccompanied by any discussion or analysis, asking whether “Government Agencies . . . provide interpreters for housing meetings”²⁶
- One listed impediment, which reads in its entirety “Development processes in local government can limit construction of affordable housing and housing for people with disabilities”²⁷

This approach is utterly inadequate. One map and one survey question could not conceivably lead to a fuller understanding of the complex interactions between public policy and fair housing. Moreover, the identified impediment is general to the point of meaninglessness, and self-evident: it should be obvious that development processes “can” limit construction of affordable housing. The question, of course, is whether this has in fact occurred in the Twin Cities, and if so, where, how often, to what degree, and in what respect. But the information to evaluate these questions is completely absent from the AI and nothing in the document suggests any attempt was made to acquire it or answer them.

The failure to include an evaluation of government policies is especially bizarre in light of the fact that, on its very first page, the draft AI quotes the HUD Guide, noting that “[a]n AI involves . . . [a] *comprehensive* review of a State or Entitlement jurisdiction’s laws, regulations, and administrative policies, procedures and practices.”²⁸ But the remainder of the document contains absolutely no analysis that fits this description. It does not address the role of subsidized housing policy in altering housing patterns or contributing to concentrations of poverty; it does not directly discuss the role of regional land use or housing policy in creating or sustaining living patterns; it does not analyze zoning regulations, housing investments, or any other element of local housing policy.

The only *direct* mention of specific laws, regulations, or policies comes in a more positive light, in the section entitled “Assessment of Current Fair Housing Activities.”²⁹ Even this section, however, is minimalistic and cursory, with the same defects as the rest of the AI: it simply summarizes information without providing analysis, commentary, or placing it in a regional context.

The section makes no effort to comprehensively evaluate the fair housing activities of the various jurisdictions, or even investigate in even moderate detail what those activities consisted of. The descriptions of specific policies being implemented by jurisdictions are often perfunctory, stating, for example, only that Carver County “[c]onducted agency-wide Fair Housing training,” or that Washington County

²⁵ FHIC AI at 51.

²⁶ *Id.* at 68.

²⁷ *Id.* at 93.

²⁸ *Id.* at 5 (emphasis added).

²⁹ *Id.* at 54-59.

“[p]articipated in Fair Housing testing with ‘secret shoppers’ at random properties,” without any further explanation of the activity or its results. (Dakota County’s work is described in slightly greater detail than any other jurisdiction; this appears to be because those passages are copied verbatim from the County Development Authority’s public website.)

The AI’s failure to comment on the breadth, effectiveness, or sufficiency of this or any other jurisdiction’s activities is especially alarming because even the AI’s minimalistic approach demonstrates that the vast majority of Twin Cities jurisdictions have made little or no effort to support fair housing. For instance, the AI’s entire description of Anoka County’s fair housing activities is only 24 words long and consists of two minor undertakings: “Advertis[ing] Fair Housing Month in April every year” and “Promot[ing] Fair Housing on website.”

This section also includes the document’s only specific acknowledgement of city-level laws and policies. Understanding local laws is essential to conducting a successful AI: while describing potential impediments that should be investigated, the HUD Fair Housing Planning Guide addresses “zoning and site selection” as the very first avenue of inquiry.³⁰ On this topic, the Guide lists no fewer than 19 detailed questions that an AI’s drafters should explore.³¹ The FHIC draft, by comparison, dedicates only eight lines of text to two zoning changes in one city, Woodbury. (Six of these discuss a change designed to allow church congregations “to start holding their worship services and other events in commercial areas,” a strange inclusion given the explicitly residential aims of fair housing policy.)

This abbreviated summary of local policies is especially troubling, as Woodbury is only home to 66,000 of the region’s approximately 3.5 million citizens. Seven other regional cities – including Minneapolis and Saint Paul, which together constitute one-fifth of the regional population – are FHIC members and therefore relying upon this AI in order to certify to HUD that they have met their AFFH obligations. None of these other cities’ fair housing policies, zoning laws, or regulations are discussed *in any fashion whatsoever* in this draft document.

The exclusion of the public sector from the regional AI is astonishing and unacceptable. To the extent that segregation and the concentration of poverty exist within the region, they cannot be understood without reference to the overlapping laws and regulations that constrain and encourage development in particular localities, the subsidies that provide a large share of the housing occupied by low-income and nonwhite families, and the broad housing policies developed by major regional public bodies, including the two central cities and the regional government. These omissions are especially baffling because housing policy in the Twin Cities region is unusually cooperative, controlled in part by a regional authority with an explicit statutory role in facilitating a “fair share” model of affordable housing construction. While some entitlement jurisdictions may be able to plead ignorance with regards to the ways that

³⁰ FHPG at 2-31.

³¹ *Id.* at 5-6, 5-7, 5-8.

public policy can affect residential demographics, the Twin Cities are engaged in a public, coordinated effort to change living patterns throughout the metropolitan area by relying upon centralized policy development.³² Somehow, none of this merits evaluation in the AI.

During recent years, IMO has produced extensive commentary on virtually every major housing policy document drafted in the Twin Cities region. For use during the finalization of the FHIC AI, this commentary is included in Appendices II-VIII and incorporated by reference. This commentary would provide an adequate starting point for an analysis of public sector involvement in housing.

IV. The AI Does Not Perform Any Direct Analysis of Regional Racial Segregation

One of the most important aims of the Fair Housing Act, and the AFFH process to which it has given rise, is remedying entrenched segregation, particularly racial and ethnic segregation. The centrality of racial segregation in fair housing has been confirmed by HUD itself, which opens its Fair Housing Planning Guide with a reaffirmation of its commitment to “eliminating racial and ethnic segregation.”³³ It has also been confirmed by numerous federal courts, such as in *Otero v. NYC Housing Authority*, where the Second Circuit Court of Appeals held that the Fair Housing Act was intended to accomplish “the goal of open, integrated residential housing patterns and to prevent the increase of segregation, in ghettos, of racial groups.”³⁴ Justice Stephen Breyer, writing for the First Circuit in *NAACP v. HUD*, has said that the Act “reflects the desire to have HUD use its grant programs to assist in ending discrimination and segregation, to the point where the supply of genuinely open housing increases.”³⁵

The recent *Westchester* case applies the question of racial segregation directly to the development of an AI. The court in *Westchester* held that “[i]n identifying impediments to fair housing choice, [a HUD grantee] must analyze impediments erected by race discrimination or segregation.”³⁶ Quoting from the Fair Housing Planning Guide, the same court explained further: “HUD’s suggested AI format includes a housing profile describing the degree of segregation and restricted housing by race, ethnicity, disability status, and families with children; and how segregation and restricted housing supply occurred.”³⁷ Those suggestions are more than simple persuasive authority: “The HUD Guide’s suggestion that . . . the grantee should analyze the degree of segregation within its jurisdiction, are firmly rooted in the statutory and regulatory framework.”³⁸

³² See, e.g., Metropolitan Council, Housing Policy Plan, available at <http://www.metrocouncil.org/Housing/Planning/Housing-Policy-Plan.aspx>.

³³ FHPG at I-1.

³⁴ *Otero v. N.Y. City Housing Authority*, 484 F.2d 1122, 1133-34 (2d Cir. 1973).

³⁵ *NAACP v. Sec. of HUD*, 817 F.2d 149, 155 (1st Cir. 1987).

³⁶ *Westchester II*, 668 F.Supp.2d 548, 552 (2009).

³⁷ *Id.* at 555 (internal quotations omitted).

³⁸ *Id.* at 564.

The draft AI ignores these precedents and only touches on the problem of segregation obliquely. Although it includes several tables and maps indicating that Minneapolis and Saint Paul contain significant racial concentrations (e.g., 45 percent of all census tracts in Saint Paul are racially concentrated), and that this represents a major regional disparity (e.g., five of the seven counties covered by the AI contain no racially concentrated census tracts), the document does not acknowledge or discuss that this represents racial segregation that must be remedied.³⁹ None of the ten brief impediments reference discuss segregation or racial concentrations of poverty, or, for that matter, the concentration of any protected class. If anything, one recommendation seems neutral or even skeptical of the value of pursuing integration, suggesting only that jurisdictions “[a]nalyze how nationwide deconcentration strategies and best practices related to housing and transportation impact fair housing protected classes.”⁴⁰ Remarkably, the word “segregation” only appears four times in the entire document – once in an appendix of community comments, twice in a summary of a report detailing Twin Cities segregation, and once, ironically, in a summary of *Westchester* itself.

An AI cannot reduce racial segregation if it refuses to discuss segregation as a housing impediment. HUD grantees are not permitted to take a neutral stance towards ongoing racial concentration – they are required by the Fair Housing Act to break down the barriers that have prevented racial groups from freely intermixing. The FHIC AI, however, maintains a detached agnosticism towards the problem of racial segregation, failing to explore its exact dimensions or devise targeted measures to reduce it. Tellingly, a major increase or reduction in the degree of regional racial isolation would appear to have no bearing on any of its recommended action steps; the AI’s proposed solutions are simply disconnected from the segregated status quo.

Again, the material reproduced in Appendices II-VIII discuss regional racial segregation extensively would provide a sound starting point for any revisions to the FHIC AI.

V. FHIC Was Notified of AI Requirements and Had Access to Sufficient Resources to Conduct a Valid AI

The FHIC AI’s extraordinary deficiency is especially alarming because the parties involved in its construction have had every opportunity to do better. The Twin Cities region is currently concluding the process of producing a Fair Housing Equity Assessment, which has been coordinated by the Metropolitan Council, the regional entity charged with developing metrowide housing policy. Although this equity assessment is not itself without flaws, it nonetheless does directly address the issues of racial segregation and public sector involvement in fair housing. Unlike the draft AI, it also conducts analysis rather than simply presenting data, in order to generate a more cohesive understanding of the causes of housing inequality. HUD recognizes the value of this sort of preexisting store of information, and its Guide to drafting an AI, it states that

³⁹ FHIC AI at 12-14.

⁴⁰ *Id.* at 93.

“[j]urisdictions should not waste effort restudying and reanalyzing problems for which good information already exists.”⁴¹ The FHIC, however, opted to not rely upon the FHEA document or utilize the resources it produced. Its AI only mentions the FHEA in passing and does appear not incorporate any of its work, even when doing so could help fill obvious deficiencies in the AI.

FHIC was clearly notified, in advance, of the required elements of its AI. A memorandum provided to the drafters described these requirements – with special emphasis on the need to analyze public sector impediments to fair housing and to address racial segregation. This memorandum is incorporated by reference into these comments, and included as Appendix I below.

The earlier memorandum also described in summary form a number of governmental impediments to fair housing, none of which have been acknowledged in the present AI draft. These include:

- **A severely segregative distribution of affordable housing.** Up to 92 percent of very-low income subsidized housing units are located in the two central cities, which contain the region’s most significant areas of racial concentration.
- **The Metropolitan Council’s housing policy.** The Council maintains a regional affordable housing policy which assigns heavier targets to racially segregated municipalities. It also negotiates Livable Community Act housing goals with individual cities; these have historically been reduced in affluent white suburbs in response to suburban noncompliance, and increased in the central cities and racially diverse suburbs.
- **The regional Low Income Housing Tax Credit (LIHTC) system.** A disproportionate share of regional housing tax credits are awarded to projects in the central cities. The state distributes credits through a “suballocator” system which ensures the central cities have a disproportionately large minimum share of LIHTC. In addition, the central cities and Minnesota Housing Finance Agency maintain Qualified Allocation Plans which tend to award credits to developers who are building affordable housing in low-income, segregated neighborhoods.

This list is merely meant as a demonstration of key regional impediments and is incomplete. The vast array of local zoning laws, housing programs, and administrative policies also impact fair housing in the Twin Cities; once again, many of these are discussed in extensive detail in the various appendices following these comments. Some FHIC members directly control major housing policy instruments – for instance, the Minneapolis Community Planning and Economic Development agency’s Affordable Housing Trust Fund, which distributes millions of dollars a year to build subsidized low-

⁴¹ FHIC at 2-18.

income units within the city. The FHIC AI gives no inkling that these policies even exist, much less that they may create or affect impediments to fair housing.

The AI drafting process also failed to utilize a number of other readily available resources, leading to a large number of additional deficiencies. Problems include:

- **The FHIC did not consult local civil rights organizations such as the NAACP.** This is in spite of the HUD Fair Housing Planning Guide encouraging AI drafters to “use existing organizational relationships,” specifically noting that “fair housing groups . . . have proven to be effective in uncovering and addressing housing discrimination.”⁴²
- **The AI does not communicate the results of previous AI recommendations.** Monitoring results is required by the three-step AFFH process. Discussing these results would strengthen the AI’s analysis. Nor does the current AI lay out an oversight plan so that the results of its recommendations can inform future studies.
- **The AI does not analyze housing occupancy data, or patterns of occupancy among Section 8 recipients.** A number of housing agencies maintain data on the demographics of the occupants of their low-income subsidized units. This data is a valuable resource for revealing the effectiveness of particular fair housing approaches and uncovering existing segregation. In addition, US Census data includes information about the number of Section 8 voucher beneficiaries in particular census tracts -- information which reveals major concentrations in many Twin Cities neighborhoods. Both sources are ignored.
- **The AI does not utilize university resources.** The University of Minnesota includes a number of policy-oriented centers and institutes engaged in the study of fair housing and housing policy. These were not consulted in the drafting of the AI.
- **The FHIC did not coordinate with state agencies.** The Minnesota Housing Finance Agency and the Metropolitan Council both work heavily in the housing sector in the Twin Cities region. Rather than working alongside these agencies, the FHIC chose instead to conduct a separate AI, fragmenting government resources and undermining the final product.
- **The AI does not identify the participants in its stakeholder engagement sessions.** This is problematic because fair housing discussions are frequently dominated by parties with an economic interest in building affordable housing, such as housing developers. This can lead to a process that focuses too heavily on the provision of housing and ignores impediments to housing choice, as was the case in *Westchester*.

⁴² FHICG at 2-15.

For these reasons, and the other reasons laid out above, the FHIC draft A1 is badly inadequate. In order to fulfill its role as the basis of an AFFH certification, it must be substantially revamped and extended, with a new emphasis on analysis, reducing segregation, and comprehensively evaluating public *and* private sector impediments to fair housing. Any other outcome would endanger the hundreds of millions of dollars in HUD funding that rely upon the FHIC's ability to produce an acceptable analysis of impediments.



MID-MINNESOTA LEGAL AID
MINNEAPOLIS OFFICE

James E. Wilkinson • (612) 746-3784 • jwilkinson@mylegalsid.org

Memorandum

To: Mayor Betsy Hodges
Minneapolis City Council Members: Barbara Johnson, Lisa Goodman, Kevin Reich,
Cam Gordon, Jacob Frey, Blong Yang, Abdi Warsame, Elizabeth Glidden, Alondra
Cano, Lisa Bender, John Quincy, Andrew Johnson, and Linea Palmisano
RE: Next week's vote on 2015-2020 Consolidated Plan submission to HUD
From: James Wilkinson
Date: April 9, 2015

We attach comments on the draft Consolidated Plan (Con Plan) and the Analysis of Impediments to Fair Housing. Our suggestions will improve the Plan and aid the City's housing and community development efforts. The Community Development Committee passed the proposal on the 7th with little discussion.

The submission, if examined by H.U.D. or the courts, may be found not compliant with the federal fair housing requirements and the City's eligibility for \$13 million in federal money may be called into question. This was avoidable. The City may be able to avoid problems if something like the following language is added to the resolution authorizing submission of the Plan to H.U.D..

CPED, Civil Rights, Regulatory Services Departments and the City Coordinator's Office are directed to propose to the Council amendments the 2015 FHIC Analysis of Impediments to Fair Housing with related changes in the City's Consolidated Plan for 2015-2020, in time for submission of an Amended Consolidated Plan to HUD before the end of 2015.

These amendments should be completed in accordance with the substantive and public engagement criteria of federal law, regulations and the Fair Housing Planning Guide and any updated legal guidance. Staff is directed to invite participation of other public agencies in the region as well other stakeholders.

The Fair Housing Implementation Council's (FHIC¹) Analysis of Impediments to Fair Housing, on which the City's Con Plan rests, is faulty. Without significant changes, Minneapolis will miss the chance to decrease inequities in housing in the City. For example, the Analysis does not even list discrimination in housing as an impediment to fair housing. It does not address how the City's Home Ownership programs will deal the various forms of discrimination that led to the foreclosure crisis in our neighborhoods. The problems people with disabilities and new

¹ FHIC is a consortium of cities and counties that contracted for the regional Analysis of Impediments that the City adopts in the draft Con Plan.

Mayor Betsy Hodges
City Council Members
April 9, 2015
Page 2

immigrants face in the housing market are barely touched on. It is silent with respect to proposed solutions presented to address segregation such as the concentration of section 8 vouchers in limited areas of the City.

The AI also ignores the fact that landlords have sued or made claims that St. Paul's and Minneapolis' Analyses of Impediments fail to address and the cities' code enforcement practices create illegal disparate impacts on protected class renters. They claim that the Cities are therefore ineligible to receive the HUD dollars that come with the Con Plan. We disagree; our clients need effective and fair code enforcement and the services paid for by HUD funding. But the AI and the Con Plan do not take this up.

We wrote to the FHIC in the fall and again in mid-January about many serious shortcomings and providing ideas to address most of those problems. Public testimony and detailed written comments from others also urged attention to these issues. Very few substantive changes were made in response. We initiated conversations with Minneapolis staff last month and these continue.

The documents accompanying this memo are listed here. Because of the size of the Consolidated Plan draft two emails may be needed.

1. The January 2015 cover letter that accompanied comments on the FHIC's draft AI.
2. The extensive comments on the FHIC AI, updated and red-lined in instances where the final FHIC AI was changed. It has also been red-line edited to give more focus to Minneapolis issues. It is this AI on which the City dangerously rests its certification of affirmatively furthering fair housing.
3. The draft Minneapolis Consolidated Plan with numbered comments inserted in "speech bubbles".
4. A document collecting those comments on the draft Minneapolis Con Plan.

The January 2015 comments on the FHIC Analysis of Impediments were a collective effort of or are endorsed by a dozen organizations that you see listed in the cover letter. Today I write on behalf of MMLA's clients, and in addition, this memo is joined in by the Housing Justice Center (formerly the Housing Preservation Project), the Metropolitan Interfaith Council on Affordable Housing (MICAH), ISAIAH, and the Minnesota Center for Environmental Advocacy.

Thank you for your attention. I look forward to productive discussions.

c.c. Susan Segal, Nuria Rivra-Vandernyde, Andrea Brennan, Toni Newborn, Abdurahman Muse, Matthew Bower

1412-0398402-1415628

Minneapolis Consolidated Plan Comments

James T. Wilkinsor
Mid-Minnesota Legal Aid

April 7, 2015

Paragraph # corresponds to notes inserted into draft Consolidated Plan and p. ## are the page on which the comment appears in the draft Consolidated Plan.

1. p. 6, Add Fair Housing and Addressing Inequities in Housing and Community Development as broad City goals.
2. P. 8, Failure to meet this goal for serving homeless people is a failure to serve those in greatest need for housing and community development services. Because homeless people are predominantly families with children, people with disabilities and people of color, this shortfall also shows that the City must do more to affirmatively further fair housing for these residents. It is shocking to see that when there is 1 American Indian in unsheltered homelessness for every 3 in shelter. For whites, 1 unsheltered homeless person for every 13 in shelter and for blacks, 1 unsheltered person for every 27 in shelter. See p. 66 et seq of the Con Plan.
3. P. 8, Ditto (persons with special needs are also predominantly protected class persons.)
4. P. 8, Ditto (persons with need for shelter and supportive housing are also predominantly protected class persons.)
5. P. 18, More than a dozen organizations and individuals provided comments to FHIC and stated that the data, analysis and action steps proposed in the draft plan were inadequate. Almost all commentary was either rejected or ignored. Fair and affordable housing experts view the FHIC AI as wholly inadequate.
6. P. 18, As just stated, public input on the AI was largely ignored and the action steps proposed are inadequate to address the existing barriers to fair housing.
7. P. 18, The City should cite and incorporate the Choice Place and Opportunity report of the Met Council from 2014, which developed a far superior, if still imperfect regional analysis of how regional housing and community development can promote or hinder progress on racial equity in Minneapolis and the region.
8. P. 58, Ado fact that while housing needs are sometimes evenly distributed by race within income categories, the distribution of income is highly skewed with non-white, particularly African American residents, are far more likely to be in the lowest income

1

categories. This discussion could be misinterpreted to say that the burden of housing needs is evenly distributed in the city, which is false.

