

**The FY 2014
Minneapolis**

HUD CONSOLIDATED PLAN
for Housing and Community Development

**One Year Action Plan
June 1, 2014 – May 31, 2015**

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

Approved by HUD June 26, 2014



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Executive Summary

The 2014 Minneapolis Consolidated Plan is an update to the comprehensive 2010-2014 Five-year Consolidated Plan issued in 2010 addressing the City's housing and community development needs. The Consolidated Plan is a combination housing plan, community development and public service plan, and application for the following four U.S. Department of Housing and Urban Development (HUD) entitlement programs:

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

This year's Consolidated Plan is an update of the five-year strategy covering fiscal years 2010-2014. The plan is a statement of how the City intends to spend its HUD entitlement funds in the areas of housing and community development. It seeks to tie that spending to other funding initiatives in the City that affect the City's low- and moderate-income residents.

The City of Minneapolis' 2014 Consolidated Plan program year runs from June 1, 2014 through May 31, 2015. The City's lead agency responsible for the Plan's development is the Office of Grants & Special Projects, which is a part of the Intergovernmental Relations Department, in the Office of the City Coordinator.

The executive summary includes objective and outcome expectations, as well as an evaluation of past performance. The 2014 Consolidated Plan states how the City intends to utilize its HUD entitlement funds in the areas of housing and community development, public service, and administration. The Consolidated Plan ties HUD grant-funded spending to other funding initiatives in the City that benefit the City's low- and moderate-income residents.

For ease of reference among the program years within the 2010-2014 Five-Year Consolidated Plan strategy, the following chart outlines any revisions to the five-year plan:

	2010-2014 Five-year Plan	2011 Update	2012 Update	2013 Update	2014 Update
Chapter 1 Introduction	Full Text	Annual Update-No significant changes	Annual Update- <ul style="list-style-type: none"> • Revision to Minority and Poverty Concentrations 	Annual Update-No significant changes	Annual Update-No significant changes
Chapter 2 Housing Needs	Full Text	No Changes	No Changes	No Changes	No Changes
Chapter 3 Homelessness	Full Text	No Changes	Revised- <ul style="list-style-type: none"> • Needs Analysis • Strategic Plan • Conforming language for ESG amendment 	No Changes	No Changes
Chapter 4 Community Development	Full Text	No Changes	No Changes	No Changes	No Changes
Chapter 5 Five-year Strategy	Full Text	No Changes	Revised- <ul style="list-style-type: none"> • Elimination of CDBG Target Area Map • Priorities for Public Services (Senior, Health) • Priorities for Economic Development (Technical Assistance, Micro- enterprise Assistance) 	No Changes	No Changes
Chapter 6 One-year Action Plan	Full Text	Annual Update –No significant changes	Annual Update- <ul style="list-style-type: none"> • Revisions to Emergency Solutions Grant Program description 	Annual Update –No significant changes	Annual Update –No significant changes

Summary of Objective and Outcome Expectations

The City of Minneapolis' performance measurement system is tied to City department or program lines, and to the annual budget process. The Consolidated Plan includes measures of performance to quantify goals by incorporating projected *outcome* measures. Quantifiable results-oriented goals for capital programs are tied to a unified framework for the benefit of low- and

moderate-income residents. Additional performance benchmarks and reporting are required by HUD for the HOPWA program whose Subrecipients are contracted through the City of Minneapolis.

The City of Minneapolis includes a performance-based framework for all its Consolidated Plan activities. The outcome measurement system enables HUD to report program accomplishments aggregated at the national level, enhancing the budget process and demonstrating the community need for these funding sources. This system is described, and outcome results can be found, on HUD’s website: <http://www.hud.gov/offices/cpd/about/performance/index.cfm>

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

Objectives:

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

Outcomes:

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

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

Minneapolis 2014 HUD Program Outlay and Performance Projections (Chart A)

<i>Framework for Public Service and Capital Projects</i>	Outcome #1: “Availability / Accessibility”	Outcome #2: “Affordability”	Outcome #3: “Sustainability”
Objective #1: “Suitable Living Environment”	\$649,768 Beneficiaries: 2,100	-	\$958,000 Beneficiaries: 227,522
Objective #2: “Decent Housing”	\$558,377 Beneficiaries: 55	\$9,498,783 Beneficiaries: 512	\$1,115,000 Beneficiaries: 30

Objective #3: “Economic Activity”	-	-	\$1,623,500 *Beneficiaries: 881
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*(Beneficiaries are low- and moderate-income residents; * Outcome for “Economic activity” beneficiaries includes persons, jobs and businesses)*

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

Beneficiary Outputs Compared to Outcomes and Objectives (Chart B)

Outcome / Objective →	Suitable Living Environment - Improved/New Accessibility	Suitable Living Environment - Improved/New Affordability	Suitable Living Environment - Improved/New Sustainability	Decent Housing - Improved/New Sustainability	Decent Housing - Improved/New Affordability	Decent Housing - Improved/New Availability	Economic Opportunity - Improved/New Accessibility	Economic Opportunity - Improved/New Affordability	Economic Opportunity - Improved/New Sustainability
Type of Benefit ↓									
Number that will have new access to this service or benefit	2,100				308				804
Number that will have improved access to this service or benefit					53				77
Number that will receive a service or benefit that is no longer substandard			227,522	30	151	55			
Number that will have new access to this type of public facility or infrastructure improvement									
Number that will have improved access to this type of public facility or infrastructure improvement									
Number that will be served by public facility or infrastructure that is no longer substandard									

As indicated in Chart A, the City will create decent housing with improved/new affordability, for 512 low- and moderate-income beneficiaries, by leveraging \$9.5 million through its capital programs. Of those, as noted in Chart B, 308 beneficiaries will have new access to affordable housing, 53 will have improved access to housing, and 151 will have housing that is no longer substandard. By reprogramming unspent prior year funds, beginning in 2014, the City will provide decent housing through improved sustainability with \$1.1 million capital funds to assist 30 low income homeowners, including seniors, with loans for home repairs, rehab, and code compliance. Appendix Table 3 identifies each of the 2014 programs that include support for the development of housing units, homebuyer assistance for low-income households, and tenant-based rental assistance for persons with HIV/AIDS.

The City will invest \$1.6 million in CDBG funding to provide economic opportunity through improved/new sustainability for 881 beneficiaries. This includes developing strategies for small business development, linking low-income residents with job openings, public service funding for youth employment training, through community-based organizations and school programs.

The City will direct \$958,000 to enhance suitable living environments for low-income beneficiaries, with over 227,000 residents in targeted areas across the City of Minneapolis benefiting from CDBG-funded crime prevention programming, together with strategies to abate lead hazards, and reduce or eliminate blighted properties. Public Service programs, identified in Appendix Table 3, provide opportunities for low income persons gain new or improved access to a range of solutions focused on domestic abuse, curfew truancy, youth violence prevention, childhood development, school readiness, and multi-cultural access & outreach services.

Table 3A Summary of Specific Annual Objectives

(2013 accomplishments to be compiled in Summer 2014 for the 2013 annual performance report)

Grantee Name: Minneapolis, MN

Availability/Accessibility of Decent Housing (DH-1)							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
DH1.1	Finance and administer programs for development of affordable and mixed-income rental housing	HOME CDBG	2010	Housing Units	242	124	51%
			2011		242	195	80%
			2012		242	383	158%
			2013		242		%
			2014		242		%
			MULTI-YEAR GOAL				1,210
DH 1.2	Finance and administer programs for development of affordable and mixed-income ownership	HOME CDBG	2010	Housing Units	52	1	2%
			2011		52	26	50%
			2012		52	11	21%
			2013		52		%
			2014		52		%