9. P. 58, See MMLA reports for the AI on discrimination in housing, including tests of LIHTC units. There remains a need for fair housing enforcement, policies and education to reduce the inequities within and outside of the income categories.
10. P. 58 The analysis should include an assessment of how segregated these places in the city (where people of color with housing problems live) are. Information on this is likely already calculated by the Met Council as part of its CPO report.
11. P. 60 It is strange that the number of families requesting accessibility from the MPHA is greater than the number of disabled families. We suspect the reliability of this information is poor.
12. P. 60 We are certain that the "zero" count of domestic violence victims in MPHA programs is incorrect.
13. P. 64, Notice that the fact that MPHA units in North Minneapolis are hard to fill and they charge only 20% of AGI for those units resulting in unused, federally-funded, very low cost housing exists only in an area classified as a "racially concentrated area of poverty" in the Choice, Place & Opportunity report. The CPO says that community rehabilitation and investment is needed in these areas and that greater efforts to develop affordable housing in other areas are needed. We agree.
14. P. 65 Our comments on Section 8 Voucher concentration for the draft AI are relevant here but not reproduced in full. P. 65

Use of vouchers is concentrated in core cities, specifically in racially concentrated areas of poverty – the Met Council’s Choice, Place and Opportunity (CPO) report states that, “While RCAPs contain only 16% of the region’s supply of rental units, they contain . . . 31% of the units where Section 8 Housing Choice Vouchers are used.” Section 5, page 5. Hennepin County had 47% of the region’s vouchers in 2012 and the City of Minneapolis alone housed a quarter of the region’s voucher holders, Ramsey County has 28% of the region’s vouchers, with 22% of households in St. Paul. One of the highest areas of voucher use is in North Minneapolis.

The problem is that this concentration of voucher use results in both a concentration of poverty and segregation. Of the 3,813 households served by MPHA, 3,009 are Black or Native American – approximately 79%. CPO data shows that the city of Minneapolis is home to two Racially Concentrated Areas of Poverty (RCAP) – that is, areas in which 50% or more of the residents are people of color and 40% or more of the households earn incomes that are equal to or less than 185% of the federal poverty level. (RCAP - this

term does not recognize the positive features that residents make in their communities and is seen as a form of stereotyping.) The concentration of voucher users in North Minneapolis is seen as problematic by many. A local analyst working at the U of Minnesota wrote that the voucher system resulted in absentee landlords buying up single family homes in order to take advantage of relatively high voucher rents.

While the City does not run public housing, it can support other public and private partners to address this issue by supporting mobility programs by the MPHA and other agencies. It can also enact civil rights ordinance changes to help give voucher users in Minneapolis more choice throughout the City. Our comments on the AI provide other suggestions for better use of this resource.

15. P. 75. It is shocking to see that when there is 1 American Indian in unsheltered homelessness for every 3 American Indians in shelter. For whites, 1 unsheltered homeless person for every 13 in shelter and for blacks, 1 unsheltered person for every 27 in shelter.
16. P. 84. As reported to the City and to the FHIC, MMLA handles hundreds of fair housing cases in the rental market each year with the largest number addressing the rights and needs of people with disabilities. Advocacy, education and better policies make it possible for people with disabilities to live better lives in the community. See extended discussion in comments on the AI.
17. P. 93 MMLA is pleased to be a partner with the City in this work of enforcing anti-discrimination laws and promoting fair housing practices. See our extended comments on the AI for how this can be improved by a variety of participants.
18. P. 96. More recent information about project population growth and housing needs is available from the Met Council. One factor that it has uncovered is that a great deal of affordable housing, especially privately owned single family homes re occupied by higher income persons, thus increasing the mismatch between need and availability.
19. P. 102. Given the critical rehabilitation needs in areas of concentrated poverty, the City should target rehab resources in areas like north Minneapolis. It should also insist that banks holding REO property and landlords also provide needed maintenance. It is alleged that US Bank, for example, neglects REO properties in comparison to homes it owns or manages in suburbs. See comments on AI.
20. P. 108. See comment 9, above, relating to the failure of vouchers to offer subsidized tenants a real choice in the housing market.
21. P. 109. Minneapolis is commended for making the commitment to helping people who are without homes. It should work to see that other communities in the metro area pick

- up some of the responsibility for meeting this as well as the concentration of services here creates a unfair homeless/housing imbalance in the region.
22. P. 112. MMLA provides free legal services to low income people of Minneapolis in a wide range of civil matters, including housing, fair housing, foreclosure, public assistance, domestic violence, etc. City and County support for this work is important.
 23. P. 116 This subject is addressed at length and in detail in our comment # 29 on the regional AI. We note that Minneapolis exceeds the norm for cities in the region and while it should not slacken its efforts, it should work to move other cities forward on affordable housing development.
 24. p. 126 But isn't it also true that there is a shortage of business development, higher paying jobs, high profile cultural amenities, medium cost rental and ownership housing in these areas? Please include and emphasize this important deficit.
 25. P. 126. What steps are planned to address displacement threats? The Poverty and Race Research and Action Council (PRRAC) has published some articles on this. The optimal solution is to increase the education, employment and entrepreneurial attainment of people in those communities.
 26. P. 131. See our 2 page paper on addressing the inequities in homeownership that is part of our comments on the AI.
 27. P. 131 See following comment from our AI comments on claims of fair housing violations made by landlords in litigation.

Local Litigation.

While St. Paul took the step of abandoning a challenge to disparate impact law under the Fair Housing Act before it was heard by the Supreme Court, Minneapolis has argued in 2014 against the disparate impact law in a similar case by landlords challenging code enforcement. Other cases are at different stages of litigation. In some of those cases, the landlords also claim that the cities fail to affirmatively further fair housing, ignored these purported "impediments" caused by strict code enforcement in current AIs.

The City should affirm the legitimacy and importance of disparate impact claims. Doing so will strengthen its hands to address other impediments to fair housing.

Advocates believe that establishing and fairly enforcing reasonable rental housing codes that require safe housing has a favorable impact on the choice of protected class people in the metro area and that a reduction in standards and enforcement will aggravate disparities in the housing occupied by people with disabilities, people of color, etc. At the same time, some redevelopment and code enforcement efforts have had unfair

housing effects. Such activities have been challenged on fair housing grounds in Fridley and Brooklyn Park and just outside the metro area in Montgomery, Minnesota.

Cities should use all reasonable means to avoid displacement of renters and should have in place plans to address potential homelessness that could ensue should owners fail to meet their responsibilities. Leaders in Minneapolis have committed to pay greater attention to potential displacement by inspection and enforcement processes.

28. P. 133. Please give any recent examples and explain what barriers have slowed this work of siting PITA housing in areas where there are few assisted units.
29. P. 135. Please consider adding fair housing and equity components.
30. P. 154. Extensive comments on this problem were included in our critique of the AI (#29). We refer the City to those comments now and invite discussion on how it can participate in boosting the regional commitment to affordable housing.
31. P. 163. Because of the number of fair housing complaints, the results of testing and the patterns of segregation in housing, including race differentials among subsidized housing sites in the City, as set out in our comments to the AI, the City should commit to increased monitoring and enforcement of fair housing standards in the City. See AI comment # 36.
32. P. 204. This subject is addressed at length and in detail in our comment # 29 on the AI. The city should focus on removing more barriers and creating incentives in parts of the city where there is little affordable housing.
33. p. 206. As noted early comments, we regard the FHIC AI as wholly inadequate and reference those and other comments made to the FHIC without useful effect.
34. P. 226. Affirmative fair marketing should be a part of the plan for HOME units. See www.fairhousingmn.org for an automated affirmative marketing toolkit developed by MMLA and managed by HousingLink.
35. P. 234. The City should require each developer and subsequent owner/management firm to adopt and enforce a Fair Housing Policy, particularly for multi-family developments, including but not limited to the AHTF-funded programs. An example can be found at HYPERLINK "<http://www.fairhousingmn.org>" www.fairhousingmn.org.
36. P. 242. We commend this and suggest that the City refer participants to www.fairhousingmn.org for samples of fair housing policies and more information.
37. p.265. Please see our own and others' critiques of the inadequacies of the draft FHIC AI. MICAH and The Institute for Metropolitan Opportunity and the Met Council also submitted detailed critiques and suggestions. In our cover letter with this document we repeat our concerns that using that AI both fails to give the best available guidance to the

City and casts doubt on whether it takes seriously the duty to affirmatively further fair housing. We suggest the City make major changes now if possible and do more engagement on the issues or set a schedule for rapid revision of the AI, community engagement for developing an action plan before making any certification to the federal government. Hennepin County and its ConPlan consortium members, the Met Council and other public and private interests should be invited to participate. We do not repeat this critique in this memo but refer you to the AI comments themselves.

38. P. 266. We commend the activities set out by this portion of the Plan on pp. 266-67 and suggest that more thoughtful coordination, as suggested in recent meetings between MMLA, HOMELinc and city leaders is an important step forward.

39. P. 269. The City reviewed housing code enforcement work to address allegations that it does not improperly displace tenants, especially protected class tenants.

Grantee Unique Appendices

Appendix Order of Contents

2015-2019 Consolidated Plan Maps

HOME Program Description

Affordable Housing Trust Fund Request for Proposals

SP-10 Geographic Priorities—Historic Locations of CDBG Spending

Citizen Participation Plan

Affirmatively Furthering Fair Housing

Emergency Solutions Grant Description

Definitions Used within 2015-2019 Consolidated Plan

Order of Contents: Maps

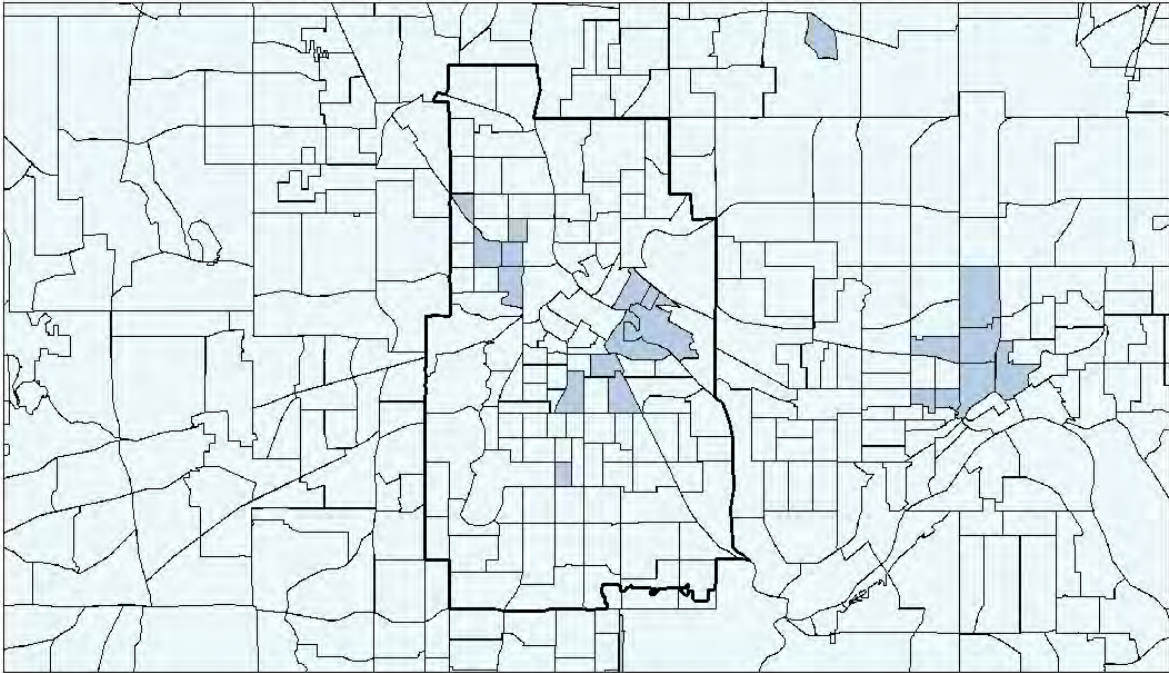
Minneapolis Poverty Concentration Map

Minneapolis Minority Concentration Map

2014 Low-Moderate Income Neighborhoods

Minneapolis HOPWA Eligible Metropolitan Service Area (EMSA)

Poverty Concentrations - Consolidated Plan Mapping Tool

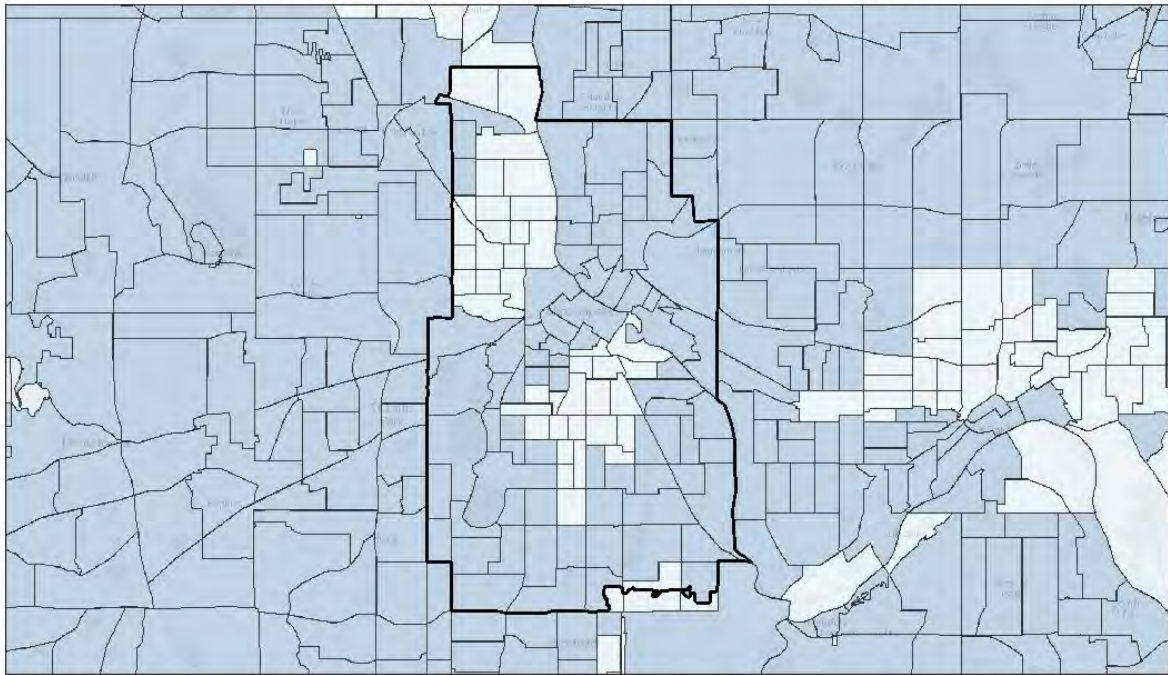


March 16, 2015

Override 1 PovertyRate >44.99% Poverty
B17021EST2_PCT
 <44.99% Poverty

1:195,315
0 1.5 3 6 mi
0 2.5 5 10 km
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community.

Minority Concentrations - Consolidated Plan Mapping Tool

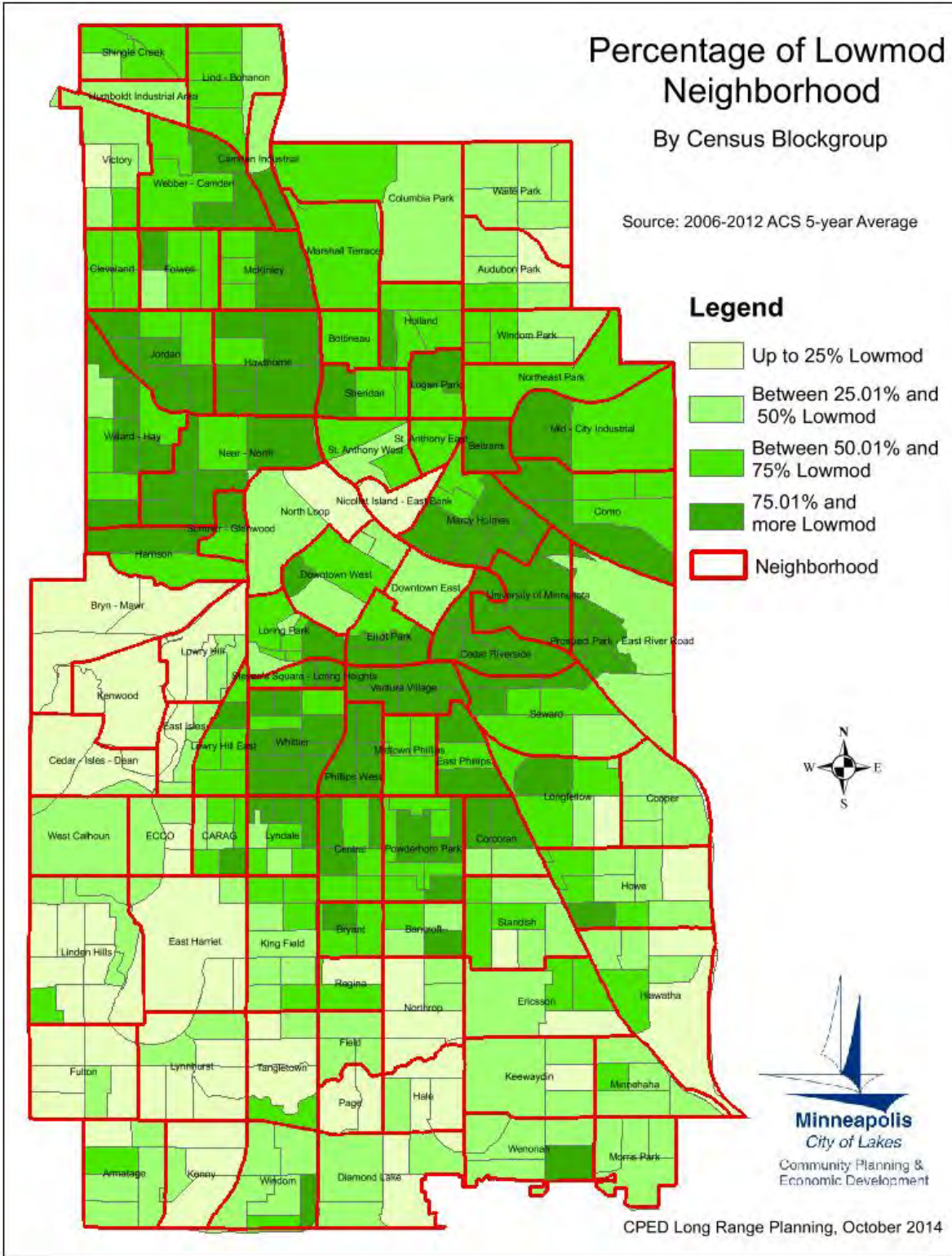


March 16, 2015

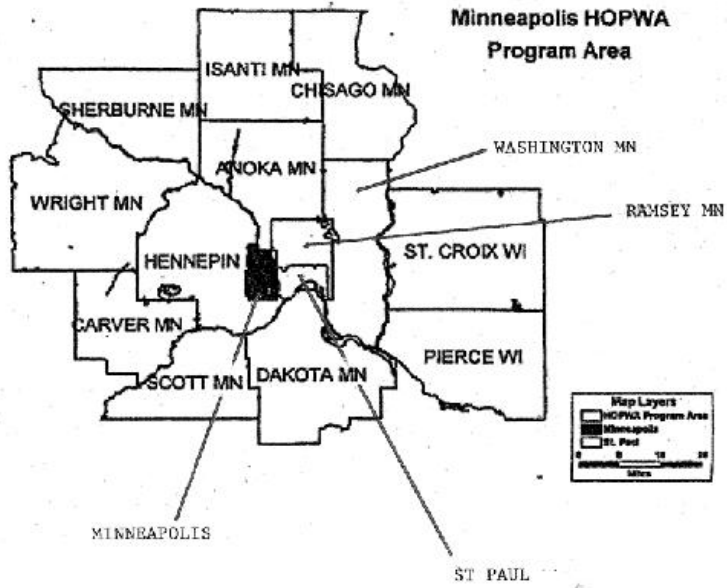


Percentage of Lowmod Neighborhood By Census Blockgroup

Source: 2006-2012 ACS 5-year Average



Map 22



Order of Contents: HOME Information

Minneapolis HOME Single-Family and Multi-Family Program Description

Minneapolis Communities Targeted for HOME Single-Family Program Participation (MAP)

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 pro-forma 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

The homes will be affordable to a reasonable range of low-income homebuyers which is defined as 70 – 80% AMI, Qualified Buyer housing-related debt ratio cannot exceed 33% and total combined debt ratio cannot exceed 50%. They are households 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. 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 within the targeted communities identified in the map following this HOME section.

Development Assistance

Recapture

It is anticipated that the majority of purchasers buying properties assisted with HOME funds will receive direct buyer assistance. In instances where purchasers receive direct assistance a note and mortgage will be placed against the property with repayment of the entire amount of direct buyer assistance due from the Net Proceeds of sale at the time of sale or maturity of the 1st mortgage. . If there are not sufficient Net Proceeds to repay the entire amount of the City's direct buyer assistance, the balance of direct buyer assistance will be forgiven. Remaining Net Proceeds of sale may be retained by the original occupant of the HOME unit. Net Proceeds is defined as any and all consideration of any kind whatsoever, whether direct or indirect, that is received by the Borrower for, or in connection with, any sale, assignment, conveyance, transfer, lien or encumbrance of the property less any senior debt secured against the property and customary closing costs as defined on the HUD 1 settlement statement. If there is no transfer of 100% of the original occupant's interests in the property at the time of default or maturity or if the transfer is not an arms-length transaction, Net Proceeds means the fair market value of the property less outstanding senior debt. No resale provision will apply. Affordability period will be based on the amount of direct HOME subsidy received by the buyer. If the purchaser does not transfer 100% of the purchaser's

interest in the Property and fails to maintain the property as their principal residence during the affordability period, the full direct buyer assistance amount plus any development subsidy amount shall be immediately due and payable regardless of Net Proceeds of sale.