	housing		MULTI-YEAR GOAL		260	38	15%
DH 1.4	Finance development of housing opportunities for persons with special needs	CDBG HOME HOPWA	2010	Housing Units	42	61	145%
			2011		42	83	197%
			2012		42	0	0%
			2013		42		%
			2014		42		%
			MULTI-YEAR GOAL		210	144	69%
DH1.5	Develop shelter and supportive housing options for those persons experiencing homelessness	CDBG HOME	2010		310	65	21%
			2011		310	46	15%
			2012		310	251	81%
			2013		310		%
			2014		310		%
			MULTI-YEAR GOAL		1,550	362	23%
DH 1.6	Develop new affordable senior housing	CDBG HOME	2010	Housing Units	68	0	0%
			2011		68	66	97%
			2012		68	89	130%
			2013		68		%
			2014		68		%
			MULTI-YEAR GOAL		340	155	46%
Affordability of Decent Housing (DH-2)							
DH2.1	Support homeownership opportunities for underserved populations	CDBG	2010	Housing Units	17	20	118%
			2011		17	69	405%
			2012		17	57	400%
			2013		17		%
			2014		17		%
			MULTI-YEAR GOAL		85	146	171%
DH2.11	Acquisition and slum blight removal and reuse to support affordable housing development	CDBG	2010	Housing Units	25	15	60%
			2011		25	3	12%
			2012		25	15	60%
			2013		25		%
			2014		25		%
			MULTI-YEAR GOAL		125	33	26%
DH2.2	Support multi-family housing grants to non-profit developers for predevelopment assistance	CDBG	2010	Organizations	10	6	60%
			2011		10	6	60%
			2012		10	0	0%
			2013		10		%
			2014		10		%
			MULTI-YEAR GOAL		50	12	24%
DH 2.3	Provide housing assistance to HOPWA eligible households	HOPWA	2010	Households	125	148	118%
			2011		125	153	122%
			2012		125	155	124%
			2013		125		%
			2014		125		%
			MULTI-YEAR GOAL		625	456	73%
Sustainability of Decent Housing (DH-3)							
DH3.1	Finance and administer programs for rehabilitation of affordable and mixed-income rental housing	CDBG HOME	2010	Housing Units	330	281	85%
			2011		330	104	32%
			2012		330	1,282	388%
			2013		330		%
			2014		330		%
			MULTI-YEAR GOAL		1,650	1,667	101%

DH 3.2	Finance preservation of housing opportunities for persons with special needs	CDBG HOME ESG	2010	Housing Units	36	13	36%
			2011		36	0	0%
			2012		36	0	0%
			2013		36		%
			2014		36		%
MULTI-YEAR GOAL				180	13	7%	
DH 3.3	Contribute capital resources to the rehabilitation of supportive housing and shelter units consistent with Continuum of Care	ESG HOME CDBG	2010	Housing/Bed Units (3 SRO = 1 unit)	55	63	115%
			2011		60	37	62%
			2012		62	17	27%
			2013		65		%
			2014		68		%
MULTI-YEAR GOAL				310	117	38%	
DH 3.4	Finance owner-occupied housing rehabilitation	CDBG, NSP	2010	Housing Units	18	20	111%
			2011		18	29	155%
			2012		18	46	255%
			2013		18		%
			2014		18		%
MULTI-YEAR GOAL				90	95	105%	
DH 3.6	Support rehabilitation needs of public housing supply	CDBG	2010	Housing Units	0	55	n/a
			2011		50	0	0%
			2012		50	2	4%
			2013		50		%
			2014		50		%
MULTI-YEAR GOAL				200	57	29%	
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL 1.2	Support programs that allow seniors to be self-sufficient	CDBG	2010	Persons	450	661	147%
			2011		150	794	531%
			2012		400	649	163%
			2013		400		%
			2014		400		%
MULTI-YEAR GOAL				2,100	2104	100%	
SL 1.3	Promote healthy well-being of residents through public and private service providers	CDBG	2010	Persons	99	232	234%
			2011		95	398	418%
			2012		87	353	406%
			2013		81		%
			2014		76		%
MULTI-YEAR GOAL				438	983	224%	
SL 1.4	Provide public service resources to vulnerable homeless elder citizens	CDBG	2010	Persons	20	50	250%
			2011		20	0	0%
			2012		18	0	0%
			2013		16		%
			2014		14		%
MULTI-YEAR GOAL				88	50	57%	
SL 1.5	Promote resources for city youth programming	CDBG	2010	Persons	1,125	1,298	115%
			2011		1,085	2,108	194%
			2012		1,041	2,173	209%
			2013		997		%
			2014		953		%
MULTI-YEAR GOAL				5,205	5,579	107%	

SL 1.6	Provide for school readiness initiatives	CDBG	2010	Persons	750	861	115%
			2011		740	841	113%
			2012		730	832	114%
			2013		720		%
			2014		710		%
MULTI-YEAR GOAL					3,350	2,534	76%
SL 1.7	Provide for housing advocacy services	CDBG, HPRP	2010	Persons	10,000	TBD	%
			2011		10,000		%
			2012		10,000		%
			2013		10,000		%
			2014		10,000		%
MULTI-YEAR GOAL					50,000	0	%
SL 1.8	Public service provision and assistance for immigrant and Native American populations	CDBG	2010	Persons	6,453	1,463	23%
			2011		6,453	740	11%
			2012		6,453	650	10%
			2013		6,453		%
			2014		6,453		%
MULTI-YEAR GOAL					32,265	2,853	9%
Affordability of Suitable Living Environment (SL-2)							
SL2.1	Provide mortgage foreclosure assistance to low-income homeowners	CDBG/N SP Private	2010	Households	100	330	330 %
			2011		100	0	0 %
			2012		100	0	0%
			2013		100		%
			2014		100		%
MULTI-YEAR GOAL					500	330	66%
Sustainability of Suitable Living Environment (SL-3)							
SL3.1	Mitigate housing conditions that present life and safety issues	CDBG	2010	Housing Units	750	853	114%
			2011		750	815	108%
			2012		750	172	23%
			2013		750		%
			2014		750		%
MULTI-YEAR GOAL					3,750	1,840	49%
SL 3.2	Evaluate and remove lead-based paint hazards in city affordable housing supply	CDBG HUD State	2010	Housing Units	100	207	207%
			2011		100	220	220%
			2012		50	37	74%
			2013		50		%
			2014		50		%
MULTI-YEAR GOAL					350	464	132%
SL 3.21	Enhance and sustain fire protection capacity serving low/mod income areas	CDBG	2010	Persons	113,005	113,005	
			2011		113,005	113,005	
			2012		113,005	113,005	
			2013		113,005		
			2014		113,005		
					113,005	113,005	100%
SL 3.3	Provide crime prevention and restorative justice programs to Low/mod income targeted city neighborhoods	CDBG	2010	Persons	227,472	227,472	
			2011		227,472	227,472	
			2012		227,472	227,472	
			2013		227,472		
			2014		227,472		
MULTI-YEAR GOAL					227,472	227,472	100%

Availability/Accessibility of Economic Opportunity (EO-1)								
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed	
EO 1.2	Redevelop Brownfield sites	Met Council, MN DEED, Hennepin County	2010	Public Facilities	5	TBD	%	
			2011		5		%	
			2012		5		%	
			2013		5		%	
			2014		5		%	
MULTI-YEAR GOAL					25	0	%	
Sustainability of Economic Opportunity (EO-3)								
EO3.1	Rehabilitate neighborhood commercial properties to retain their marketability and job creation	◆ CDB G Local	2010	Businesses Assisted	4	12	300%	
			2011		6		0%	
			2012		4		0%	
			2013		6		%	
			2014		4		%	
MULTI-YEAR GOAL					24	12	50%	
EO 3.2	Link low income residents to permanent jobs	CDBG Federal State	2010	Jobs	190	242	127%	
			2011		200		377	189%
			2012		200		654	327%
			2013		200		%	
			2014		200		%	
MULTI-YEAR GOAL					990	1,273	129%	
EO 3.3	Prepare low-income youth for future workforce participation through summer employment training programs	CDBG State	2010	Persons	600	353	59%	
			2011		600		569	95%
			2012		600		463	77%
			2013		600		%	
			2014		600		%	
MULTI-YEAR GOAL					3,000	1,385	46%	