Resale

The only instance where the City will use a resale provision will be when properties are sold through the City of Lakes Community Land Trust, who already has mechanisms in place to ensure long term affordability for target buyers as part of their program. The Land Trust has as their mission the conveyance of decent housing at affordable prices to low and moderate income families. In cases where a lower income purchase needs additional financial assistance to ensure that the home is affordable the Land Trust will provide direct assistance.

Under the land trust model, the homebuyer only purchases the improvements. The land trust retains fee title to the land. The homeowner can recover its purchase price for the improvements and its share of market value appreciation. At resale, the home is made affordable to substitute income qualified homebuyers because the new homebuyer only has to finance the improvements and the sale price is restricted by the terms of the ground lease. At resale, the purchase price must be affordable to a reasonable range of low-income homebuyers defined in the Target Buyers paragraph above. These requirements are spelled out in a Declaration of Restrictive Covenants and all necessary documents related to the developer's program (i.e. land trust Ground Lease and Housing Subsidy Covenant.) In consideration for the title of the land, the Land Trust provides an affordability investment that makes the home affordable for low-moderate income households in perpetuity. In most cases they provide anywhere from 2-3 times the value of the land (for example, land value may only be \$15,000, but they are providing \$50,000 in affordability assistance to the home). They are using the land as the mechanism to ensure the long-term affordability.

The proposed resale restriction will comply with federal requirements, ensuring the initial purchaser with a fair return on their initial investment. To determine a fair return on investment the Land Trust will calculate a fair return on investment using the following methodology:

- 1) A calculation of Market Value Appreciation will be performed. An independent 3rd party appraiser will establish the Current Appraised Value of the property, and the Initial Appraised Value of the property will be subtracted to establish the Increase in Market Value Appreciation.
- 2) A 25% Shared Appreciation Factor will be applied to the Increase in Market Value Appreciation to determine the initial purchaser's Share of Market Value Appreciation.
- 3) Fair Return on Investment will be calculated by adding the Share of Market Value Appreciation, plus downpayment costs, plus principal paid on Qualified Capital Improvements. Qualified Capital Improvements means those certain improvements made to the Improvements on the Premises at initial purchaser's

expense which add significant value to the Improvements and which are capital in nature. Improvements which would qualify as Qualified Capital Improvements include, without limitation: the construction of additions, rooms, garages, bathrooms and kitchen remodeling. However, expenditures for maintenance, such as roof replacement, and the updating or replacement of appliances such as furnaces, water heaters and kitchen appliances, would not qualify as Qualified Capital Improvements herein.

See Exhibit A for an example of a sample calculation for resale of a CLCLT assisted unit.

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.

All purchasers will be required to maintain the property as their principal residence for the period of affordability as shown below. If the purchaser does not owner occupy the property for the required time period the entire amount of the HOME funds invested in the property will be due and payable to the City of Minneapolis.

The actual affordability period(s) will be required based on the amount of HOME funding in the project.

Per unit amount of HOME funds	Minimum Period of Affordability
Under \$15,000	5 Years
\$15,000 - \$40,000	10 Years
Over \$40,000	15 Years

EXHIBIT A
SAMPLE CALCULATION OF FORMULA PRICE
UNDER THE GROUND LEASE

The "Initial Appraised Value" is \$187,000.00.

"Land Lessee's Purchase Price" is \$125,500.00.

Based on the above information the following table can be use to calculate the Formula Price.

a) Calculation of Market Value Appreciation: For the purpose of determining the Formula Price, Market Value Appreciation shall be determined by subtracting from the Current Appraised Value the Initial Appraised Value. Following is a table for calculating Market Value Appreciation:

Current Appraised Value (at time of sale)	\$197,000
Minus Initial Appraised Value (at date of Ground Lease)	- \$187,000
Equals Increase in Market Value Appreciation	= \$ 10,000

b) Calculation of Land Lessee's Share of Increases in Market Value: For the purpose of determining the Purchase Option Price, Land Lessee's Share of Market Value Appreciation shall be determined by multiplying the Market Value Appreciation by twenty-five percent (25%). Following is a table for calculating Land Lessee's Share of Increase in Market Value of the Improvements:

Market Value Appreciation	\$ 10,000
multiplied by Shared Appreciation Factor	x 25%
equals the Land Lessee's Share of Market Value Appreciation	= \$ 2,500

c) Land Lessee seller's income: This amount establishes the estimated amount that the Land Lessee seller will receive upon sale. This figure includes the Land Lessee's Share of Market Value Appreciation, *applicable down payment costs*, and *earned principal paid on the Improvements*.

Land Lessee's Share of Market Value Appreciation	\$ 2,500
plus applicable down payment costs	+ _____
plus principal paid on Improvements	+ 8,400
less recapture down payment assistance	- _____
equals approximate Land Lessees seller's income	= \$ 10,900

d) Calculation of Formula Price.
The Purchase Option Price shall be determined by adding Land Lessee's Share of Market Value Appreciation to Land Lessee's Purchase Price. Following is a table for calculating the Purchase Option Price:

Land Lessee's Purchase Price	\$ 125,500
plus Land Lessee's Share of Market Value Appreciation	+ \$2,500
plus CLCLT Marketing Fee	+ \$1,000
equals Formula Price	= \$129,000

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 or \$1,000 whichever is greater, plus an estimated 3% for closing costs and pre-pays.

Affordability – Direct Buyer Assistance

Most 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 term of the second mortgage is tied to the term of the first mortgage. The entire amount of the direct buyer assistance will be repaid from the net sales proceeds, if any, at the time of sale or refinance. 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. Failure to occupy the property as the principal residence would require an immediate repayment of the full amount of HOME funds invested in the property

Non-profit Participation

The developer or their agent will perform property selection, buyer outreach, marketing, rehabilitation, construction and counseling. 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 15 years. Any sale or transfer of the property from its original owner within the affordability period will comply with the affordability requirements specified above under "Program Mechanics." Any repayments received will be placed into the Minneapolis HOME account for future production or as buyer affordability assistance.

Marketing

HOW properties will be affirmatively 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.

Development Subsidy Layering Guidelines

City programs will not invest any more HOME funds, in conjunction with other governmental (federal, state, and local sources), than is necessary to provide affordable housing as defined by the HOME regulations. The subsidy amount is determined by subtracting the sales price from the cost of development (sum of acquisition, construction and soft costs). The maximum HOME funding included in any single family

housing project will not exceed the Twin Cities Area Maximum HOME Subsidy Limits [Metro Area 221(d)(3)(ii) limits] established by HUD.

Direct Assistance to the Purchaser Subsidy Layering Guideline

Single family programs may provide direct assistance for affordability and closing costs to buyers of a single family home. Affordability assistance will be used to bridge the gap between the buyer's maximum affordable first mortgage amount as determined by the mortgage lender underwriting process and the sale price. In addition, direct assistance can be provided to cover the buyers' eligible closing costs. The City has set a maximum housing debt ratio of 33% and a total monthly debt to income ratio of 50% as the standard for determining if it is appropriate to provide direct subsidy to the purchaser. The City will not invest any more HOME funds, than is necessary to make the single family housing project affordable to an income eligible household as defined by the HOME regulations. The maximum HOME funding included in any single family housing project will not exceed the Twin Cities Area Maximum HOME subsidy Limits [Metro Area 221(d)(3)(ii) limits] established by HUD.

Borrower Debt to Income Ratios

Qualified Buyer whose annual income is at or below 80% Area Median Income to render an Improved Property affordable, i.e. housing-related debt ratio not to exceed 33% and total combined debt ratio not to exceed 50%.

Evaluating the development and fiscal capacity of developers

All eligible developers have been vetted through a request for qualifications process and approved by the Minneapolis City Council. However, before any new developer is added, they will be vetted by City staff based on their experience on successfully taking on similar projects, experience with the Minneapolis Plan Review process, experience with the Minneapolis Department of Civil Rights and familiarity with the use of public funds. This process will be evaluated by a team of City's Housing Division staff—a project coordinator, a senior project coordinator and the unit's manager. Based on the decision rendered, the senior project coordinator will present a recommendation for acceptance as an eligible developer to the Minneapolis City Council.

Regarding the fiscal capacity of the developer, on an annual basis, each eligible developer will submit their audited financials for review. Upon receipt, a representative from Minneapolis Finance Department will review and provide recommendations related to the soundness of the entity. Should there be any significant red flags, the developer will be required to provide a satisfactory response to enable the City to continue to contract with them under the HOW program.

Ensuring there is adequate need for projects based on neighborhood market conditions

City has determined that for the purposes of this section, we will limit this program to the "Targeted Communities" within its borders (see attached map). Embedded in the resulting area is a geography that has lost housing units due to abandonment, foreclosure and demolition so there continues to be a need for redeveloping (rehabilitation or new construction) single family units in these areas. The criteria in designating the target communities are based on Minnesota Statutes, Section 469.202, subdivisions 2 and 3:

- Census tracts in the City where the unemployment rate for the tract as determined by the 2010 Federal Decennial Census exceeds twice the unemployment rate for the Minneapolis and Saint Paul Standard Metropolitan Statistical Area;
- Census tracts in the City where the median household income in the tract is no more than 80 percent of the median household income for the Minneapolis and Saint Paul Standard Metropolitan Statistical Area;
- Census tracts in the City where 70 percent or more of the residential dwelling units in the area were built before 1960;
- Neighborhoods in the City that have a disproportionate number of vacant residential buildings and mortgage foreclosures as evidenced by a foreclosure rate of at least 1.5% in 2008.

The City has layered the aforementioned designated areas to create a map that identifies the portions of the City that meet at least three of the four criteria (the "Core Area"). In addition, Minnesota Statutes, Section 469.202, subdivision 3, permits the City to add to the qualifying area, an additional area extending up to four contiguous city blocks in all directions from the Core Area.

HOME/CDBG Multifamily Guidelines

Affordable Housing Trust Fund Administrative Guidelines

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 in June annually. CPED staff evaluates the projects against pre-determined application review and underwriting criteria further described in the Request for Proposals, and make recommendations for funding commitments to the City Council.

Program Goals

The primary purpose of the Affordable Housing Trust Fund Program is to assist in the financing of the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. The Affordable Housing Trust Fund Program is designed to assist with the implementation of the Unified City of Minneapolis

Housing Policy, the Consolidated Plan, and the housing goals in the Minneapolis Plan for Sustainable Growth. Program funds are available on a competitive basis to projects that need gap financing to cover the difference between total development costs and the amount that can be secured from other sources. All rental housing projects of 10 units or more funded by the Affordable Housing Trust Fund Program funds of CDBG or HOME shall have at least 20% of the units affordable to households at or below 50% of Metropolitan Area Median Income (AMI) for the term of the loan.

Minimum 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 <http://www.minneapolismn.gov/ahtf> on how the program complies with federal policies and regulations as well as project selection criteria used by CPED, or can be obtained through request to CPED. For more information, please contact Jon Clevenger at 612-673-2495.

Eligible Uses of Funds

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. 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).

HOME funds may be used for new construction in geographic areas that are not minority concentrated, and for rehabilitation of existing units provided no bedrooms are added to those units. Proposed sites for new construction must be approved by CPED for meeting HUD regulations relative to site and neighborhood standards (including the City's definition of minority concentration areas). HOME funds may be used for the following eligible project activities: development hard costs, acquisition costs, related soft costs and relocation costs. No disbursement of funds under this program is made until total project financing is in place and project closing has occurred.

Administration

The administration of the Affordable Housing Trust Fund Program is the responsibility of CPED's Residential Finance Division following established policies and procedures that are publicly advertised along with the annual Request for Proposals public application solicitation.

Procedure

The City Council annually allocates funding from the Affordable Housing Trust Fund to eligible projects that have been reviewed and underwritten. Staff reviews proposals against the established program goals, objectives, underwriting criteria, and related performance standards and present recommendations for funding to the City Council. Developers are required to submit their proposals to the appropriate neighborhood group for review and comment prior to the City Council approving a funding award. Reallocated funds from prior proposals that were unable to demonstrate project viability are also advertised.

Repayment of Program Funds

The repayment of program funds is 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:

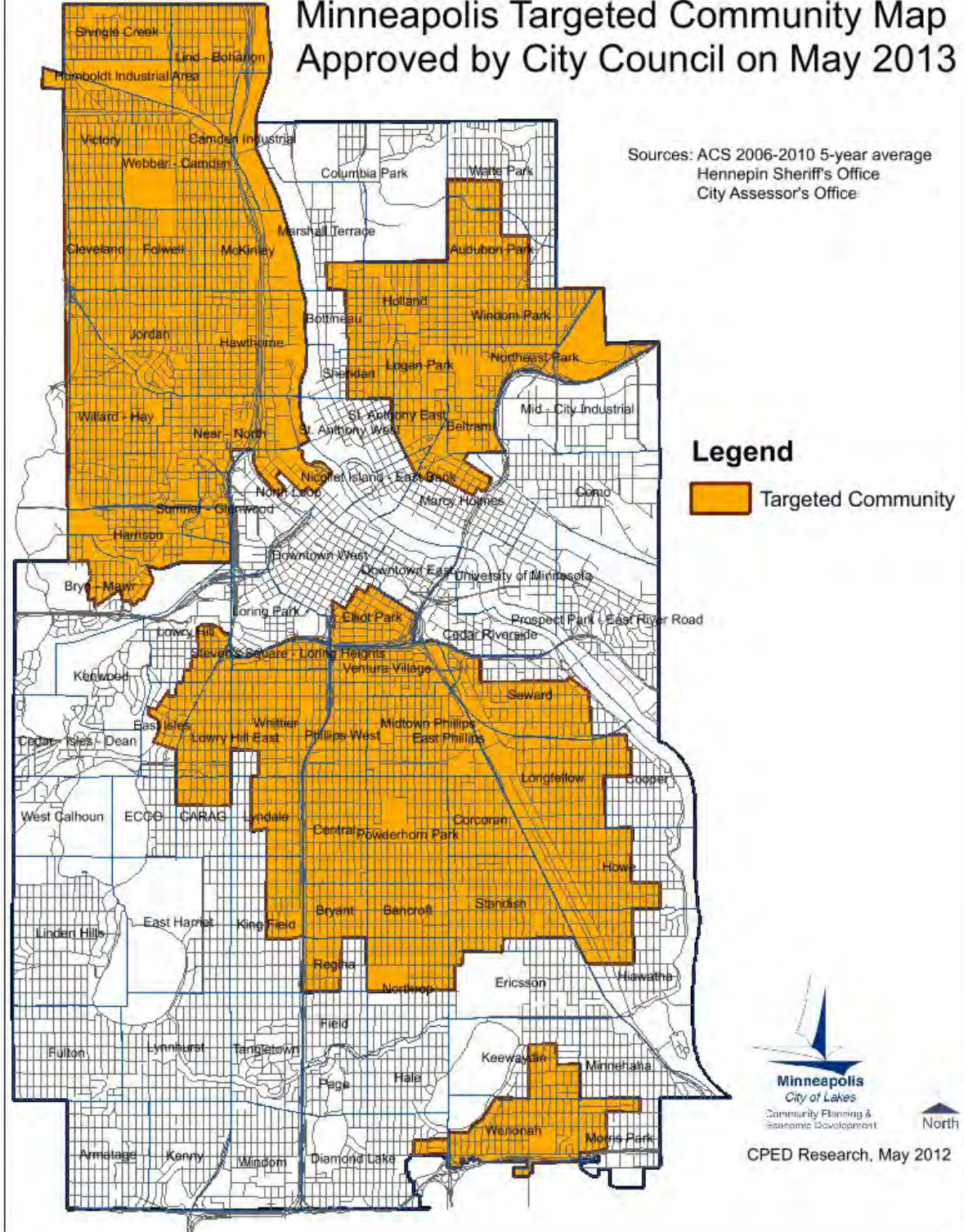
- ◆ Cash contributions (e.g. housing trust funds, foundation grants, and private donations)
- ◆ Proceeds from Housing Revenue Bonds with the automatic 4% Low Income Housing Tax Credit entitlement
- ◆ Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

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.

Minneapolis Targeted Community Map Approved by City Council on May 2013

Sources: ACS 2006-2010 5-year average
Hennepin Sheriff's Office
City Assessor's Office



Legend
 Targeted Community



CPED Research, May 2012

Order of Contents: Affordable Housing Trust Fund Information

Minneapolis Affordable Housing Trust Fund Request for Proposals

**2014 AFFORDABLE HOUSING TRUST FUND PROGRAM
PUBLIC RELEASE DATE: MAY 15, 2014**

**PART 1: REQUEST FOR DEVELOPMENT PROPOSALS (RFP),
PROGRAM POLICIES AND PROCEDURES**

- I. PROGRAM INTRODUCTION AND PURPOSE:** The Minneapolis Department of Community Planning and Economic Development (CPED) is soliciting development funding proposals for the Affordable Housing Trust Fund (AHTF) Program. The primary purpose of the AHTF Program is to assist in financing the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. Program funds are available on a competitive basis to projects that need gap financing to cover the difference between total development costs and the amount that can be secured from other sources. The funding sources for the AHTF Program are primarily federal Community Development Block Grant (CDBG) funds, federal HOME Investment Partnership funds, and local funds. The purpose of this document is to summarize the AHTF Program and request development funding proposals for qualified projects for the current funding round.
- II. AHTF PROGRAM BASIS AND POLICY GUIDANCE:** The AHTF Program administration is guided primarily by the following adopted policy documents:
- A.** Minneapolis Plan for Sustainable Growth available here:
http://www.minneapolismn.gov/cped/planning/plans/cped_comp_plan_update_draft_plan
 - B.** The City's Consolidated Plan for Housing and Community Development available here:
http://www.minneapolismn.gov/grants/grants_consolidated-plan
 - C.** The Unified City of Minneapolis Housing Policy updated on November 1, 2013 which includes the new Senior Housing Initiative, available here:
<http://www.minneapolismn.gov/www/groups/public/@clerk/documents/webcontent/wcms1p-115774.pdf>. More information is in Section VIII below.
 - D.** The City's Healthy Housing Policy, adopted by the City Council on May 10, 2013, included as Attachment 1, and available here:
<http://www.ci.minneapolis.mn.us/www/groups/public/@clerk/documents/webcontent/wcms1p-107114.pdf>. The policy in Attachment 1 has been updated to include current links to MHFA web pages. More information is in Section VIII below.
- III. PROGRAM GOALS:** The AHTF Program is designed to support the implementation of various housing goals listed in the policy documents noted in Part 1, Section II above. Affordable housing emphasis in minority or poverty impacted areas will be preservation, rehabilitation, and stabilization. Affordable housing emphasis in minority or poverty non-impacted areas will be construction and positive conversion.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK

- IV. SUMMARY OF PROGRAM AND RFP DOCUMENT CHANGES:** There are no substantive changes from the previous year. There have been some minor changes to the content of this Request for Proposals document, including but not limited to:
- A. Bidding Procedures:** The bidding procedures have been updated to clarify that bid openings must be public with CPED in attendance.
 - B. Contracting Requirements:** Attachment 6 has been updated with changes to the Affirmative Action, Prevailing Wage Policy, and Affordable Housing Policy sections to properly reference Minneapolis Department of Civil Rights requirements that were current as of the publication date of this RFP.
 - C. Design Standards:** To comply with the 2013 changes to the HOME Final Rule, the AHTF Program now uses the April, 2014 version of Minnesota Housing's Rental Housing Design/Construction Standards available here:
<http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905261142&pagename=External%2FPage%2FEXTStandardLayout>.
 - D. Funding Proposal Submittal Content:** The minimum content requirements have been updated to include a cover letter. The funding proposal minimum content and organization has been updated to clarify the electronic submittal requirement, to add the pre-proposal submittal requirements, and to use the latest MHFA application materials.
 - E. Green Building Resources:** The City's supplemental green building resource directories have been updated.
 - F. HOME Monitoring Fee:** The City will charge a HOME monitoring fee as permitted by the 2013 changes to the HOME Final Rule.
 - G. HOME Final Rule Changes:** HUD published a Final Rule in the Federal Register (Changes Only) on July 24, 2013 to amend the HOME Investment Partnerships (HOME) Program regulations. These amendments to the HOME regulations represent the most significant changes to the HOME Program in 17 years. More information on the HOME Rule is available here: <https://www.onecpd.info/home/>.
 - H. Selection Criteria, Senior Housing:** The senior housing scoring was clarified to add specific points for projects that are age restricted and for projects that are oriented towards or marketed to seniors with no age restrictions.
 - I. Senior Housing Initiative:** The previous Senior Housing Policy attachment has been removed and replaced with the Senior Housing Initiative adopted by the City Council on November 1, 2013 available here:
<http://www.minneapolismn.gov/www/groups/public/@clerk/documents/webcontent/wcms1p-115774.pdf>.
 - J. Technical Assistance:** Optional pre-application technical assistance has been added.
 - K. Underwriting Standards:** The order of the underwriting standards in Attachment 11 now matches the organization of the new self-scoring worksheet.
- V. AMOUNT OF AVAILABLE FUNDING:** The specific amount of 2014 AHTF monies available has not yet been determined due in part because the City's 2014 allocation of CDBG and HOME funding was not yet final at the time this RFP was released. CPED estimates that approximately \$6,800,000 will be available, subject to the availability of federal funds. The total available funding may include reallocated funds from prior projects that returned prior AHTF awards and estimates of projected future local funding that has not yet been budgeted or projected federal funding that has not yet been committed. CPED will allocate funding from the available sources to projects as guided by the City's annual budget and applicable policy. Not all of the available funds may be awarded during this funding round.