**Minneapolis 2014 HUD Program Projected Outputs
Type of Benefit
(Chart C)**

3,212	Number that will have new access to service or benefit
130	Number that will have improved access to service or benefit
227,758	Number that will receive a service or benefit that is no longer substandard
-	Number that will have new access to public facility or infrastructure improvement
-	Number that will have improved access to public facility or infrastructure improvement
-	Number that will be served by public facility or infrastructure that is no longer substandard

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

Relative Allocation of Priorities

The City of Minneapolis assigns a high priority (H) to a vast majority of program strategies funded throughout the Consolidated Plan, as referenced in Appendix Table 3. Priorities used in determining eligible projects to be funded with Consolidated Plan resources are based on several variables, including: estimated funding resources, historic funding resources, needs and strategies procured from an array of planning documents produced by the City and outside agencies, and estimates derived from projections developed based on funding experience. Citizens can expect that the annual budget is a statement on priorities by the City. Priorities are relative and follow these classifications:

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

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

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

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

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

Consolidated Plan Past Performance Summary

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

HUD conducts an annual Consolidated Plan end-of-year review of the most recent year-end performance by the City of Minneapolis, and provides a report with the results for each review. 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 2012 program year of June 1, 2012 through May 31, 2013, the most recent year-end report, based on Consolidated Plan objectives, as follows:

- The City's funds were committed and expended in a timely manner;
- Over 30 owner-occupied units and over 450 rental units were rehabilitated or preserved using CDBG and HOME funds;
- 172 nuisance properties were addressed;
- Over 650 low- and moderate-income persons received job training and placement assistance;
- Ten activities assisted in excess of 5,000 people through public service activities including senior services, child care, employment training, health, housing counseling and mortgage assistance;
- Eight organizations received ESG funding, which assisted over 350 shelter beds;
- 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.

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

The Plan asserts the City's commitment to working with local partners to achieve ambitious goals, such as eliminating chronic homelessness and lead-based paint

hazards in the City, achieving a sustainable balance in the placing of affordable housing, and providing new economic opportunities. Cuts in funding, at both the federal and state levels of government, have put a squeeze on the ability of the City of Minneapolis to meet the demand for public service programs. The vulnerability of low- and moderate income residents is especially great and the ability to meet community needs with federal funds is limited by shrinking federal budgets. The 2014 Consolidated Plan total funding is currently based on the 2014 City Council Adopted budget adjusted to match the Federal final appropriation of \$14.9 million, which is a decline from \$19.8 million in 2008. The City is concerned about the impact that budget cuts will have on the CDBG program, and on 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. Reductions 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.

Citizen Participation Plan

Throughout the development of the Consolidated Plan, citizen input is encouraged. The City of Minneapolis provides its citizens several opportunities to provide input to decision-making process. Citizens are encouraged to attend and participate in City council committee meetings, neighborhood/community revitalization meetings, numerous boards and public hearings designed to solicit public comments. These community engagement practices are designed to meet the needs and requirements of various programs and planning processes.

Staff of the City of Minneapolis, Community Planning and Economic Development (CPED), and the Minneapolis Public Housing Authority (MPHA) have jointly developed a citizen participation plan designed specifically for the Consolidated Plan. The citizen participation plan can be found in Chapter 1 and Chapter 6 and comments are summarized in the Appendix.

Chapter 1 Introduction to One-Year Action Plan

A. Background

The Minneapolis 2014 Consolidated Plan is an application and strategy statement to the U.S. Department of Housing and Urban Development (HUD) addressing the City's housing and community development needs. This document updates the 2010-2014 Five-Year Strategy, and it serves as the 2014 Action Plan. The Consolidated Plan is a combination housing plan, community development plan and application for the following five U.S. Department of Housing and Urban Development entitlement programs:

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

The 2014 Action Plan is a statement of how the City intends to spend its HUD entitlement funds in the areas of housing and community development. It seeks to tie that spending to other funding initiatives in the City that affect the City's low- and moderate-income residents. Priorities are set in accordance with HUD directives. The City's annual program year for Consolidated Plan purposes runs from June 1 - May 31.

B. Planning Process (91.200(b))

1. Lead Agency

The City's lead agency responsible for the plan's development is the Office of Grants & Special Projects in the Department of Intergovernmental Relations, Office of the City Coordinator. The contact person for any questions related to the Consolidated Plan is:

Matt Bower
IGR – Grants & Special Projects
307M City Hall
350 South Fifth St.
Minneapolis, MN 55415
(612) 673-2188
Fax: (612) 673-3724
Matthew.Bower@ci.minneapolis.mn.us

The City implements Consolidated Plan funding through several key agencies. The Minneapolis Community Planning and Economic Development Department (CPED) implements the housing, economic development, and community development strategies. The Minneapolis Department of Health and Family

Support implements health and public service strategies. CPED will provide homelessness service resources utilizing the amended ESG programming in coordination with Heading Home Hennepin Continuum of Care. Examples of other partnerships are found throughout the Consolidated Plan.

2. Planning Timeline

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

3. Jurisdiction Consultations

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

Internal

HUD provides Consolidated Plan Review Guidance, last modified June 1 and October 26, 2009, on which City staff relies to develop the Consolidated Plan. Representatives of the Grants and Special Projects office, together with input from the City's Department of Community Planning and Economic Development (CPED), Department of Health and Family Support, and the Minneapolis Public Housing Authority (MPHA), draft the 2010-2014 Consolidated Plan Five-Year Strategy. CPED and Heading Home Hennepin provide information and analyses on housing and homelessness needs and the current housing market. MPHA provided data on public housing. CPED contributes data and analysis on economic development issues and associated strategies. Additionally, various other departments contribute information relating to their specific areas of expertise, providing an overall collaborative effort.

External

Consulting with non-City parties for developing the Consolidated Plan is as important as internal staff consultation. A significant component of external cooperation includes periodic inter-jurisdictional meetings between representatives of HUD entitlement communities in the Metro Area. These meetings have included representatives from the cities of Minneapolis, St. Paul, Plymouth; Metropolitan Council; HUD; Hennepin, Ramsey and Anoka counties;

and the Washington, Dakota and Bloomington Housing and Redevelopment Authorities. Discussion topics of this group consist of joint issues and concerns raised by the Consolidated Plan.

The City also consults with community-based agencies and boards, including faith-based, on different aspects of the Consolidated Plan. This input is especially valuable to inform City staff of needs and program issues as observed by those in the field. The City worked with Heading Home Hennepin (Continuum of Care) and Hennepin County staff and staff of the City-County Office to End Homelessness to develop the Emergency Solutions Grant program.

City Grants Office staff administers the HOPWA grant and participates with the Minnesota HIV Housing Coalition in planning the annual HOPWA priorities and allocations. City staff are part of the Heading Home Hennepin, Metropolitan Housing Implementation Group, Funder's Council, Lead Task Force and Fair Housing Implementation Council.

Serving as a link between the community and City officials, Minneapolis Planning staff have been appointed as members of MPHA's Citywide Comprehensive Grant Committee. This relationship serves to inform the committee of the progress related to Consolidated Plan and other City initiatives. Additionally, Minneapolis Grants and Special Projects staff participates in MPHA's Comprehensive Grant public hearings. Annually, the Hennepin County Continuum of Care planning processes also provides considerable input into the Consolidated Plan – the Continuum is staffed by the county with technical assistance provided by City staff.

C. Citizen Participation Plan

1. Background

Throughout the development of the Consolidated Plan, citizen input is encouraged. City of Minneapolis staff has developed a citizen participation plan designed specifically for the Consolidated Plan. Generally, the City of Minneapolis provides its citizens many opportunities to provide input to the decision making process. Citizens are encouraged to attend and participate in City council committee meetings, neighborhood/community revitalization meetings, numerous boards and public hearings designed to solicit public comments. These community engagement practices are designed to meet the needs and requirements of various programs and planning processes. Community participation includes the broad resident involvement in neighborhood and community organizations, and supports clearly defined links between the City, City services and neighborhood and community organizations. The City encourages citizen participation to promote sustainable decisions by

recognizing and communicating the needs and interests of all participants, including elected officials and decision-makers.