VI. FEDERAL SOURCES OF FUNDS: The federal HOME Investments Partnership program (HOME) and the federal Community Development Block Grant (CDBG) program are two funding sources of the AHTF Program. In addition, other affordable housing funding resources may be used based upon availability during any given year. Information about the HOME Program rules can be found in 24 CFR Part 92, which were substantively revised by a final rule issued on July 24, 2013. Among the most significant changes in the proposed HOME rules are the following:

- A. Participating jurisdictions are required to assess a developer's capacity and financial condition, in addition to market need for the project and its long-term viability before committing HOME funds.
- B. Participating jurisdictions are required to examine annually the financial condition of rental projects with at least ten HOME-assisted units.
- C. New minimum property standard requirements and inspection requirements have been established as required. The City implements HUD's current property standards by utilizing State and local codes, ordinances, and related requirements. In addition, the AHTF Program uses the April 2014 version of Minnesota Housing's Rental Housing Design/Construction Standards (RHD/CS) further described in Section VIII below and available here:
<http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905261142&pagename=ExternalPage%2FEXTStandardLayout>
- D. Projects not completed within four years from the date of project commitment would be considered terminated and the participating jurisdiction must repay HOME funds invested in the project.
- E. Repayment of HOME funds would be required for any HOME unit that is not rented to eligible tenants within 18 months of project completion.
- F. AHTF funding agreements may not be executed and funding commitments may not be entered into HUD's financial management software, Integrated Disbursement and Information System (IDIS) until the project has secured all necessary financing and construction will begin within 12 months of agreement execution.

VII. ELIGIBLE USES OF FEDERAL FUNDS

A. HOME

1. Eligible activities include: acquisition of property, relocation, construction of new housing for permanent or transitional rental (in non-minority concentrated tracts only), moderate or substantial rehabilitation of units and other reasonable and necessary expenses related to the development of affordable, non-luxury rental housing. HOME funds may not be used for a new construction project in an area of minority concentration. Attachment 3 describes minority concentrated areas.
2. Projects financed with AHTF HOME funds must have a certain number of units designated as HOME-assisted units and these units must be affordable to and occupied by families whose incomes are at or below 60% of the AMI, as adjusted for family size. In addition, if the AHTF HOME-financed project has five (5) or more units, 20% of the HOME-assisted units must be occupied by families whose incomes are at or below 50% AMI, as adjusted for family size. These requirements are minimum requirements, but the City will require rental and income restrictions to reflect what is in the proposal. Refer to Attachment 2 for the AMI information which is subject to change.

3. The minimum HOME subsidy is \$1,000 per unit. The maximum amount of HOME funds that a participating jurisdiction may invest on a per-unit basis in affordable housing may not exceed the per-unit dollar limits established under section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 17151(d)(3)(ii)) for elevator-type projects that apply to the area in which the housing is located. These limits are available from the Multifamily Division in the Minneapolis HUD Field Office.

B. CDBG: Eligible activities include: acquisition of property, relocation, moderate or substantial rehabilitation of units, and other reasonable and necessary expense related to the development of affordable, non-luxury rental housing. CDBG may not be used for new construction, unless the new construction activity is undertaken by a Community Based Development Organization (CBDO) as defined by HUD. CDBG may also be used for certain expenses in support of eligible new construction projects in limited circumstances.

VIII. PROGRAM POLICIES AND PROCEDURES

A. ACCESSIBILITY REQUIREMENTS SECTION 504 (24 CFR PART 8): New construction projects with five or more units or rehabilitation projects with 15 or more units and rehab costs of more than 75% of the replacement cost of the completed facility must have a minimum of 5% of the units (but at least one unit) be accessible to mobility-impaired and an additional 2% (but at least one unit) be accessible to sensory-impaired. Units in compliance with the Uniform Federal Accessibility Standards (UFAS) are deemed in compliance with Section 504. CPED encourages developers to use good faith efforts to follow Section 504 rules for those projects that are not required to comply with Section 504. Please see the Visitability section below for related information.

B. ADMINISTRATION: The administration of the AHTF Program is the responsibility of the CPED Housing Policy and Development Division. If there are questions about the AHTF Program, contact:

Mr. Matt Goldstein, HDFP, AICP
 City of Minneapolis
 Department of Community Planning and Economic Development
 Phone Number: 612-673-5075
 E-mail address: matt.goldstein@minneapolismn.gov

C. AHTF FUNDING IS A LOAN: Funding awards will be made available in the form of a loan with the City with a term length that typically matches the first mortgage. Some terms and conditions of the loan may be negotiable; however, the City requires minimally a 20-year loan term with 1% simple interest and a deferred lump sum repayment of principal and interest. Additionally, the City will negotiate a percentage return against surplus cash flow on all rental housing projects that have units with unrestricted rents.

D. APPRAISALS: If the project is approved for funding, a complete appraisal will be required before closing. The appraisal must be performed by a licensed appraiser who is on CPED's approved appraiser list or completed by MHFA or MHFA's consulting appraiser. Proposals must include either a formal appraisal establishing the estimated "as is" market value of the property or an appraiser's preliminary opinion of value.

E. COMPETITIVE BIDDING: Projects must comply with the AHTF Bidding Procedures included as Attachment 5 for the selection of a general contractor and/or the selection of sub-contractors. Developers are encouraged but not required to use open and competitive processes for the selection of consultants such as architects and engineers.

- F. COMPLIANCE WITH CITY POLICY:** Projects must comply with adopted City policy including the documents listed in Part 1, Section II above, a city-adopted neighborhood plan (if applicable), zoning regulations, and building codes.
- G. CONTRACTING GENERAL REQUIREMENTS:** Attachment 6 contains the City's contracting requirements including affirmative marketing, apprenticeship, equal opportunity, prevailing wage, relocation, Section 3, Section 504, and SUBP.
- H. COOPERATIVE HOUSING TRAINING:** If a leasehold cooperative is formed, the developer will be required to provide cooperative training services for the residents of the project.
- I. CPED RIGHT TO REJECT AND MODIFY PROPOSALS:** CPED reserves the right to reject any or all proposals or parts of proposals and to negotiate modifications of proposals submitted.
- J. DEGREE OF NEED:** The Program will provide assistance only to the projects that require assistance to achieve the Program's goals and objectives. It must be demonstrated that other sources of funds are not available or adequate.
- K. DESIGN STANDARDS:** To comply with the 2013 changes to the HOME Final Rule, the AHTF Program uses the April, 2014 version of Minnesota Housing's Rental Housing Design/Construction Standards available here: <http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905261142&pagename=External%2FPage%2FEXTStandardLayout>. CPED may consider administrative waivers to these standards based in part upon a demonstrable hardship or specific conflict with adopted City policy on a case by case basis.
- L. DEVELOPER CAPACITY:** Developers must submit financial statements and documentation of experience in housing development. To the extent that a developer cannot demonstrate the proper strength in a particular area, the developer will be required to hire or joint venture with an entity that has strength in that particular area. Developers must demonstrate the following:
1. Professional development experience, reasonable financial strength, and the ability to undertake the proposed project;
 2. The ability to obtain sufficient financing; and
 3. Sufficient capability to manage the project successfully after completion or hire a professional management company with experience in managing affordable housing in compliance with AHTF requirements.
- M. DEVELOPER ELIGIBILITY:** Developers may be non-profit or for-profit.
- N. DEVELOPER FEE POLICY**
1. For new rental production projects and for stabilization/preservation projects in which the ownership is changing (which typically includes low income housing tax credit projects), a maximum total fee is based on a percentage of total development cost minus total developer fee as follows: first 30 units – 15%; units 31 and over – 8%.
 2. For stabilization/preservation projects in which the ownership is not changing, a maximum total fee is based on a percentage of total development cost minus total developer fee as follows: first 30 units – 10%; units 31 and over – 5%.

3. In all cases, architectural costs, legal fees, initial reserves and intermediary costs (SAC & WAC, fixtures & equipment, hazard & liability insurance, survey & soil borings) are deducted from the total development cost as the total developer fee to make the calculation. The total fee includes: Developer fee, development consultant fees, processing agent costs, profit, overhead, and all deferred fees.

O. ENERGY EFFICIENCY AND GREEN BUILDING RESOURCES: The City, HUD, and MHFA all emphasize energy efficiency. Xcel Energy and CenterPoint Energy offer a variety of programs, services, rebates and energy efficiency resources to assist developers, owners and builders with the construction of energy efficient commercial and residential developments, including the following:

1. Xcel: For commercial (multifamily apartment buildings and commercial buildings) contact the Business Solutions Center at 1-800-481-4700. Xcel currently offers three programs:
 - a. Energy Design Assistance for projects that are very early in design.
 - b. Energy Efficient Buildings for prescriptive rebates for projects where design is nearly complete or for existing buildings.
 - c. Energy Analysis for existing buildings with an on-site energy assessment providing a detailed energy audit by an energy engineer, complete with cost and savings estimates, Xcel Energy rebates and paybacks.
2. Call the Xcel Energy Builders Call Line at 1-800-628-2121 for the following logistical services:
 - a. Design and permitting
 - b. Relocating existing gas or electric
 - c. Disconnecting gas and electric services
 - d. Providing temporary electric needs
3. CenterPoint Energy: For assistance with existing programs or a custom program that can address the building envelope, water heating, and heating systems, contact Tom Dolan, 612-321-4398.
4. The City has two product and service directories that may help the project be more energy efficient and comply with the Green Communities standards described below.
 - a. Green Services Directory (available here:
<http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcms1p-092496.pdf>)
 - b. Green Homes North Product & Service Directory (available here:
<http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcms1p-103610.pdf>)

P. FEES: PROPOSAL, ORIGATION AND HOME MONITORING:

1. Proposal Fee: A non-refundable \$1,000 proposal fee will be charged for each AHTF proposal.
2. Origination Fee: If a project is awarded funding, an origination fee of 1% the AHTF award will be collected at closing except for AHTF awards using federal HOME funds.
3. HOME Monitoring Fee: The HOME Final Rule published in the Federal Register on July 24, 2013 permits the City to charge a fee for HOME monitoring during the entire HOME Period of Affordability. The City's current annual HOME monitoring fee for projects that are completed in 2017 is \$1,688.26 per project plus \$66.55 for each HOME-assisted unit and is subject to change.

- Q. FUNDING AWARDS MAY BE CONTINGENT UPON THE AVAILABILITY OF FUTURE FUNDING:** Due to the extended length of time that is typically required for projects to be fully funded and minimum funding commitment and expenditure timeframes imposed by HUD, the City Council at its sole discretion may make contingent AHTF awards to projects from projected future local funding that has not yet been budgeted or projected federal funding that has not yet been committed to the City. The City Council may elect to make AHTF funding awards contingent upon the future availability of funding.
- R. FUNDING COMMITMENTS FROM OTHER FUNDERS:** The proposal must include written documentation stating the amount, terms, and conditions of existing funding commitments to the project. Documentation containing words synonymous with "consider" or "may" (as in "may award") are not funding commitments.
- S. GREEN COMMUNITIES:** Developers are encouraged to incorporate green/sustainable elements consistent with the "Minnesota Overlay and Guide to the Green Communities Criteria" and the 2011 Enterprise Green Communities Criteria in rehabilitation projects. Enterprise has issued a report available here: http://www.enterprisecommunity.com/servlet/servlet.FileDownload?file=00P3000000DTX16E_AH that describes the financial impact of green affordable housing after studying 52 affordable housing developments from across the United States that were built using either the 2005 or the 2008 versions of the Enterprise Green Communities Criteria. The report provides a detailed look at estimated versus actual use of water and energy, and relates that to utility cost impacts for both the developers and the residents of the affordable housing communities included in the study. Developers are advised to ensure that the development costs in the proposal adequately reflect compliance with Green Communities standards and to thoroughly review MHFA's Minnesota Overlay and Guide to the 2011 Enterprise Green Communities Criteria available here: http://www.mnhousing.gov/idc/groups/public/documents/webcontent/mhfa_012435.pdf. Developers proposing new construction or substantial/gut rehab projects as defined by MHFA must comply with the "Minnesota Overlay and Guide to the Green Communities Criteria." All developers seeking AHTF funding must submit a completed Green Communities certification workbook available in the Application Materials section here: <http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905251684&pagename=External%2FPage%2FEXTStandardLayout>. There is some overlap between the Green Communities criteria and the Healthy Housing Policy discussed below.
- T. HEALTHY HOUSING POLICY:** On May 10, 2013, the City Council adopted the Healthy Housing Policy which is available here: <http://www.ci.minneapolis.mn.us/www/groups/public/@clerk/documents/webcontent/wcms1p-107114.pdf>. The Healthy Housing Policy in Attachment 1 has updated website links. The primary intent of the City of Minneapolis Healthy Housing Policy is to ensure that properties are sited, designed and built or rehabilitated to include amenities that support, protect and promote health. This policy applies to AHTF-funded projects. There is significant overlap between the Healthy Housing Policy and the Green Communities standards. To demonstrate compliance with the Healthy Housing Policy, all developers are required to submit a completed Green Communities certification workbook available in the Application Materials section here: <http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905251684&pagename=External%2FPage%2FEXTStandardLayout>. Developers are encouraged to review the informational resources contained in the Healthy Housing Policy.

- U. HISTORIC RESOURCE REVIEW LETTER:** For projects with at least one existing building that is proposed to be moved or demolished, proposals must include a historic resource letter from CPED. The purpose of the letter is to demonstrate that CPED Development Services staff has preliminarily reviewed the existing site and building that is proposed to be removed or demolished for the potential existence of a historic resource that may require additional investigation. This might require submitting written permission to conduct the review from the existing property owner, photos of the building(s) and adjacent buildings, an application fee, and a site visit for projects proposing demolition. A separate application and fee may be required for each parcel that has a structure that is proposed to be moved or demolished. To request a historic resource review letter from Minneapolis Development Review, call Minneapolis 311 from within the City or (612) 673-3000. Additional information may be available from the CPED Sector Liaison listed here: http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/convert_257946.pdf
- V. IMPACTED AND NON-IMPACTED AREAS:** As noted in Part 1, Section III, affordable housing emphasis in minority or poverty impacted areas will be preservation, rehabilitation, and stabilization. Affordable housing emphasis in minority or poverty non-impacted areas will be new construction and positive conversion. A minority impacted area is an area with a minority population concentration of 50% or higher as described in the map in Attachment 3. A poverty impacted area is an area with a poverty concentration of 45.4% (double the City's poverty rate) or higher as further described in Attachment 4. The maps in Attachments 3 and 4 are from the Consolidated Plan. Areas with poverty or minority concentrations below those percentage levels are non-impacted areas. HOME funds may not be spent on new construction projects located within minority impacted areas.
- W. INTEREST RATE FOR PERMANENT FINANCING:** All projects will use a current market interest rate for purposes of estimating mortgage financing in their proposals.
- X. LEAD-BASED PAINT:** The requirements of HUD Lead Safe Housing Rule, 24 CFR 35, subparts B through R are promulgated to implement the Lead-Based Paint Poisoning Prevention Act, as amended, and the Residential Lead-Based Paint Hazard Reduction Act of 1992. Most HUD housing programs are covered by only one subpart of this part, but some programs can be used for more than one type of assistance and therefore are covered by more than one subpart of this part. All properties constructed prior to 1978 must be tested for lead-based paint to determine the presence or absence of lead-based paint on deteriorated painted surfaces or surfaces to be disturbed or replaced during construction and shall be performed by a certified lead-based paint inspector or risk assessor. In addition a risk assessment in the dwelling units receiving federal assistance, in common areas servicing those units, and exterior painted surfaces, shall be performed prior to the start of rehabilitation. The individual or firm conducting the risk assessment shall provide and explain the results of the investigation and options for reducing lead-based paint hazards. The scope of work and method for abatement shall be included in the per unit rehabilitation dollar amount. Any adhesion-cohesion testing must be conducted by an independent third party for encapsulated components. Adhesion-cohesion testing should have the American Society of Testing Materials (ASTM) documentation to show the coating applied meets the requirements of being a lead-based paint encapsulant. All property owners or developers receiving assistance shall incorporate ongoing lead-based paint maintenance activities in regular building operations, in accordance with Sec. 35.1355 (a), as applicable. Please see Attachment 7 for a summary of lead-based paint requirements by activity.

- Y. LEAD-BASED PAINT DESIGNER:** If lead is present at levels that need to be remediated, the City requires that a qualified lead-based paint designer participate in the project following Lead Poisoning Prevention Act and related Administrative Rules administered in part by the Minnesota Department of Health, including the following as excerpted from Minnesota Rules 4761.2320 Lead Project Designer:
1. "Lead project design" means site-specific written project specifications for a regulated lead work project. Lead project design includes written technical project specification incorporated into bidding documents.
 2. All specifications for the treatment of lead-based paint shall be prepared by a licensed lead-based paint designer. (An individual preparing a lead project design, as defined in MN Statutes 144.9501, subd. 19a, must be licensed by the commissioner as a lead project designer. A lead project designer license is not transferable.
- Z. LEVERAGE:** AHTF-funded projects must leverage additional resources. The leverage percentage is calculated by dividing the total AHTF amount previously awarded and requested by Total Development Cost. Please see the leverage scoring criteria in Part 2, Section III.O. below for more information.
- AA. MARKET STUDY:** Proposals must include a market study or comparably thorough market analysis which summarizes the following:
1. Defines the market area and the regional context for the subject property;
 2. Demographic characteristics of the area around the subject property to establish the market context;
 3. Estimates rental housing supply in the area around the subject property;
 4. Estimates rental housing demand in the area around the subject property, especially the characteristics of the income-eligible households that may be attracted to the proposed project;
 5. Estimates vacancy rates area around the subject property; and
 6. Summarizes construction pricing and trends.
- BB. PROPERTY MANAGEMENT PLAN:** Proposals must include a property management plan which includes a description of the following at a minimum:
1. Affirmative marketing procedures;
 2. Fair housing standards compliance methods;
 3. Maintenance and repair;
 4. Personnel policy and staffing arrangements (such as required staff and tenant handbooks, personnel policy for training and discipline);
 5. Program for maintaining accounting records;
 6. Rent collection policies and procedures;
 7. Roles and responsibilities of managing agent; and
 8. Security
- CC. MAXIMUM AWARD:** The maximum amount of AHTF award will be the lower of \$25,000 per affordable unit (at or below 50% AMI) or 15% of the Total Development Cost, not including capitalized reserves (operating, replacement, support services) or non-housing costs.

- DD. MINIMUM AFFORDABILITY AND MINIMUM UNIT COUNT:** All rental housing projects of 10 units or more funded by the AHTF Program shall have at least 20% of the units affordable to households at or below 50% of Metropolitan Area Median Income (AMI) for the term of the loan.
- EE. MINIMUM CONSTRUCTION, REHABILITATION AND/OR PROPERTY STANDARDS:** Each project must meet at a minimum all applicable State and local codes, ordinances, and requirements, including FHA minimum property standards and applicable HUD property standards. Applicable HUD property standards may include the International Energy Conservation Code, Energy Star Qualified Homes, the Uniform Federal Accessibility Standards, site and neighborhood standards (24 CFR 983.57(b), or Housing Choice Voucher Program Housing Quality Standards (formerly Section 8 HQS). New minimum property standards are being proposed by HUD for HOME-assisted projects.
- FF. NEIGHBORHOOD GROUP REVIEW:** Developers are required to submit their development projects to the official neighborhood group for review prior to City Council approving an AHTF award. Include the neighborhood review letter in funding proposal.
- GG. POSITIVE CONVERSION:** Positive conversion means conversion in any manner of buildings or units that do not currently have affordable rents to units with affordable rents or conversion of non-residential property to affordable rental housing.
- HH. PRE-APPLICATION TECHNICAL ASSISTANCE:** Free, limited, preliminary and non-binding pre-application technical assistance is available upon request to CPED staff through June 20, 2014. Developers with no or limited previous experience with the AHTF Program are strongly encouraged utilize this resource. Prior to requesting a meeting with CPED staff, submit a cover letter, the Multifamily Workbook, a completed AHTF self-scoring worksheet (Attachment 9), and any of the application items that are further described in Section X that may be helpful to have a substantive discussion about your project.
- II. PROJECT-BASED SECTION 8 VOUCHERS:** The AHTF Program awards points for project-based assistance such as HUD's Supportive Housing Program and Section 8 vouchers that are administered by the Minneapolis Public Housing Authority (MPHA). MPHA goes through a public RFP process when vouchers are available. MPHA's last RFP was in 2011. As of the release date of this document, MPHA did not have any project-based vouchers available, and the timing of any future RFP for vouchers is unknown. More information may be found at <http://www.mphaonline.org/>.
- JJ. PROJECT FINANCING AND TIMELY COMPLETION CONDITIONS:** AHTF Program money must be used in a timely manner. Developers are required to submit a project schedule that outlines the milestone stages of the project, including the acquisition of site, securing the other project funding, closing date, relocation, demolition, construction start date, and construction completion date. Developers of projects with AHTF funding awards must submit monthly progress reports as described in Attachment 9 summarizing various project-related accomplishments. Projects unable to meet the timelines may lose their funding allocation. However, developers may reapply during the annual RFP cycle. The following project performance timeframes apply:

1. Commencing on the date the full City Council approves the AHTF money for a project, the funding is allocated for fifteen (15) months.
2. At the end of fifteen (15) months, the funding allocation will be extended administratively for an additional twelve (12) month period if the developer can provide evidence that:
 - a. At least one-third of the total development funds have been raised; and
 - b. The balance of the development money is likely to be raised; and
 - c. That a closing will occur within the next twelve months.