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

The federal government and the state are key funding 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

City of Minneapolis Citizen Participation Plan FY 2014 Consolidated Plan	
August 13-28, 2013	Public Comment period for 2012 Consolidated Annual Performance and Evaluation Report (CAPER)
August 15, 2013	Mayor's Proposed 2014 Budget
August 20, 2013	Public Hearing on 2012 CAPER
August 29, 2013	2012 CAPER submitted to HUD
November 19, 2013	Public Hearing on 2014 Proposed Budget and Taxation Review including Consolidated Plan
December 11, 2013	2014 Council-Adopted Budget & Public Hearing
April 10, 2014	Notice of Public Hearing and Comment Period sent to Consolidated Plan mailing list
April 14 – May 13, 2014	Public Comment period on Draft 2014 Consolidated Plan
April 15, 2014	Set Public Hearing for April 29, 2014 CD meeting
April 29, 2014	Public Hearing on 2014 Consolidated Plan and Council Committee Action to submit Plan to HUD
May 9, 2014	2014 Consolidated Plan Budget Approval by City Council based on HUD official grant notification
May 15, 2014	City submission of 2014 Consolidated Plan to HUD
June 1, 2014-May 31, 2015	Year 40 CDBG Program Year, FY 2014 Consolidated Plan Year
August 19, 2014	Public Hearing on FY 2013 CAPER
August 29, 2014	Submission of FY 2013 CAPER to HUD

3. Public Hearings

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

The City submits the 2014 update to the five-year Consolidated Plan and one-year action plan to HUD on May 15, 2014. A draft copy of the 2014 Consolidated Plan is made available April 14, 2014 for a thirty-day public comment period. The City Council will hold a public hearing on the draft 2014 Consolidated Plan

on April 29, 2014. 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.

Attention: If you have any questions regarding this material please call 311 Hmong - Ceeb toom. Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu (612) 673-2800;
Spanish - Atención. Si desea recibir asistencia gratuita para traducir esta información, llame al teléfono (612) 673-2700;
Somali - Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac (612) 673-3500

5. Technical Assistance

A wide range of assistance is available to all groups needing help in understanding the Consolidated Plan application process and development of proposals. This service, as well as referrals to appropriate community agencies,

is available from the Office of Grants and Special Projects in City Hall. For technical assistance, call (612) 673-2188.

In the event that a significant number of non-English speaking residents wish to participate in an aspect of the Consolidated Plan citizen participation process, a request for assistance should be made to the City Clerk's Office, or the Office of Grants and Special Projects. The number to call for language assistance is (612) 673-2043.

6. Proposed Funding Processes

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

<u>Fund</u>	<u>City Awards Funds to:</u>	<u>For Further Information Call:</u>
CDBG	Various Agencies	Matt Bower, IGR – Grants & Special Projects (612) 673-2188
HOME	Project Developers	Matt Goldstein, CPED (612) 673-5075
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	Peter O'Toole, IGR – Grants & Special Projects, (612) 673-5456

7. Comments/Complaints

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

8. Anti-Displacement and Relocation Plan

The City of Minneapolis considers existing policies designed to minimize displacement in the CDBG program as the Consolidated Plan is developed. For example, CPED adheres to ongoing administrative policies to limit displacement when implementing CDBG-funded activities. These policies limit displacement by using land inventories, available vacant land and substandard vacant structures. Where displacement does occur, the City provides a full range of relocation benefits and services to those displaced according to its relocation policy. The Consolidated Plan complies with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24. The City follows a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs. The City will provide public notification of specific replacement plans for the demolition of any affected low and moderate income housing units to the Minneapolis HUD CPD office. This notification will be done through the course of submitting project proposals to the City Council for their approval with a copy of the petition provided to the local HUD CPD office. For relocation information, contact Kaye Anderson of CPED at (612) 673-5051.

9. Substantial Change Process and Amendments

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

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

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

1. A Consolidated Plan activity described in the Consolidated Plan, as amended, is cancelled;
2. A new Consolidated Plan activity not previously described in the Consolidated Plan, as amended, is added; or
3. There is a substantial change to the current Consolidated Plan, as amended. Substantial change is defined as:
 - a) A change in Consolidated Plan priorities
 - b) A change in a program/project description of such a degree that it may be reasonably concluded that a significant change in projected program purpose, scope, location, fund allocation or intended beneficiaries would ensue; or

- c) A reprogramming of more than 25% of an original CDBG amount budgeted for a major functional Consolidated Plan budget category: Housing, Economic Development, Community Development, Public Services, and Administration.