KK. PROJECT SCOPE OF WORK: Developers are required to submit a preliminary scope of work which outlines cost estimates and preliminary rehab specifications, drawings, and site plans for the project. CPED may require, however, more substantial rehabilitation than initially proposed to ensure compliance with applicable policy.

LL. PROPOSAL EVALUATION AND SELECTION PROCESS: Developers are strongly encouraged to apply only once to the AHTF either at the start, the middle or the end of the project financing process. CPED staff will evaluate and underwrite the AHTF proposals according to the selection criteria contained in this document. For rehabilitation projects, a physical inspection of the property by CPED will be necessary. Following this review and the scoring and ranking of the proposals, staff recommendations for project funding to the City Council will be made. CPED staff will determine the appropriate funding source for all projects.

MM. RELOCATION POLICY: Displacement is discouraged. However, if it is necessary and unavoidable, the developer must submit a relocation plan that complies with the applicable federal or City policy for temporary or permanent displacement. Federal relocation regulations or local relocation rules apply to all projects funded through the AHTF. The required Tenant Relocation Plan must include all of the following relocation materials:

1. Occupancy information/rent rolls of all persons occupying the real property on the date of the initial submission of the proposal for assistance by the developer to the grantee or HUD, if the developer has site control; or
2. Occupancy information/rental rolls of all persons occupying the real property as of the date that the developer obtains site control (e.g. purchase option) if site control is not obtained until after submission of the proposal.
3. Occupancy information/rent rolls of all persons moving into the property on or after the dates described above.
4. Occupancy data/rent rolls of all persons occupying the property upon completion of the project.
5. Draft relocation plan for temporary relocation (on site and off site), permanent relocation, and a combination of temporary and permanent relocation.
6. General Information Notice (GIN) must be sent to all persons occupying the real property on the date of the initial submission of the proposal, date that the developer obtains site control, and all persons moving into the property on or after the dates described. The GIN informs affected persons of the project and that they may be displaced by the tenant.
7. Include a relocation budget estimate in the development proforma and information detailing the calculation of the relocation budget estimate.

During CPED's proposal review period, staff may request additional information to ensure compliance with the federal relocation regulations and the local relocation rules.

NN. RENT: Attachment 2 provides utility allowance, income and rent information. While the information in Attachment 2 was current as of the public release of this RFP, the data is expected to change over time. The rent and income limits for each unit must match. For example, a unit that is intended for a 50% AMI household must have a 50% AMI rent limit and a 50% AMI income limit unless there is project based rental subsidy or GRH funding in the project.

OO. SCATTERED SITE PROJECTS: Proposals that contain a combination of at least ten single family, duplex, triplex and fourplex housing units are typically eligible for AHTF funding and considered to be a single project by the AHTF Program for underwriting purposes.

PP. SECURITY COSTS: Developers are required to implement measures necessary and appropriate to maintain a safe and crime-free living environment for the property residents. These measures must be described in the required Property Management Plan. At a minimum, this plan should include involvement in neighborhood crime prevention strategies, resident awareness and training. Capital items contained in the plan should be included in the deferred maintenance and replacement reserve analyses as appropriate.

QQ. SELF-SCORING WORKSHEET: Attachment 9 is a self-scoring worksheet that is required to be submitted to further describe the points that the developer believes may be earned based upon the documentation included throughout the funding proposal.

RR. SENIOR HOUSING INITIATIVE: On November 1, 2013, the City Council adopted the Senior Housing Initiative that is available here (<http://www.minneapolismn.gov/www/groups/public/@clerk/documents/webcontent/wcms1p-115774.pdf>). Thirty percent (30%) of the annual AHTF budget will be initially reserved solely for eligible, age-restricted senior rental projects. Projects that are not age-restricted are excluded from the initial 30% senior housing reservation. If the total AHTF request for age-restricted senior projects is less than the 30% reservation, the remaining reservation will be made available to other projects.

SS. SITE CONTROL: The AHTF Program requires evidence of site control as a condition of submitting a proposal. Evidence of site control must be shown by one of the following means:

1. Fee Title
2. Contract-For-Deed
3. Signed Purchase Agreement
4. Signed Purchase Option
5. Signed Redevelopment Contract
6. A proposal with CPED for a Parcel of Land or a building which CPED owns.

In the cases 2-6 above the developer must also show that the site is controlled for an acceptable amount of time and also has no conditions that would limit the use of the property. Proposals without evidence of site control may be rejected without receiving an underwriting review. Exceptions may be allowed, however, for those projects which have been awarded NSP funds but don't have site control for all of the properties which are to be part of the NSP project. Properties comprising the NSP project must be identified when the AHTF proposal is submitted. CPED management will determine whether an exception to the site control requirement may be extended to NSP-funded projects on a case-by-case basis based upon demonstrable progress meeting NSP Program Requirements.

- TT. SIZE OF PROJECT:** The project must be located within the City of Minneapolis, contain not less than ten units, and be owned and managed as either a rental property or a leasehold cooperative.
- UU. SUBP AND THE MINNEAPOLIS DEPARTMENT OF CIVIL RIGHTS:** Attachment 10 contains the Small and Underutilized Business Enterprise Program (SUBP) form that will be used by the Minneapolis Department of Civil Rights to establish contracting goals for the project if funded. More information on SUBP is included in the contracting standards in Attachment 6.
- VV. TAX INCREMENT FINANCING:** Tax increment financing will not be considered for projects unless there are extraordinary development costs such as historic preservation, relocation, excessive demolition and clean-up costs. More information on the Tax Increment Financing Policy may be found here:
http://www.minneapolismn.gov/cped/resources/reports/cped_tax_increment_policy.
- WW. UNDERWRITING PERIOD (20 YEAR CASH FLOW):** The AHTF underwriting period is 20 years. Therefore, the required cash flow projection or proforma period is 20 years from stabilized occupancy.
- XX. UNDERWRITING STANDARDS:** The AHTF CPED Underwriting Standards are included as Attachment 11.
- YY. VISITABILITY:** Wherever practical, HUD recommends addressing the concept of visitability in addition to the above requirements. Housing that is "visitable" has a very basic level of accessibility that enables persons with disabilities to visit friends, relatives, and neighbors in their homes within a community. HUD recommends (1) providing a 32-inch clear opening in all interior and bathroom doorways; and (2) providing at least one accessible means of egress/ingress for each unit.
- IX. FUNDING PROPOSAL PREPARATION:** Developers are advised to consider the following while assembling the funding proposal:
- A. City Policy Consistency:** Consider how the proposed housing is consistent with adopted City policies, especially those noted in Section II.
 - B. Capital Funding Gap:** Determine the amount needed for gap assistance in compliance with the maximum award description in the above Part 1, Section VIII.
 - C. Historic Resource Letter:** Promptly request a historic resource review letter from CPED for projects that included demolition or building relocation.
 - D. Neighborhood Review:** Submit the development proposal to the recognized neighborhood group for review of the proposal based on design and land use issues prior to the proposal submittal. Provide a letter from the neighborhood organization evidencing their review.
 - E. Permanent Mortgage:** Determine if the project can support a permanent mortgage and, if it can, include an estimated amount, terms, and identity of a probable lender. If a written funding commitment is not available at the time of application, including a letter of interest or a letter of support from the lender is recommended.
 - F. Rebates and Tax Exemptions:** For non-profit developers, include anticipated utility rebates or sales tax exemptions as a funding source.

- X. REQUIRED FUNDING PROPOSAL CONTENT:** Include the following documents in the order in which they are listed in the format described in Section XI below:
- A.** Cover letter with the following:
 - 1. AHTF amount requested
 - 2. Summary of the overall project financing structure, such as a "4% LIHTC with a HUD loan guarantee and public gap funding"
 - 3. List other City funding sources that are being sought in the current funding round, such as 9% LIHTC and ESG
 - 4. A brief summary of the project's public benefits and the project's strategic importance to the City (such as foreclosure mitigation, tornado recovery, blight removal, etc.)
 - B.** Funding proposal table of contents with tab headings
 - C.** All of the applicable forms, narratives, spreadsheets, checklists and related attachments in the Minnesota Housing Minnesota Multifamily Rental Housing Common Application Form available here:
<http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358905251684&pagename=External%2FPage%2FEXTStandardLayout>. The document titles below are from the Common Application Checklist:
 - 1. Section A
 - a. A-2 Multifamily Workbook
 - b. A-3 Multifamily Rental Housing Narrative Questions (including Supportive Housing Narrative)
 - c. A-4 Project Schedule
 - d. A-5 Appraisal Submission Items
 - e. A-6 Applicant Certification of Environmental Issues
 - f. A-7 Market Qualification Form
 - g. A-8 Affirmative Fair Housing Marketing Plan
 - h. A-9 Minimizing Transportation Costs and Promoting Access to Transit
 - i. A-10 Site Location map
 - j. A-11 Photographs
 - k. A-12 Preliminary Architectural/Construction Requirements for New Construction (preliminary sketch plans are permitted, 11" by 17" format or half-size are permitted)
 - l. A-13 Scope of Work for Acquisition and/or Rehabilitation of Existing Buildings
 - m. A-14 Physical Needs Assessment or Capital Needs Assessment
 - n. A-15 Green Communities Certification Workbook
 - o. A-16 Evidence of Site Control
 - p. A-18 Tenant Relocation Plan for permanent and temporary relocation both on- and off-site including the occupancy information and relocation budget
 - q. A-24 Commitment to Provide Project Based Rental Assistance
 - r. A-25 Rent Roll for Existing Developments
 - s. A-26 Management and Operating Expenses (data from comparable new construction projects or audited financial operating expense statements for at least 3 stabilized years)
 - t. Financial Statements:
 - 1. Current audited and/or unaudited organizational financial statements
 - 2. Current financial statements for each partner of partnership or corporation
 - 2. Section B: There are no required forms to be submitted from this section.

3. Section C
 - a. C-2 Market Study (if available)
 - b. C-11 Nonprofit Proof of Status, Non-Profit Intended Participation: Articles of Incorporation, IRS Election Status (Internal Revenue Service (IRS) documentation of status
 - c. C-13 Written Policy for Smoke-Free Buildings if proposed
4. Section D: There are no required forms to be submitted from this section.
 - a. Section EE-1 Letter of Confirmation from Hennepin County Human Services and Public Health (documentation for preliminary discussions on supportive housing funding)
 - b. E-2 Certification of Consistency with Continuum of Care of Heading Home Plan
5. Section F
 - a. F-1 Documentation Relevant to Preservation of Federally Assisted Housing
 - b. F-2 Recent Site Inspection Report
 - c. F-3 Preservation tab of the Multifamily Workbook
- D. 20 Year Proforma (cash flow projection)
- E. AHTF RFP Attachments
 1. Attachment 9: Self-Scoring Worksheet:
 2. Attachment 10: Signed SUBP Goals Form
 3. Attachment 13: Signed Recitals, Acknowledgement, and Consent Form
- F. Funding Commitment Letters for any committed capital and operating funding
- G. City Historic Resource Review Letter from CPED (if proposal includes demolition or renovation)
- H. Neighborhood Support Letter(s)
- I. Property Management Plan which includes a description of the following at a minimum:
 1. Affirmative marketing procedures (such as those described in A-8 Affirmative Fair Housing Marketing Plan)
 2. Fair housing standards compliance methods
 3. Maintenance and repair
 4. Personnel policy and staffing arrangements (such as required staff and tenant handbooks, personnel policy for training and discipline)
 5. Program for maintaining accounting records
 6. Rent collection policies and procedures
 7. Roles and responsibilities of managing agent:
 8. Security
- J. Proposal Fee: A \$1,000 non-refundable funding proposal fee payable to Minneapolis Finance Department.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK

XI. FUNDING PROPOSAL SUBMITTAL LOCATION AND DEADLINE

- A. Funding proposals are being accepted between the public release date of the front page of this document and 4:30 p.m., CDT, on June 26, 2014. The order in which the proposals are received will be noted. Developers are encouraged to submit funding proposals before the deadline. Proposals delivered after the deadline will be returned without being reviewed. The City has the right to reject any and all proposals at its sole discretion.
- B. Submit two (2) paper-based copies of the materials described in Section X above. The hard copies should be unbound, double sided if possible and three-hole punched with sections separated by tabs with section labels. The paper-based copies may exclude lengthy third party reports such as the appraisal and market study if the reports are included in the electronic submittal. CPED may request full hard copies of any required application item that is only submitted electronically.
- C. Provide one (1) full electronic version of the entire funding proposal using one of the following methods:
 1. Submit one (1) separate USB flash drive (which may be returned upon request), CD, or DVD
 2. Upload the documents to a file-sharing website such as box.com with access granted initially to matt.goldstein@minneapolismn.gov and arlene.robinson@minneapolismn.gov.
- D. Deliver the proposals to:
Minneapolis CPED
Attn: Matt Goldstein, HDFF, AICP
RE: AHTF Funding Proposal
Crown Roller Mill Building
105 – 5th Avenue South, Suite 200
Minneapolis, MN 55401

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK

**PART 2: AFFORDABLE HOUSING TRUST FUND
SELECTION CRITERIA**

- I. INTRODUCTION:** Projects are evaluated against a total of 18 selection or scoring criteria, which is divided into three parts. The first part is comprised of 17 selection criteria that apply to all proposed projects. The remaining two parts are comprised of one selection criteria that is specific to projects located within poverty impacted areas or poverty non-impacted areas. Depending upon whether a project is located in an impacted area or a non-impacted area, proposals will be evaluated according to one of the two selection criteria point structures listed below.
- II. MINIMUM POINT THRESHOLD:** A funding proposal needs at least 20 points in two selection criteria ("Financial Soundness and Management" and "Economic Integration") to meet the initial minimum point threshold and 86 points in all categories to meet the total minimum point threshold. A proposed project must meet both the minimum 20 point threshold and the minimum 86 total point thresholds to be underwritten and considered for funding.

III. SELECTION CRITERIA FOR ALL PROJECTS:

A. Financial Soundness and Management: Up to 25 Points Total

Underwriting Criteria: Up to 10 points for being underwritten according to the CPED's underwriting standards with approximately one point for each of the standards listed in Attachment 11;

Secured Funding: Up to 5 points for the percentage amount of other funding sources which have been secured as follows:

<u>Percentage of Project Financing Secured</u>	<u>Points</u>
0% to 20%	0
20.1% to 40%	2
40.1% to 60%	3
60.1% to 80%	4
80.1% or more	5

Property Management Plan: Up to 5 points for the quality of the management plan.

Developer's Comparable Project Experience: Up to 5 points for the developer's experience in developing and operating projects of this type.

B. Economic Integration: Up to 20 Points

Project meets the mixed-income goals on basis of percentage of low-income units (affordable to 50% of AMI) to the total number of units.

<u>Percentage of Low-Income Units</u>	<u>Points</u>
20% of total units	15
20.1% to 40%	20
40.1% to 60%	10
60.1% to 80%	5
80.1% to 100%	0

C. Ratio of Soft Costs to Total Project Costs: Up to 15 Points

Points given on the % of total project costs that are considered soft costs or costs of intermediaries. For the purposes of this provision, "Costs of Intermediaries" shall be consistent with Minnesota Housing Finance Agency and shall exclude the following intermediary costs to be consistent with the low income housing tax credit calculation: Sewer/water access charge, furnishing and equipment, hazard and liability insurance, survey and soil borings

<u>% of Total Project Cost</u>	<u>Points</u>
>24%	0
15.1% - 24%	5
0% - 15%	15

D. Family Housing: Up to 15 Points

The project provides family housing whereby 25% or more of the rental units in the project have three or more bedrooms. Points are awarded as follows:

<u>Percentage of Units 3+ BR</u>	<u>Points</u>
25% or less	0
25.1% to 50%	5
50.1% to 75%	10
75.1% or more	15

E. Design Quality and Compatibility: Up to 5 Points

Projects are evaluated to insure compliance with the Green Communities standards and the Healthy Housing Policy (see Part 1, Section VI for more information), quality construction and aesthetically pleasing design which is compatible with the neighborhood will be awarded up to 5 points. The City Planning Department will be part of this review.

F. Provision of Resident Support Services: Up to 10 Points

Preference given to projects that provide resident support services or establish a strong, integrated referral system. Examples of support services include information and referral, advocacy, case management, self-reliance training, formation/existence of a resident association, and community building activities.

<u>System in place to provide support services:</u>	<u>Points</u>
Provide to >50% of households	10 points
Provide to >25% of households	8 points
Provide to >10% of households	6 points
<u>Strong, integrated support referral system:</u>	<u>Points</u>
Provide to >50% of households	5 points
Provide to >25% of households	3 points
Provide to >10% of households	1 point

G. Plan Conformance: Up to 10 Points

Preference to projects that conform to the City of Minneapolis Consolidated Plan, Comprehensive Plan, and/or to any city-adopted neighborhood plan document.

H. Proximity to Transit and Jobs; Density: Up to 20 Points

A. Transit-Oriented Development - The project is located within .50 miles of high service local fixed route transit or within .50 miles of a transit stop served by an express route or a limited stop route (10 points). Please see the Illustrative Transit Map in Attachment 12 as a supplement to other available transit information.

The project is located within .25 miles of any other transit stop (5 points)

B. Proximity to Jobs – Maximum number of points is 5.

C. Density: Higher Density Development – Maximum number of points is 5.

I. Project-Based Section 8 Program Assistance: Up to 10 Points

The developer has applied for 1) Project-based Section 8 units and has obtained a letter of support from Minneapolis Public Housing Authority, or 2) For other ongoing project assistance such as the HUD Supportive Housing Program.

J. Housing for Long Term Homeless (at 30% or less of AMI): Up to 10 Points

Project provides housing units for long term homeless households as defined by MHFA for HUD; household income must be 30% or less of AMI.

<u>% of LTH Units</u>	<u>Points</u>
40% of total units at or below 30% AMI	10 points
20% of total units at or below 30% AMI	5 points

K. Long-Term Affordability Period: Up to 10 Points

Preference is given to those projects that demonstrate the ability to serve tenants for the longest period of time. The project must either cash flow for the period of proposed affordability or an operating deficit fund must be established at the beginning of the project.

<u>Affordability Period</u>	<u>Points</u>
30 years or more	10 points
25 years or more	8 points
20 years or more	5 points

L. Senior Housing: Up to 15 Points

Senior independent rental congregate and/or assisted living meeting development goals and objectives of the Minneapolis Senior Housing Policy and which is 100% senior (55 years and older).

<u>Age Restriction</u>	<u>Points</u>
Age-restricted to seniors only	15 points
Senior oriented without age restriction	5 points
No specific senior orientation	0 points

M. Neighborhood Support: Up to 5 Points

Proposed project is supported by the recognized neighborhood organization based on review of design and land use issues.

N. Expiring Tax Credits: Up to 5 Points

Proposed project results in preserving long-term affordability of expiring tax credit units.

O. Leverage: Up to 10 Points

Total AHTF amount awarded and current AHTF request divided by Total Development Cost equals leverage ratio percentage.

<u>Leverage Ratio</u>	<u>Points</u>
0 – 5%	10
5.1% - 10%	5

P. Community Housing Development Organization: Up to 5 Points

Project is owned, developed or sponsored by a Community Housing Development Corporation (CHDO) as defined by HUD.

Q. Commercial or Community Corridor: Up to 15 Points

Preference to projects located on a Commercial Corridor or Community Corridor. The list of Commercial Corridors and the list of Community Corridors are found on Pages 1-27 AND 1-28 (Table 1a and Table 1b) of the Land Use Chapter of the Minneapolis Plan http://www.minneapolismn.gov/cped/planning/plans/cped_comp_plan_2030.

<u>Distance to Corridor</u>	<u>Points</u>
Contiguous with or within one parcel of a listed corridor right of way	15 points
Not contiguous but within ¼ mile (495 feet) of a listed corridor	10 points
Further than ¼ mile (495 feet) from a listed corridor	0 points

R. SELECTION CRITERIA SPECIFIC TO PROJECTS IN A POVERTY IMPACTED AREA:

Preservation, Rehabilitation, Stabilization: Up to 10 Points

Project provides preservation, rehabilitation, and stabilization in impacted areas.

S. SELECTION CRITERIA SPECIFIC TO PROJECTS IN A POVERTY NON-IMPACTED AREA: New Construction or Positive Conversion: Up to 10 Points

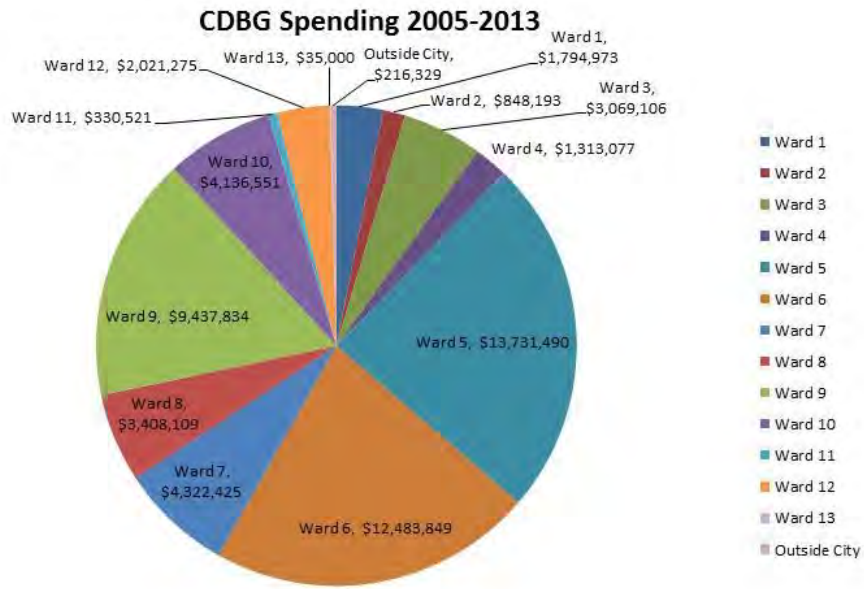
Project provides new construction and positive conversion in non-impacted areas.

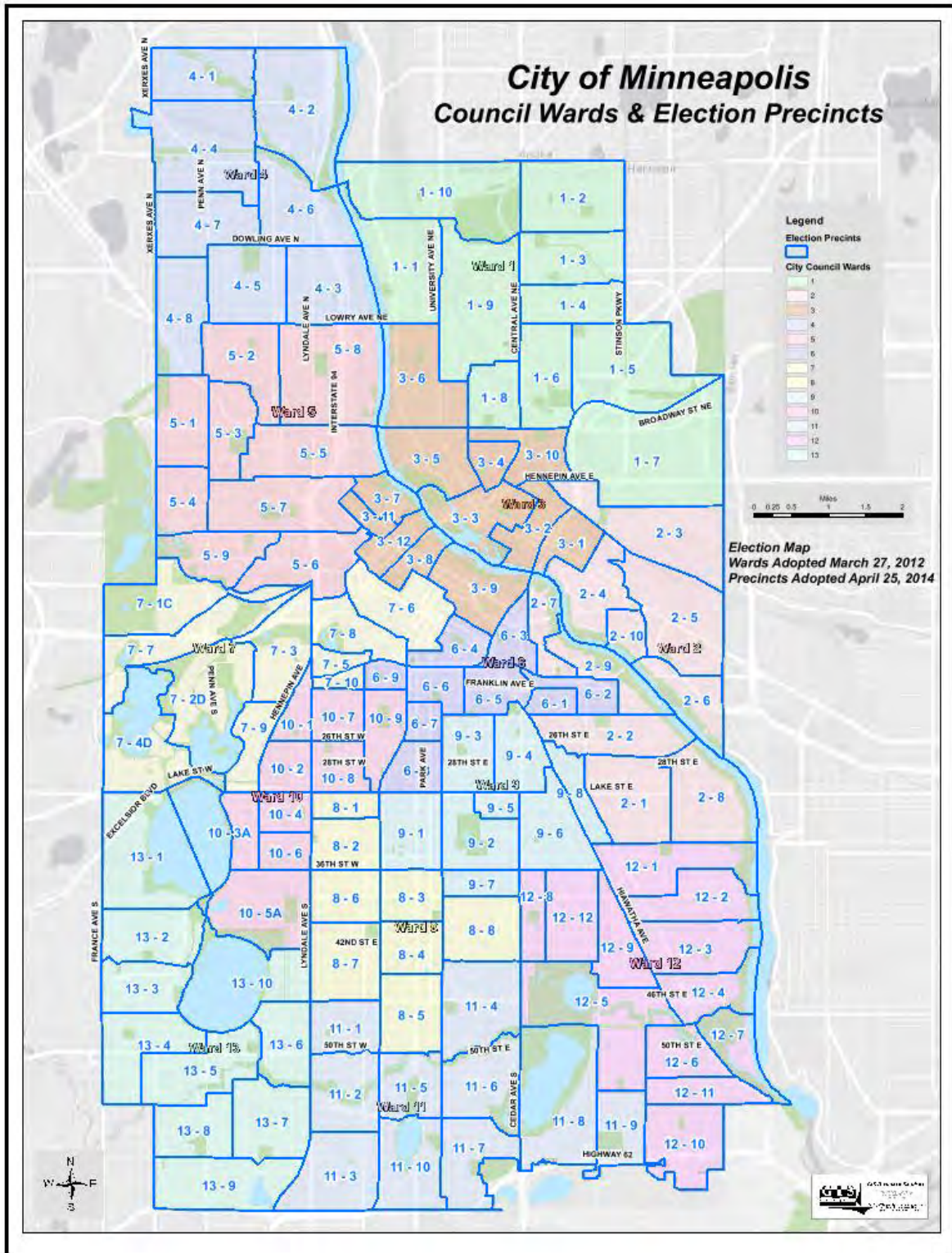
PART 3: AFFORDABLE HOUSING TRUST FUND RFP ATTACHMENTS

- Attachment 1: Healthy Housing Policy
- Attachment 2: Utility Allowances, Income and Rents
- Attachment 3: Map of Minority Impacted and Non-Impacted Areas
- Attachment 4: Map of Poverty Impacted and Non-Impacted Areas
- Attachment 5: Bidding Procedures
- Attachment 6: Contracting Requirements
- Attachment 7: Summary of Lead-Based Paint Mitigation Requirements
- Attachment 8: Progress Report Form
- Attachment 9: Self-Scoring Worksheet
- Attachment 10: SUBP Form
- Attachment 11: Underwriting Standards
- Attachment 12: Illustrative Transit Map
- Attachment 13: Recitals, Acknowledgement and Consent Form

Order of Contents: CDBG Geographic Priorities and Historic Locations

SP-10: Geographic Priorities—Historic Locations of CDBG Spending





Order of Contents: Citizen Participation Plan

Minneapolis Citizen Participation Plan

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 sources 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

FY 2015-2019 Consolidated Plan Development Schedule	
October 21, 2014	Public & Stakeholder hearing City Council Chambers
November 18, 2014	Public Hearing on City 2015 Proposed Budget & Levy
December 11, 2014	2015 Council-Adopted Budget & Public Hearing
March 17 – April 16, 2015	Public Comment period 2015-2019 Consolidated Plan public comment draft
April 7, 2015	Public Hearing on 2015-2019 Consolidated Plan
April 17, 2015	Submission of 2015-2019 Consolidated Plan and 2015 Action Plan to HUD
June 1, 2015	Beginning: 2015 Consolidated Plan Program Year
August 2015	Public Comment Period and Public Hearing on 2014 Consolidated Annual Performance Report (CAPER)

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's Community Development and Regulatory Services 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.minneapolismn.gov/grants/grants_consolidated-plan.

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 email Matthew.Bower@minneapolismn.gov. Deaf and hard-of-hearing persons may use a relay service to call 311 agents at (612) 673-3000. TTY users may call (612) 673-2157 or (612) 673-2626.

Para asistencia 612-673-2700
Rau kev pab 612-673-2800
Hadii aad Caawimaad u baahantahay 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.

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, IGR – Grants & Special Projects (612) 673-2188
HOME	Project Developers	Jon Clevenger, CPED (612) 673-2495
ESG	Shelter Rehabilitation Projects & Homelessness Prevention and Rapid Re-housing Services	Tiffany Glasper, CPED (612) 673-5221
HOPWA	Minnesota AIDS Project (MAP); Metropolitan Council HRA	Matthew Courtney, IGR – Grants & Special Projects, (612) 673-3256

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.minneapolismn.gov/grants/grants_consolidated-plan. 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.

Order of Contents: 2015-2019 Affirmatively Furthering Fair Housing

2015-2019 Affirmatively Furthering Fair Housing

AFFIRMATIVELY FURTHERING FAIR HOUSING (24 CFR §91.225)

As a recipient of HUD entitlement funds, the City of Minneapolis affirmatively furthers fair housing. This affirmation consists of the following: an analysis of impediments to fair housing choice has been conducted for the jurisdiction; the City will take appropriate actions to address the impediments identified through that analysis; and that the City will maintain records reflecting that analysis and actions in this regard.

In pursuit of having an Analysis of Impediments to Fair Housing Choice (AI) available to use as a resource in developing appropriate fair housing actions, the City through the Fair Housing Implementation Council, commissioned a regional analysis of impediments in 2014. The Fair Housing Implementation Council (FHIC) is a cooperative effort of the thirteen HUD entitlement funding jurisdictions in the Twin Cities. The 2014 Regional AI is the third one sponsored by the FHIC. A regional approach was used in recognition that fair housing as a public policy concern does not respect municipal or county borders. In addition to the thirteen entitlement jurisdictions, the Carver County Community Development Agency, the Scott County Community Development Agency and the Metropolitan Council participated in and helped fund the 2014 AI to ensure that the process encompasses all seven counties of the metropolitan area. It should be noted that while there are eight cities in the region that are entitlement jurisdictions there are more than one hundred other cities in the region that are not entitlement jurisdictions but are represented by their parent county in this analysis.

This regional AI serves as the catalyst for the above-reference three-step process to affirmatively further fair housing. The AI documents existing impediments to fair housing, determines their relative severity, and explores remedies, as well as other actions a grantee may take or have undertaken to affirmatively further fair housing. The final actions, certification and methodology for an entitlement jurisdiction to affirmatively further fair housing is found within each entitlement jurisdiction's Consolidated Plan and is evaluated by HUD through the Consolidated Plans, Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPER). This work consists of the maintenance of records in support of the affirmatively furthering fair housing certification that the City makes in receipt of the HUD entitlement funds.

The regional AI identified ten impediments applicable to Minneapolis. The AI can be reviewed at <http://www.housinglink.org/Research/ResearchLinks.aspx>. These ten impediments identified at the regional level are:

1. Potential homebuyers of color are denied for home purchase loans at rates exceeding White homebuyers.
2. Higher rates of exit from homeownership among households of color.
3. Homeownership perceived as unattainable by some households of color.
4. Predatory lending practices towards immigrants, communities of color, and disabled households, in the form of contract-for-deed (only identified as an impediment within Minneapolis, St. Paul, Hennepin County and Ramsey County).

5. Housing choices for people of color are impacted by perceptions about school performance and neighborhood safety.
6. Limited number of rental units with 3+ bedrooms.
7. High rental application denial rate in communities of color and those with disabilities based on rental selection criteria (criminal background, credit history, rental background).
8. Inability to place tenant based rental assistance vouchers for those with disabilities, households with children, and households of color, including but not limited to Housing Choice Vouchers.
9. Development processes in local government can limit construction of affordable housing and housing for people with disabilities.
10. NIMBY-ism with regard to siting and placement of affordable housing.

Considering these identified regional fair housing impediments all of which are found to some degree in Minneapolis, it should be noted that among the City's current strategic goals, one goal speaks directly to the addressing of the concerns raised by these impediments-- One Minneapolis: Disparities are eliminated so all Minneapolis residents can participate and prosper. This City goal contains strategic directions that:

- Racial inequities (including in housing, education, income and health) are addressed and eliminated.
- All people, regardless of circumstance, have opportunities for success at every stage of life.
- Equitable systems and policies lead to a high quality of life for all.
- All people have access to quality essentials, such as housing, education, food, child care and transportation.
- Residents are informed, see themselves represented in City government and have the opportunity to influence decision-making.

In light of this commitment to seeing that all residents achieve equity in the city and how its services and programs are delivered, city departments have been directed to incorporate appropriate directions into their programming processes.

In terms of mitigation strategies to these identified impediments, Minneapolis proposes to continue partnering with the other twelve entitlement jurisdictions in the metropolitan area to work on common fair housing projects through a focused regional dialogue. The cooperative funding agreement that funds the FHIC is set to expire on June 30, 2015. This Consolidated Plan recommends that the City continue its participation in the FHIC. The City will continue to provide some of its administrative CDBG funds to fund joint fair housing projects undertaken through the FHIC. FHIC input will provide the City with a clearer understanding of the fair housing issues that are in need of the greatest attention and what the City can proactively provide to those issues.

With the 2014 AI Impediments in mind and reflective of some of the AI's suggested recommendations, the City will seek the following actions over the next five years either directly or through sponsorship of the FHIC or other appropriate partners:

- Support paired fair housing testing similar to the work undertaken in past years by Legal Aid,

This testing should focus on a broad array of groups looking at how the wide varieties of protected classes are impacted. Minneapolis has a particular interest in the realities faced by housing choice vouchers holders in the housing market and how expanded and accessible choice is made possible for voucher holders.

- The City will continue its support of Mid-Minnesota Legal Aid's Housing Discrimination Law Project with direction to have that work address appropriate impediments.
- Support fair housing advocacy, education and outreach similar to the work undertaken in past years by HousingLink and the Minnesota Homeownership Center
- The City is working at several levels to direct specific attention to community-based efforts at increasing protected class population participation in sustainable homeownership options. The City will also continue fair housing advocacy and education work through its Department of Civil Rights and local community partners.

An important component of education and outreach work will also include further research into best practices and sharing of those practices through forums such as the FHIC and other appropriate bodies.

- Undertake a review of how city contract documents can better address how its agreements with housing developers can ensure that an applicant's receipt of public assistance is not a reason for rent refusal and incorporate appropriate enforcement remedies.
- Continue to review internal processes and procedures to ensure that the City does not present any institutional barriers to the development of affordable housing or housing that would serve households with special needs and/or disabilities.
- Continue to combat NIMBY-ism with regard to siting and placement of affordable housing. The City will review its housing programming policies to identify any actions that the City may need to take to clarify its role in making housing sited in a manner that promotes the objective of de-concentrating locations of affordable housing and housing types that may have the effect of concentrating protected classes.
- Examine contract-for-deed arrangements being provided by the market to entry-level homebuyers and how to address any abuses of this financing through appropriate city enforcement options.
- Continue to prioritize the creation of new large bedroom rental units in city affordable housing programming
- Review housing policies for actions that the City could implement to provide for more housing options and choice in an affirmative manner.

Past Actions in Support of Previous Analysis of Impediments

The previous 2009 Analysis of Impediments identified the following impediments for jurisdictions to consider addressing:

1. Insufficient interest in fair housing in some communities, which, in turn, implies a lack of desire to affirmatively further fair housing or entertain fair housing planning;
2. Lack of sufficient fair housing outreach and education;
3. While some protected classes, or a portion of some protected classes, have avenues for advocacy, there is currently insufficient system capacity to address the level of prospective demand for fair housing services regionwide;
4. Lack of an effective referral system for fair housing concerns;
5. Lack of understanding of what qualifies as a fair housing issue, particularly as it relates to landlord/tenant disputes and affordable housing production;
6. Policies and practices have contributed to concentrations of protected classes in selected areas of the region;
7. Disproportionately high denial rates for racial and ethnic minorities in the home mortgage industry;
8. Denial rates for home mortgages are disproportionately high in lower-income areas;
9. Originated HALs (high interest rate loans) are disproportionately targeted to minority racial and ethnic groups, leading to increased foreclosure risks for this group;
10. Discriminatory terms and conditions for protected classes in the rental market, specifically for racial and ethnic minorities and persons with disabilities;
11. Discrimination and harassment in the rental markets;
12. Discrimination of Section 8 voucher holders;
13. Poor documentation of fair housing activities, especially enforcement activities, such as processing and responding to fair housing complaints or lack of sufficient detail in tracking complaints;
14. Some zoning and land use regulations by units of local government may be construed to have a disparate impact;
15. Some local government housing actions and/or policies may not be in the spirit of affirmatively furthering fair housing.

In consideration of these impediments Minneapolis undertook the following affirmative actions over the past Consolidated Plan either directly, or through the work of the FHIC. These actions demonstrate and reiterate the City's commitment in making housing available and accessible to protected class populations.

- Funding the complaint intake, investigation, advocacy and litigation work of Mid-Minnesota Legal Aid's Housing Discrimination Law Project
- Enforcement of City fair housing ordinance through the Minneapolis Civil Rights Department
- Funding the advice and representation of clients with special emphasis on housing and shelter-related issues through Mid-Minnesota Legal Aid
- Minneapolis has met its annual goal of producing more new units in both impacted and non-impacted areas than the city removed from the housing inventory.

- Minneapolis CPED works with the Homeownership Center which provides training and counseling services to individuals purchasing homes. These services are offered in several languages and provide the necessary information needed to navigate the home buying process.
- Minneapolis CPED includes in its Affordable Housing Trust Fund requirements that borrowers may not refuse to lease a unit in the project because the prospective tenant is a Section 8 certificate or voucher holder, or a participant in a HOME tenant-based assistance program.
- The city continued to refine program guidelines and funding criteria to support growth and increase densities and mixed uses in areas designated for growth in the Minneapolis 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.
- In 2011, the city eliminated the need to obtain a conditional use permit for new or expanded multi-family residential developments. This amendment reduces costs and provides greater certainty that developers may build, as-of-right, the number of units allowed in a particular zoning district.
- In 2012, the city extended the time within which a permit must be obtained following approval of a land use application. This change allows housing developers (and others) additional time to secure financing and finalize other project details prior to obtaining and building permit and commencing a project.
- In 2012, the city revised its definitions and development standards for supportive housing. A project will no longer be classified as supportive housing unless it requires participation in programs that improve daily living skills. Projects that offer but do not require such participation will no longer be subjected to a spacing requirement from supportive housing uses, thus opening more locations in the city where this housing may be provided.
- In 2013 the city amended the zoning ordinance to change the way residential density is regulated in most zoning districts. Previous regulations acted as a disincentive to develop smaller dwelling units in multi-family and mixed use developments. The change eliminated most “minimum lot area per dwelling unit” standards.
- The city amended its comprehensive plan to allow for denser housing development along sections of its light rail corridors. 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 city advocated for the successful amendment of the renter’s credit to provide additional relief to renters whose income is less than \$57,170. The maximum refund is increased from \$1,620 to \$2,000. The changes become effective for rent paid in 2013.
- The city advocated for the success achieved for the state’s investment increase of \$100 million over 2014-2015 base funding to MHFA to Family Homeless Prevention Assistance Fund, Challenge Fund, Housing Trust Fund, Rental Assistance for mentally ill (Bridges),

Preservation (PARIF), Rental Rehab Loans, Homebuyer Education (HECAT), Capacity Building, and Homeowner Assistance Fund.

- The city continues to advocate for full federal and state financial participation in its affordable housing efforts. Other legislative items that the city supports include: state bonding for affordable housing, 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.
- Most recently, Minneapolis reviewed housing code enforcement work to address allegations that it does not improperly displace tenants, especially protected class tenants.

The following table from the 2014 AI identifies the actions undertaken by the FHIC in response to the 2009 AI:

TABLE 1-1		
2010-2011		
SMRLS	\$47,487	Fair Housing education targeted to shelter, transitional and supportive housing clients and providers and complaint-based enforcement
HousingLink	\$2,790	Fair Housing education targeted to landlords and web content and hosting
2011-2012		
Affordable Housing Connections	\$5,000	Fair Housing education targeted to owners/ managers and asset managers of properties receiving federal funding
Judicare of Anoka	\$3,000	Fair Housing education targeted to persons with disabilities
SMRLS	\$22,250	Complaint based enforcement and paired testing
2012-2013		
SMRLS	\$22,500	Education/Enforcement targeted to immigrants and new Americans
Housing Link	\$7,500	Development of on-line, on demand fair housing training for landlords
2013-2014		
SMRLS	\$10,000	30% Match to FHIP enforcement and outreach
Housing Link	\$20,000	YouTube Videos in multiple

	languages
--	-----------

Order of Contents: Emergency Solutions Grant

Description of Emergency Solutions Grant

Emergency Solutions Grant (ESG)

The ESG program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. Assistance can be provided to emergency shelters. Minneapolis ESG funds will be made available for shelter rehabilitation, street outreach and homelessness prevention and rapid rehousing through the City's Community Planning and Economic Development Department (CPED). Eligible sub recipients under ESG can be local government agencies or private nonprofit organizations.

Further discussion of the needs of and strategies for persons experiencing homelessness and those threatened with homelessness are covered in respective sections of the 2015-19 Consolidated Plan.

1. ESG Consultation Process

The Emergency Solutions Grant coordinates with the local Continuum of Care planning process that is countywide including Minneapolis. The Heading Home Hennepin (HHH) initiative is the local Continuum of Care and is the local 10 year Plan for Ending Homelessness. It is under the direction of the Heading Home Hennepin Executive Committee and staffed by the City-County Office to End Homelessness. The HHH Executive Committee includes homeless/formerly homeless members in its makeup and its planning committees and subcommittees include homeless/formerly homeless individuals. The role of the Executive Committee is to provide overall policy direction and oversight to the implementation of the Heading Home Hennepin plan. The Executive Committee works through various committees to implement Continuum policies, strategies, programming, evaluation and public reporting.

Initial consultations on the Emergency Solutions Grant began in December 2010 with discussions with the City-County Office to End Homelessness, Hennepin County and the State of Minnesota on what the new HEARTH Act requirements would mean for local programming. These discussions have continued after the publication of HUD interim regulatory guidance pertaining to the Emergency Solutions Grant. On February 3, 2012, the Heading Home Hennepin Executive Committee approved the concept and description of ESG use among eligible activities as outlined below.

Consultation on the implementation of the ESG grant continues with Heading Home Hennepin Executive Committee and its respective committees during the life of the grant.

2. Summary of Citizen Participation

The City uses its Consolidated Plan citizen participation process for receipt of any comments on its ESG programming. Minneapolis relies on the Heading Home Hennepin structure and its community engagement processes to inform itself of the needs and strategies of the local Continuum of Care.

3. Proposed Activities

The city budgets ESG resources to the renovation/rehabilitation of emergency and transitional shelters in the city, and providing funding for homelessness prevention, rapid re-housing and street outreach services. Between rapid re-housing and homelessness prevention services preference is given to rapid re-housing services.

Under ESG, the City will seek to budget the greater of its Hold Harmless amount (\$558,377) or 60 percent of the grant annually to shelter rehabilitation and street outreach activities. Funds outside of this amount will be budgeted to administrative activities (7.5% of grant amount) and to homelessness prevention and rapid re-housing activities. Some occasional funding may be reserved for any HMIS costs that the City may incur in participation in ESG.

Homelessness Prevention and Rapid Re-housing activities will be determined from project solicitations received from periodic Request for Proposals. Projects funded under these eligible activities may provide housing relocation and stabilization financial assistance/services and/or rental assistance. Street outreach funds were awarded through an RFP issued for those services and are subject to annual renewal.

The activities addressed with the City's ESG funds will be consistent with the needs addressed in the Heading Home Hennepin strategic plan.

Projects and activities will need to be selected and funds obligated to these projects/activities within 180 days of a signed HUD grant agreement. Projects/activities have up to 24 months after the date of the signed HUD grant agreement to expend ESG funds.

ESG projects and activities will address the following HUD objectives and outcomes:

Shelter Renovation/Rehab	
Performance Objective	Create Suitable Living Environment
Performance Outcome	Availability/Accessibility

Homeless Prevention	
Performance Objective	Provide Decent Affordable Housing
Performance Outcome	Affordability
Rapid Re-housing	
Performance Objective	Provide Decent Affordable Housing
Performance Outcome	Affordability

4. ESG Match

A one-for-one match is required for the ESG grant. It is obtained by eligible match contributions received and expended by sub recipients during the program year that applies to the ESG funding. Match will only be counted if it is used by the sub recipient to support eligible ESG programming and activities. The city will consider meeting its one-for-one match requirement through the totality of the ESG activities that it will fund and the matches that the sub recipients provide.

Sources of match by sub recipients can be unrestricted federal, state, local or private sources; however, if any match is federal the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG (no reciprocal federal matching). There cannot be any restrictions on proposed match that would preclude it from being used for eligible ESG activities.

5. ESG Funding Priorities

Shelter Rehabilitation/Renovation

The City has traditionally used its ESG awards to provide rehabilitation and renovation assistance to shelters in the city, or to positively convert buildings for use as emergency shelter. Neither property acquisition nor new construction is an eligible use of these funds. Historically, the City has received ESG funding requests in excess of available funding, demonstrating a high demand for this program. A shelter's physical condition has a shorter life span than similar structures and necessitates frequent rehabilitation to keep shelters in safe and sanitary condition and current with code.

Assisted rehabilitation/renovation/conversion properties must be located in the City of Minneapolis or Hennepin County serving Minneapolis families and individuals. Awards are through an annual Request for Proposal (RFP) process issued through the Minneapolis Community Planning and Economic Development department. Matches to the program award are required, and can be in the form of operating costs funds provided by other entities to recipient

projects. Other match sources for projects can include rehabilitation-specific contributions from Minnesota Housing, foundations, and private sources. ESG program funds may also be used for furniture, security systems and/or equipment in either a new construction, positive conversion or renovation/rehabilitation project. Proposals requesting ESG funding for furnishings, security systems and equipment will be thoroughly analyzed for compliance with City of Minneapolis Consolidated Plan and applicable HUD regulations. The RFP is not intended to solicit proposals for any other operating costs as defined under §576.102 (3).

Representatives from Minnesota Housing Finance Agency, Hennepin County, Family Housing Fund, and CPED will review information submitted by applicants and may conduct interviews with the applicants. In addition, CPED staff will conduct a physical inspection of the property. Staff will make recommendations to the City Council for their funding decisions.

Required qualifications of proposals are:

- ◆ Shelter must be owned by a private non-profit corporation or a government entity.
- ◆ Applicant must provide evidence that the property is properly zoned with necessary conditional-use permits in place. If a zoning change or a conditional-use permit is needed, proposer must obtain a letter from CPED Planning describing what must be done and the timetable for obtaining the approvals and submit with the funding application.
- ◆ Projects assisted with ESG emergency shelter funds cannot require occupants to enter into lease or occupancy agreements of any kind unless it is a project that was funded with FY 2010 ESG funds.
- ◆ Applicant must demonstrate sufficient knowledge, experience and capacity to undertake and complete the development project.
- ◆ Applicant must demonstrate the ability to enter into ESG contracts with the City of Minneapolis within sixty days of City Council approval.
- ◆ The grant-eligible work items must be completed and funds spent no later than the applicable 24-month expenditure deadline.
- ◆ The building must be maintained as an emergency shelter for homeless people for a period consistent with HUD minimum standards for shelters receiving rehabilitation funds as outlined in § 576.102 (c) Minimum Period of Use.
- ◆ Recipients of ESG funds must participate in a Homeless Management Information System (HMIS) and will be required to collect data on all universal elements as defined in HMIS.
- ◆ Applicant must provide the organization's most recent audited financial statements.
- ◆ Applicant must provide evidence of sufficient amount of revenue/income to operate the project.
- ◆ Shelters assisted must at minimum meet the shelter and housing standards as outlined in 24 CFR 576.403, as well as state and local government safety

and sanitation standards, as applicable, including the requirements for lead-based paint and energy-efficient appliances.

- ◆ Competitive bidding must occur in accordance with the City's bidding instructions, which are included in the RFP materials.
- ◆ All development funding sources, in addition to the ESG funds, must be secured before a closing can occur.
- ◆ Matches to the program award are required, and can be in the form of operating costs funds provided by other entities to recipient projects. Other match sources for projects can include rehabilitation-specific contributions from Minnesota Housing, foundations, and private sources.
- ◆ Environmental testing, including lead-based paint risk assessment and remediation, will be required, in most projects funded with ESG.
- ◆ Federal relocation regulations and local relocation rules apply to all projects funded through the Affordable Housing Trust Fund and the ESG Program.

Projects that leverage additional funding sources to help cover the estimated development costs and projects incorporating green/sustainable elements consistent with the "Minnesota Overlay to the Green Communities Criteria" and/or National Green Communities Criteria will receive priority consideration for ESG funding.

Street Outreach

ESG funding will be provided for street outreach services made available to individuals meeting the Category 1 and 4 definitions of homelessness. The work will be done through a contract with St. Stephens Human Services. Outreach services provided will consist of engagement, case management, emergency health services, emergency mental health services, transportation and unique services for special populations that seek to connect users to housing opportunities and support services for which they are eligible.

Rapid Re-housing

The City will issue Request for Proposals (RFP) for projects/activities that can service the eligible rapid re-housing portion of ESG. This RFP will also request homeless prevention services as well but as noted above, the City will prefer funding rapid re-housing over homeless prevention services. This preference is in line with HUD analysis of what worked under the Homelessness Prevention and Rapid Re-housing Program grant.

Rapid re-housing will serve Minneapolis residents -- homeless families and single adults without children who reside in a Hennepin County sited homeless shelter (previous permanent address was within Minneapolis) as well as unaccompanied youth who are verifiably homeless according to the HUD definition found below. These clients must have an annual income at or below thirty (30%) of HUD area

median family income. Specifically homeless is defined by HUD in 24 CFR §576.2 as:

- (1)** An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
 - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or
 - (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- (2)** An individual or family who will imminently lose their primary nighttime residence, provided that:
 - (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
 - (ii) No subsequent residence has been identified; and
 - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;
- (3)** Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
 - (i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
 - (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
 - (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention or criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

(i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, and faithbased or other social networks, to obtain other permanent housing.

Use of funds under the Rapid Re-housing eligible activity can be for short-term or medium-term rental assistance to achieve permanent housing and stability. This rental assistance should be for no longer than necessary for the recipient to obtain permanent housing. The rental assistance can either be tied to the recipient or consist of project-based assistance that can "float" within a development serving eligible recipients.

Housing relocation and stabilization services can also be provided under Rapid Re-housing. These services can consist of financial assistance or services. Financial assistance is provision of rental application fees, security deposits, last months rent, utility deposits, utility payments and moving costs. Financial services can include housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

Homelessness Prevention

As described above, the City will issue Request for Proposals (RFP) for projects/activities that can also provide ESG eligible homelessness prevention services to Minneapolis resident renters. Homelessness prevention services will be a secondary consideration to rapid re-housing in making project/activity awards. Prospective applicant agencies can offer to provide both eligible uses in their applications. Funding provided to clients under homelessness prevention must be last resort funds required to keep in housing a person/household at risk of homelessness. Similar target populations noted under rapid re-housing are

also sought to be served under homelessness prevention. A person/household at risk of homelessness is defined as:

- (1)** An individual or family who:
- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
 - (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "Homeless" definition in this section; and
 - (iii) Meets one of the following conditions:
 - a. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - b. Is living in the home of another because of economic hardship;
 - c. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 - d. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
 - e. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
 - f. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 - g. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;
- (2)** A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or
- (3)** A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

For purposes of the above definition's paragraph (g), someone who lives in housing that has characteristics associated with instability and an increased risk of homelessness is defined as follows. A renter household with income at/or below 30% of median income adjusted for family size and whose housing costs exceed 50% of their income and upon provider assessment is shown to be at imminent risk of losing existing housing. Use of funds under the Homelessness Prevention eligible activity can be for similar uses as under Rapid Re-housing. Projects can be for short-term or medium-term rental assistance to retain permanent housing and stability. This rental assistance should be for no longer than necessary for the program participant to be stabilized in existing housing.

Housing relocation and stabilization services can also be provided under Homelessness Prevention. These services can consist of financial assistance or services. Financial assistance is provision of rental application fees, security deposits, last month's rent, utility deposits, utility payments and moving costs. Financial services can include housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

6. ESG Written Standards for Assistance

The following ESG Written Standards for Assistance are presented in outline form and intended to provide a guide to how the City will implement the homelessness prevention and rapid re-housing services aspects of the ESG grant as well as outline the standards used in local emergency shelter and street outreach supported efforts. Italicized text is the HUD guidance on what the respective written standards should address as outlined in the 24 CFR 576 amended regulations. These Standards will be reviewed periodically as an RFP for HP/RR services is developed and that RFP will reflect prioritized standards as of the issuance of the RFP. Changes to the standards outlined below in any resultant RFP will not be considered a substantial change to the Consolidated Plan.

Policies and procedures for establishing eligibility for assistance

Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG);

- ◆ Street Outreach: Services are provided to individuals who meet the Category 1 and 4 definitions of homelessness. The individuals must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelters.
- ◆ Rapid re-housing: Minneapolis resident homeless families and single adults without children including unaccompanied youth who reside in a Hennepin County sited homeless shelter (whose previous permanent address within 3 months of entering shelter was within Minneapolis).

These clients must have an annual income at or below thirty (30%) of HUD area median family income and meet the definition of homeless as set out in 24 CFR §576.2

- ◆ Homelessness Prevention: Minneapolis resident renters who are established as at-risk of homelessness as set forth in 24 CFR §576.2 as described above.
- ◆ Required documentation of the above will be made by providers by first attempting to get third-party verification of homelessness status. Other acceptable documentation options in secondary order of rank is 1) case manager verification of eligibility; and 2) self-report verification of eligibility combined with justification of efforts made and reasons for a lack of success in obtaining third-party or case manager verification of status.
- ◆ Applicant's level of need will be established through provider verification of resources available to the applicant household, financial and otherwise.

Standards for targeting and providing essential services related to street outreach

ESG funding will be provided for street outreach services made available to individuals meeting the Category 1 and 4 definitions of homelessness. The individuals must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelters. Outreach services provided will consist of engagement, case management, emergency health services, emergency mental health services, transportation and unique services for special populations that seek to connect users to housing opportunities and support services for which they are eligible. A community services team will perform outreach work in coordination with community stakeholders, public safety personnel and businesses and residents to identify and connect with homeless individuals in targeted areas in and around downtown Minneapolis as identified by public safety officers. Outreach will also be made to frequent users of emergency services as identified by program partners. Once contact is made, the outreach staff will triage a participant's housing and other needs and eligibility for referral to appropriate housing and support services options.

Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG

Standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, e.g., victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest;

Emergency shelters potentially served by Minneapolis ESG funds fall under Hennepin County emergency shelter policies. Users of these emergency shelter services all meet the four respective categories of homelessness under the HEARTH definition of homelessness. Specific populations served by these shelters are:

Families with children or individuals who are pregnant—the County contracts with family shelters to provide emergency shelter to Hennepin County families who are without resources to meet their housing needs. No families are turned away and all are given vouchers after meeting with a county Shelter Team staff. As long as families are working on their case plan, they are eligible for renewed vouchers. There is no maximum length of stay. Once stable housing is identified for them, families are provided with assistance for damage deposits, prorated rental assistance, arrear payments for utilities primarily through emergency assistance funds. Non-County residents are referred to emergency shelter assistance resources in their county of residence. Families who wish to relocate are provided with assistance to do so only if there is verified employment or housing at the relocation site.

Young Adults—ages 18-21 are identified as special needs and eligible for emergency homeless sheltering through the County. The County contracts with several shelter and safe waiting facilities. An intake assessment and action plan with a County caseworker is developed.

Single Adults—the County contracts with several shelters and safe waiting spaces for sheltering single adults. Shelter beds are available to those who receive federal disability benefits, are qualified for state cash benefits, are an active county social service case, or are a special need (fleeing domestic abuse, have a mental/physical impairment/disability or are ill). Those who cannot qualify or cannot be served by a shelter program are provided with safe waiting space. There are no maximum lengths of stay, clients are provided with access and referrals to county health case management services. As with families, an individual wishing to relocate may be provided with assistance to do so if there is verified employment or housing at the relocation site.

Single Adults can opt to participate in a weekly shelter lottery provided by three private emergency shelters. Two of the shelters are for sober users, one permits non-sobriety. Beds obtained in the lottery can be used up to 28 days with renewals permitted if there is a housing plan in place. If no progress is made evident on the housing plan, a renewal may not be allowed.

All intake assessments for the above populations triage the respective client housing situations and availability. Where resources are available or found, rapid exit into non-shelter housing is made first. Those with the highest barriers to finding housing are provided with shelter while a stabilization and housing plan is developed with a caseworker.

Policies and procedures for coordination among providers and mainstream providers

Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers (see § 576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);

- ◆ Heading Home Hennepin has several committee workplans demonstrating coordination of services among providers. These along with HPRP lessons, will inform on framework elements to be considered in allowing for ESG to address existing gaps in continuum services or supplement other continuum efforts.
- ◆ Service providers will identify other appropriate and available services (employment, training, education, income supports, etc.) to assist the participant to achieve stable, permanent housing as part of a Housing Stability Plan to be developed with the clients.
- ◆ Further development of coordinated assessment is occurring as the city and county implements ESG programming and as HUD establishes requirements for such coordinated assessment system. Any victim service providers funded under the city's ESG program will not need to participate in HMIS but may use an equivalent intake and assessment system as described in 24 CFR §576.400.

Policies and procedures for prioritizing and determining whether HP or RR

Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance;

Households must be assessed to determine whether or not the members are eligible to receive ESG-funded services prior to the actual delivery of those services. This assessment must consider whether homelessness prevention or rapid re-housing is the appropriate form of assistance for each eligible household that has been determined.

The initial assessment by providers must determine 24 CFR §576.2 and income eligibility and level of need (including analysis of sufficient resources or support networks) as described above in determining eligibility for assistance. Households that are judged to have the highest level of barriers to stable housing will be given priority for rapid re-housing. For homelessness prevention assistance, those households that are at most imminent threat of losing stable housing, as measured through a combination of housing costs in arrears,

household size, barriers to stable housing, and projected re-housing costs, will be given priority.

Households that have sought assistance during the prior twelve months will be given lower priority than those households that have not received assistance during the prior twelve months.

Standards for any rent and utility costs share required of participants

Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance

- ◆ Households should receive minimum level of assistance, for shortest time necessary, to stabilize housing
- ◆ Assistance prioritized to those for whom stable housing is not possible without assistance
- ◆ Flat subsidies act as an incentive for selecting lower cost housing and allow household to know exactly how much additional income is needed to be secured before the subsidy ends
- ◆ Shallow rent subsidies avoid the "cliff effect" where households cannot increase their income sufficiently to maintain housing situation when subsidy ends

Standards for determining length of rental assistance and whether adjustments allowed and how

Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time

- ◆ Project-based assistance must be for a lease term of a minimum of 12 months.
- ◆ Under ESG regulations, the maximum term of short term rental assistance is three months, for medium term rental assistance the maximum period is 24 months- in both instances within a three year timeframe. Assistance limit terms within these maximum limits to be determined. Evaluation and reevaluation of participant to be done by provider.
- ◆ Rental assistance cannot exceed actual rental cost plus utilities (if utilities expected to be paid by tenant), and be in compliance with HUD reasonable rental standards which will be determined through local rent survey analysis and local HUD Fair Market Rates
- ◆ Rental assistance should be flat and tied to maximum rental subsidies consistent with HUD Fair Market Rates

- ◆ Past due rental arrears count toward rental assistance time limits and may not exceed six months of rent arrears, including any late fees on those arrears
- ◆ Termination of assistance by the provider to be done consistent with 24 CFR §576.402
- ◆ Late payments. The sub recipient provider must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The sub recipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.
- ◆ Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments. In addition, with exception for one-time payment of rental arrears on tenant's portion of rental payment, a program participant household who is receiving either tenant-based or project-based rental assistance through other public sources is not eligible for ESG rental assistance.
- ◆ Legally-binding, written leases required between participant and Owner unless assistance is solely for rental arrears whereby an oral agreement is permitted if such oral agreement provides the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by owner's financial records, rent ledgers, or canceled checks.
- ◆ Rental assistance payments are only made to owners by the subrecipient provider under terms set forth in a rental assistance agreement. The rental assistance agreement must provide that during the agreement's term, the owner must provide the subrecipient provider copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant. These rental assistance agreements terminate and no further payments made under such agreement if
 - Program participant moves out of housing unit covered by participant's housing lease;
 - The lease terminates and is not renewed; or
 - The program participant becomes ineligible to receive ESG rental assistance
- ◆ No rental assistance use allowed outside of Hennepin County
- ◆ Subrecipient providers will be responsible for adherence to the tenant-based rental and project-based rental stipulations found in 24 CFR §576.106 (h) and (i)
- ◆ Adjustment allowances likely to be permitted subject to determination following an initial stabilization period and monthly thereafter. As

income increases, an equal percentage of support will decrease across time. Six months prior to the end of the maximum support window, financial assistance decrease in 1/6ths increments. If an eligible household still requires assistance beyond ESG time limits, providers will refer such households to permanent supportive housing options.

Standards for determining type, amount, and duration of housing stabilization/relocation services including maximum length, amount of assistance and maximum number of times for assistance

Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance; or the maximum number of times the program participant may receive assistance

All households deemed eligible for ESG-funded homelessness prevention or rapid re-housing assistance will be provided three months of housing stabilization and/or relocation financial assistance services as a means to develop housing stability. Assisted household and Subrecipient provider can agree that three months of such assistance is not necessary. However, housing stability case management services cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing.

At minimum, monthly housing stability case management meetings with participants are required after initial assessment and through the length of provided ESG assistance. The purpose for such meetings is to evaluate and review the participant's housing plan. These meetings should also seek to further the participant's ability to retain permanent housing after the end of ESG assistance considering the participant's current and expected income and expenses; other public and private assistance for which the participant may be eligible and likely to receive; and matching those considerations against the relative affordability of available housing suitable for the participant.

Component services and activities of housing stability case management consist of:

- ◆ Using an available centralized or coordinated assessment system as required under 24 CFR §576.400(d), to evaluate individuals and families applying for or receiving assistance;
- ◆ Conducting initial evaluation required under 24 CFR §576.401(a), including verifying and documenting eligibility for applying for homelessness prevention or rapid re-housing assistance;
- ◆ Counseling;
- ◆ Developing, securing, and coordinating services and obtaining federal, state and local benefits;

- ◆ Monitoring and evaluating program participant progress;
- ◆ Providing information and referrals to other providers;
- ◆ Developing an individualized housing and service plan including planning a path to permanent housing stability solutions; and
- ◆ Conduction reevaluations required under 24 CFR §576.401(b)

The activities named above fall under the housing stability case management limits for duration of services.

Expenses paid under financial assistance costs, as part of housing relocation and stabilization services are subject to the following limitations:

Subject to the general conditions under 24 CFR §576.103 and 24 CFR §576.104, ESG funds may be used to pay housing owners, utility companies, and other third parties for the following costs:

- ◆ *Rental Application Fees*: ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants.
- ◆ *Security Deposits*: ESG funds may pay for a security deposit that is equal to no more than two months rent.
- ◆ *Last Month's Rent*: if necessary, to obtain housing for a participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner has paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating program participant's total rental assistance, which cannot exceed 24 months during any three-year period.
- ◆ *Utility Deposit*: ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in the utility payments section below.
- ◆ *Utility Payments*: ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to six months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participants shall receive more than 24 months of utility assistance within any three-year period.
- ◆ *Moving Costs*: ESG funds may pay for moving costs such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.
- ◆ *Services Cost*: subject to general restrictions under 24 CFR §576.103 and 24 CFR §576.104, ESG funds may be used to pay the costs of providing the following services:

- **Housing Search and Placement:** service or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
 - Assessment of housing barriers, needs, and preferences;
 - Development of an action plan for locating housing;
 - Housing search;
 - Outreach to and negotiation with owners;
 - Assistance with submitting rental applications and understanding leases;
 - Assessment of housing for compliance with ESG requirements for habitability, lead-based paint, and rent reasonableness;
 - Assistance with obtaining utilities and making moving arrangements; and
 - Tenant counseling.

ESG-funded homelessness prevention and rapid re-housing services will be administered with a focus on helping households transition from housing instability towards stability. This will be accomplished by subrecipient providers assessing barrier levels and assets of participants to assemble a plan for housing stability that uses eligible ESG-funded services in amounts and for durations that can lead to housing stability within ESG program limits. Following the end of a three month stabilization period, housing stability reassessment will occur monthly.

7. ESG Sub-award Process

The City of Minneapolis will periodically issue Request for Proposals (RFP) for Rapid Re-housing and Homelessness Prevention services as well as for shelter rehabilitation and street outreach. The RFPs will be consistent with the priorities and standards listed above. The City will distribute the RFPs to agencies servicing Minneapolis and post on the city of Minneapolis website. A committee of City representatives with invited County staff, and other knowledgeable community representatives including to the extent possible, a person who is/was homeless will review proposals and recommend project selections. Recommendations will be communicated to the HHH Executive Committee. The City's Community Planning and Economic Development Department will present funding determinations to the Minneapolis City Council for final approval. The Request for Proposal process has been used extensively by the City of Minneapolis to select contractors. Applicants will be judged on the experience and capacity of their agency, and on the feasibility and appropriateness of their proposal and demonstration to meet federal and local mandates, including their ability to service ESG funds to those at or below 30 percent of metro median income. Additional qualifying criteria will include but not be restricted to ability to assist the City in providing one-for-one qualifying funding match for the ESG award.

The RFPs will be designed to select applicants who can work within a broad network of homelessness prevention and rapid re-housing resources that address ESG guidelines and local priorities supporting the strategic goals of Heading Home Hennepin plan. Awards made under the grant will be enforced through a contract outlining ESG program requirements.

8. Homeless Participation Requirements

As described above with the description of the HHH Executive Committee composition and the committees and subcommittees that serve under it, the City meets the requirements of 24 CFR §576.405 (b).

Sub recipients of ESG funds will be required to involve those who are homeless or formerly homeless in the development and delivery of ESG-funded projects and activities to the maximum extent practicable.

9. ESG Performance Standards

The following ESG performance standards for evaluation were developed in consultation with Continuum of Care and will be reviewed and revisited with the Continuum of Care periodically.

<p>Rapid Re-housing Outcomes</p> <ul style="list-style-type: none"> • Participants will be re-housed into stable housing within 30 days of eligibility determination for services • Participants receiving Rapid Re-housing will not become homeless during services or within six months of case closing
<p>Homelessness Prevention Outcomes</p> <ul style="list-style-type: none"> • Eligible renter households will not become homeless • At Risk of Homelessness Families, Adults and Youth will retain stable, permanent housing • Households receiving services will not become homeless during the six months following case closing
<p>Emergency Shelter Outcomes</p> <ul style="list-style-type: none"> • The building must be maintained as an emergency shelter for homeless people for a period of either 3 or 10 years depending on the degree of renovation and the value of the building • Shelters assisted must at minimum meet the shelter and housing standards as outlined in 24 CFR 576.403, as well as state and local government safety and sanitation standards, as applicable, including the requirements for lead-based paint and energy-efficient appliances

Street Outreach Outcomes

- Connect unsheltered individuals to housing, health care and services
- Identify high frequency uses of emergency services
- Reduce livability crimes

Order of Contents: Definitions

Definitions of Key Terms Used in 2015-2019 Consolidated Plan

Definitions Used within the Consolidated Plan

Acquired immunodeficiency syndrome (AIDS) (or related diseases) means the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

Administrative costs Costs for general management, oversight, coordination, evaluation, monitoring of and reporting on eligible activities. Such costs do not include costs directly related to carrying out eligible activities, since those costs are eligible as part of the activity delivery costs of such activities.

At risk of homelessness

(1) An individual or family who:

- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
- (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "Homeless" definition in this section; and
- (iii) Meets one of the following conditions:
 - a. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - b. Is living in the home of another because of economic hardship;
 - c. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 - d. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
 - e. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
 - f. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 - g. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as "homeless" under this section, but qualifies as "homeless" under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42

U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

For purposes of the above definition’s paragraph (g), someone who lives in housing that has characteristics associated with instability and an increased risk of homelessness is defined as follows. A renter household with income at/or below 30% of median income adjusted for family size and whose housing costs exceed 50% of their income and upon provider assessment is shown to be at imminent risk of losing existing housing.

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 Each jurisdiction is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify 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 the 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.

AHTE Affordable Housing Trust Fund is a City program with the purpose of providing gap financing for affordable and mixed-income rental housing. AHTE 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.

Chronically homeless

- (1) An individual who:
- (i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
 - (ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years, where each homeless occasion was at least 15 days; and
 - (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;
- (2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar

facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or

(3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

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). The Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for community development actions. It offers local jurisdictions the opportunity to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take

place in a comprehensive context, and to reduce duplication of effort at the local level.

Continuum of Care (CoC) The group composed of representative of relevant organizations, which generally includes nonprofit homeless providers; victim service providers; faith-based organizations; governments; businesses; advocates; public housing agencies; school districts; social service providers; mental health agencies; hospitals; universities; affordable housing developers; law enforcement; organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of outreach, engagement, and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless persons and persons at risk of homelessness for a specific geographic area. CoC planning enlists these 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 includes the City of Minneapolis, Hennepin County and suburban Hennepin County jurisdictions.

Conversion Change in the use of a building to an emergency shelter for the homeless where the cost of conversion and any rehabilitation costs exceed 75 percent of the value of the building after conversion

Cost Burden The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data available from the U.S. Census Bureau. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities

Disability Defined by the HEARTH Act for purposes of its programming to mean: (1) A condition that is (i) expected to be long-continuing or of indefinite duration; (ii) Substantially impedes the individual's ability to live independently; (iii) Could be improved by the provision of more suitable housing conditions; and (iv) Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury; (2) A developmental disability, as defined in this section; or (3) The disease of acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

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.

Elderly Person An individual who is at least 62 years of age

Emergency Shelter Any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements. Any project funded as an emergency shelter under a Fiscal Year 2010 Emergency Solutions grant may continue to be funded under ESG.

EZ Empowerment Zone The Minneapolis Empowerment Zone was 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. The Federal Empowerment Zone designation officially ended December 31, 2009.

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 Solutions Grant One of the HUD entitlement programs covered by the Consolidated Plan. Provides grants for programs that seek to house those who are homeless or are threatened with homelessness through provision of emergency shelter, street outreach, rapid re-housing and homelessness prevention activities.

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 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.

Fair Market Rent (FMR) The rent that would be required to be paid in the particular housing market area in order to obtain privately owned, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. This Fair Market Rent includes utilities (except telephone). Separate Fair Market Rents will be established and published by HUD for dwelling units of varying sizes (number of bedrooms).

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 Minneapolis 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

HEARTH Act Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, consolidates three separate HUD homeless assistance programs under the McKinney-Vento Homeless Assistance Act. It revised the Emergency Shelter Grant and renamed it Emergency Solutions Grant program.

Hispanic Population The number of people in a census tract that listed themselves as Hispanic for Census purposes.

Household All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

HMIS Homeless Management Information System <http://www.hmis.info/> is a HUD-sponsored software application designed for the Continuum of Care to comply with HUD's data collection, management, and reporting standards and used to record and store client-level information on the characteristics and service needs of homeless individuals and families and persons at risk of homelessness.

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: Defined by the HEARTH Act to mean:

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

(ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence, provided that:

(i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

(ii) No subsequent residence has been identified; and

(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

(i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

(ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

- (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
- (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention or criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

- (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- (ii) Has no other residence; and
- (iii) Lacks the resources or support networks, e.g., family, friends, and faithbased or other social networks, to obtain other permanent housing.

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 considered 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.

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.

Jurisdiction A State or unit of general local government. Minneapolis is a participating jurisdiction (PJ) with HUD in the implementation of this Consolidated Plan programming.

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 in many Federal grant applications that correlates and links program objectives to program accomplishments. A logic model is a standard process to quantify output and outcome estimates based on inputs.

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 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.

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 disabilities A household composed of one or more persons at least one of whom is an adult who has a disability.

(1) A person shall be considered to have a disability if he or she has a disability that:

- (i) Is expected to be long-continuing or of indefinite duration;
- (ii) Substantially impedes the individual's ability to live independently;
- (iii) Could be improved by the provision of more suitable housing conditions; and
- (iv) Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury.

(2) A person will also be considered to have a disability if he or she has a developmental disability, as defined in this section.

(3) A person will also be considered to have a disability if he or she has acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

(4) Notwithstanding the preceding provisions of this definition, the term person with disabilities includes, except in the case of the SRO component, two or more persons with disabilities living together, one or more such persons living with another person who is determined to be important to their care or well-being, and the surviving member or members of any household described in the first sentence of this definition who were living, in a unit assisted under this part, with the deceased member of the household at the time of his or her death. (In any event, with respect to the surviving member or members of a household, the right to rental assistance under this part will terminate at the end of the grant period under which the deceased member was a participant.)

Public housing Housing assisted under the United States Housing Act of 1937, other than under Section 8. "Public housing" includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating assistance.

Public Housing Agency (PHA) [See MPHA] Any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the United States Housing Act of 1937.

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.

Rapid re-housing assistance The provision of housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

Rehabilitation The improvement or repair of an existing structure, or an addition of an existing structure that does not increase the floor area by more than 100 percent.

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.

Shelter Defined by HEARTH Act to mean "emergency shelter" but not "transitional housing", a facility whose primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements.

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.

Subrecipient A public or private nonprofit agency, authority, or organization, or a for-profit entity receiving funds to undertake activities, but does not include contractors providing supplies, equipment, construction, or services subject to procurement requirements.

Substantial rehabilitation Rehabilitation that involves costs in excess of 75 percent of the value of the building after rehabilitation

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.

Victim service provider. A private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women's shelters, domestic violence transitional housing programs, and other programs.

Youth: Defined for HEARTH Act authorized homelessness programs to mean less than 25 years of age.

(Sources include United States Census Bureau and the Department of Housing & Urban Development)

Grantee SF-424's and Certification(s)

APPLICATION FOR FEDERAL ASSISTANCE		Version 7/03	
1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 04/17/15	Applicant Identifier 4-1-8005379
<input type="checkbox"/> Construction		3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY 04/17/15	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 First St		Name and telephone number of person to be contacted on matters involving this application (give area code)	
City: Minneapolis		Prefix: Mr.	First Name: Matt
County: Hennepin		Middle Name:	
State: MN		Last Name: Bower	
Zip Code: 55415		Suffix:	
Country: USA		Email: Matthew.Bower@Minneapolis.mn.gov	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): [4][1]-[6][0][0][5][3][7][6]		Phone Number (give area code) 612-673-2188	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		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY15 Consolidated Plan Community Development Block Grant (CDBG)	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis		8. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development	
13. PROPOSED PROJECT Start Date: 06/01/15		14. CONGRESSIONAL DISTRICTS OF: a. Applicant Stn	
Ending Date: 05/31/16		b. Project 5th	
15. ESTIMATED FUNDING:		18. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 10,452,853	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	\$	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local	\$	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
e. Other	\$	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
f. Program Income	\$ 1,200,000		
g. TOTAL	\$ 11,922,550		
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 Spencer	Middle Name	
Last Name Cronk		Suffix	
b. Title City Coordinator		c. Telephone Number (give area code) 812-673-3982	
d. Signature of Authorized Representative		e. Date Signed 04/17/15	
Previous Edition Usable Authorized for Local Reproduction			

Standard Form 424 (Rev. 9-2003)
Prescribed by OMB Circular A-102

APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	Pre-application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	2. DATE SUBMITTED 04/17/15	Applicant Identifier 41-6005375
		3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY 04/17/15	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: Mr. First Name: Matt
City: Minneapolis	Middle Name:
County: Hennepin	Last Name: Bower
State: MN Zip Code: 55415	Suffix:
Country: USA	Email: Matthew.Bower@Minneapolismn.gov

6. EMPLOYER IDENTIFICATION NUMBER (EIN):

411-6005375

Phone Number (give area code) 612-673-2188	Fax Number (give area code) 612-673-3250
---	---

8. TYPE OF APPLICATION:

New
 Continuation
 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:

14-231

TITLE (Name of Program):
 Emergency Solutions Grant (ESG)

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):

City of Minneapolis

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:

City of Minneapolis FY15 Consolidated Plan Emergency Solutions Grant (ESG)

13. PROPOSED PROJECT

Start Date: 06/01/15
 Ending Date: 05/31/16

14. CONGRESSIONAL DISTRICTS OF:

a. Applicant 5th
 b. Project 5th

15. ESTIMATED FUNDING:

a. Federal	\$	955,772 ⁰⁰
b. Applicant	\$	⁰⁰
c. State	\$	⁰⁰
d. Local	\$	855,772 ⁰⁰
e. Other	\$	⁰⁰
f. Program Income	\$	⁰⁰
g. TOTAL	\$	1,794,850 ⁰⁰

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. Yes THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS -FOR REVIEW ON DATE:

b. No PROGRAM IS NOT COVERED BY E. O. 12372
 OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

Yes If "Yes" attach an explanation.
 No

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: Spencer	Middle Name:
Last Name: Cronk	Suffix:
b. Title: City Coordinator	c. Telephone Number (give area code): 612-673-3962
d. Signature of Authorized Representative:	e. Date Signed: 04/17/15

Previous Edition Usable
 Authorized for Local Reproduction

Standard Form 424 (Rev. 9-2003)
 Prescribed by OMB Circular A-102

APPLICATION FOR FEDERAL ASSISTANCE

Version 7/02

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 04/17/15	Applicant Identifier 41-0005375
<input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	3. DATE RECEIVED BY STATE		State Application Identifier
5. APPLICANT INFORMATION			4. DATE RECEIVED BY FEDERAL AGENCY 04/17/15
Legal Name: City of Minneapolis Organizational OUNS: 066530411		Organizational Unit: Department: City Coordinator Division:	
Address: Street: 3C1M City Hall, 350 South Fifth St. City: Minneapolis County: Hennepin		Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: Mr. First Name: Matt Middle Name: Last Name: Bower Suffix:	
State: MN Country: USA	Zip Code: 55415	Email: Matthew.Bower@Minneapolismn.gov	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375		Phone Number (give area code) 612-673-2188	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): HOME Investments Partnerships Program (HOME) 12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing & Urban Development 11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY15 Consolidated Plan Home Investments Partnerships (HOME)	
13. PROPOSED PROJECT Start Date: 06/01/15 Ending Date: 05/31/16		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 HOME \$ 1,953,039	b. Applicant \$	a. Yes: <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
c. State \$	d. Local \$	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	
e. Other Match (12.5%) \$ 244,130	f. Program Income \$ 220,000	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Yes/Yes' attach an explanation.)	
g. TOTAL \$ 2,749,441	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: Spencer	Middle Name:	
Last Name: Cronk		Suffix:	
b. Title: City Coordinator		c. Telephone Number (give area code): 612-673-3992	
d. Signature of Authorized Representative:		e. Date Signed: 04/17/15	

Previous Edit on Usable
 Authorized for Local Reproduction

Standard Form 424 (Rev. 9-2003)
 Prescribed by OMB Circular A-102

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: 04/17/15	Applicant Identifier 41-6005376
<input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	3. DATE RECEIVED BY STATE: 	4. DATE RECEIVED BY FEDERAL AGENCY: 04/17/15	State Application Identifier Federal Identifier
5. APPLICANT INFORMATION			
Legal Name: City of Minneapolis		Organizational Unit: Department: City Coordinator	
Organizational DUNS: 060536411		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: _____ Mr _____ Mail _____ Middle Name: _____	
City: Minneapolis County: Hennepin		Last Name: _____ Rowser _____	
State: MN	Zip Code: 55415	Suffix: _____	
Country: USA		Email: Matthew.Bowen@Minneapolismn.gov	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 4 1 6 0 0 3 3 7 5		Phone Number (give area code) 612-673-2188	Fax Number (give area code) 612-673-3260
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): Housing Opportunities for Persons with AIDS (HOPWA)		9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis and Minneapolis St. Paul Metropolitan Statistical Area		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY15 Consolidated Plan Housing Opportunities for Persons with AIDS (HOPWA)	
13. PROPOSED PROJECT Start Date: 06/01/15 Ending Date: 05/31/16		14. CONGRESSIONAL DISTRICTS OF: a. Applicant: _____ b. Project: MN: 2, 3, 4, 5, 6, 8; WI: 3	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 1,039,291.00	a. Yes <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: _____	
b. Applicant	\$ _____	b. No <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$ _____	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local	\$ _____	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If 'Yes' attach an explanation: _____ <input checked="" type="checkbox"/> No	
e. Other	\$ _____		
f. Program Income	\$ _____		
g. TOTAL	\$ 1,039,291.00		
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: M	First Name: Spencer	Middle Name: _____	
Last Name: Cronk		Suffix: _____	
b. Title: City Coordinator		c. Telephone Number (give area code): 612-673-3892	
d. Signature of Authorized Representative: _____		e. Date Signed: 04/17/15	
Previous Edition Usable		Standard Form 424 (Rev. 9-2003)	
Authorized for Local Reproduction		Prescribed by OMB Circular A-102	

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.

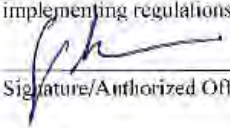
Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. 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, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. 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-L.L., "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. 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.


Signature/Authorized Official Date: 04/17/2015

Title: City Coordinator

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:

1. **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);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2014, 2015, 2016 (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;
3. **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:

1. 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

2. 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.

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

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



Signature/Authorized Official

4-17-15
Date

Title: City Coordinator

ESG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

Major rehabilitation/conversion – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Matching Funds – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction's consolidated plan.

Discharge Policy – The jurisdiction will establish 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, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.



Signature/Authorized Official

4.17.15

Date

Title: City Coordinator

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.



Signature/Authorized Official

4.17.15

Date

Title: City Coordinator

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.



Signature/Authorized Official

4-17-15
Date

Title: City Coordinator

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING:

A. 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.

Appendix - Alternate/Local Data Sources

1	Data Source Name Risk of Lead-Based Paint Hazard
	List the name of the organization or individual who originated the data set. Minneapolis Health Department Healthy Homes and Lead Hazard Control Unit
	Provide a brief summary of the data set. Assumptions driven by analysis of 2009-13 American Community Survey, 5 Year Estimates data points of median income, housing unit age, population and number of families with children under 18.
	What was the purpose for developing this data set? HUD supplied numbers for Housing Units Built Before 1980 with Children Present by Occupancy Type was deemed inaccurate and not reflective of local conditions.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? ACS data for Minneapolis.
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? ACE 2009-13
	What is the status of the data set (complete, in progress, or planned)? Complete.
2	Data Source Name Public Housing Units
	List the name of the organization or individual who originated the data set. Minneapolis Public Housing Authority
	Provide a brief summary of the data set. MPHA revised the PIC numbers provided by HUD in the ECon Planning Suite to reflect current data.
	What was the purpose for developing this data set? MPHA revised the PIC numbers provided by HUD in the ECon Planning Suite to reflect current data.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? Citywide public housing assistance.

	<p>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</p> <p>2014</p>
	<p>What is the status of the data set (complete, in progress, or planned)?</p> <p>complete.</p>
3	<p>Data Source Name</p> <p>Vacant Housing data</p>
	<p>List the name of the organization or individual who originated the data set.</p> <p>Hennepin County Sheriff; Minneapolis CPED</p>
	<p>Provide a brief summary of the data set.</p> <p>vacant unit data derived from foreclosure sales information and vacant and boarded buildings list.</p>
	<p>What was the purpose for developing this data set?</p> <p>Housing ordinance.</p>
	<p>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</p> <p>Citywide data.</p>
	<p>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</p> <p>2014 and current to date</p>
	<p>What is the status of the data set (complete, in progress, or planned)?</p> <p>Foreclosure numbers are updated monthly; property status data updated weekly.</p>