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

10. Access to Records

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

Consolidated Plan information is also placed on the following website link for review http://www.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.

D. Institutional Structure (91.215 (i))

1. Organizational Relationships

The institutional structure through which the City carries out its housing and community development plan consists of public, private and nonprofit partners. The primary public entities are the City of Minneapolis, the Minneapolis Public Housing Authority (MPHA), Hennepin County, and Minnesota Housing (formerly the Minnesota Housing Finance Agency). Nonprofit organizations include nonprofit developers and community housing development organizations, the Family Housing Fund, and the Funder's Council. Private sector partners include local financial institutions, for-profit developers, faith-based organizations and the

foundation community. The City also works with Heading Home Hennepin which is the local HUD Continuum of Care.

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

2. Organizational Relationship with Public Housing Agency

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

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

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

E. Monitoring (91.230)

This section describes the standards and procedures that the City uses to monitor activities carried out in the Consolidated Plan and to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements. The City, through continual collaboration between the Finance and Grants Offices provides an overall level of assurance that grant programs implemented by the City and Subrecipient programs implemented by community-based organizations are being carried-out as intended in the Consolidated Plan.

Programmatic, regulatory and contract compliance is achieved through the City's administrative structure, its offices of contract management, and through Finance/Grants and the Grants Office. Programmatic and Financial monitoring is

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

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

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

Program managers are responsible for sustaining contractual compliance according to the policies of HUD and of City of Minneapolis. Grants Office staff and Finance/Grants staff provide technical assistance to assure regulatory and contract compliance. Subrecipient relationships and programmatic monitoring are achieved through this contract compliance framework. Monitoring is carried out by Grants and Finance/Grants personnel, scheduled regularly and randomly, and documented in a standard format throughout the program year. Throughout their auditing and monitoring processes, the Finance and Grants office identify potential issues of non-compliance and implement a corrective action based on City policy when such issues arise. To prevent continuance of a violation and to mitigate adverse effects of violation, a monitoring letter stating the condition, criterion, effect, cause and corrective action is presented to the program

manager and possibly the director for a 30-day response. Additionally, technical assistance is provided to program managers as the need is identified or requested.

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

1. Purpose

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

2. Objectives

The objectives of the City's monitoring system are:

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

3. Definitions

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

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

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

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

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

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

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

4. Production Monitoring

Subrecipient Monthly/Quarterly Reports: City departments responsible for administering grants normally require periodic reports from subrecipients indicating costs incurred and progress on contract goals. Normally, these are done monthly and result in installment type payments over the contract period.

Payments cover reported costs and may include an operating advance. Program and Finance staff review these reports before payment – also, the reports serve as one of the indicators as to whether an on-site visit is necessary.

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

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

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

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

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

5. Quality Control/Compliance Monitoring

Quality control or compliance type monitoring is done using a systematic approach on a proactive basis by city staff within their area of expertise. Monitored subrecipients are selected from the most recent complete list of contractors, based on dollar volume and/or types of activities being undertaken and/or for the problem indicators previously listed. Subrecipients may be monitored on a request basis identified by, for example, City Council members or subrecipient Boards, or also based on the judgment of someone other than Program or Finance Department staff.

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

- ◆ Those that receive less than \$5,000 per year
- ◆ Those that have a "clean" audit report.
- ◆ Those that have been administering programs for the City/CPED for more than 3 years

- ◆ Those that have submitted all of the required program and financial reports and those reports do not indicate a problem.

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

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

The objectives of the City's monitoring system are:

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

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

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

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

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

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

1. Basis for Priority Assignments

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

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

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

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

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

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

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

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

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

No Such Need: The City finds that there exists no such need, that the need is of a nature not requiring Consolidated Plan assistance, or the need is already substantially addressed either through completion or alternative local resources.

2. Obstacles to Meeting Underserved Needs

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

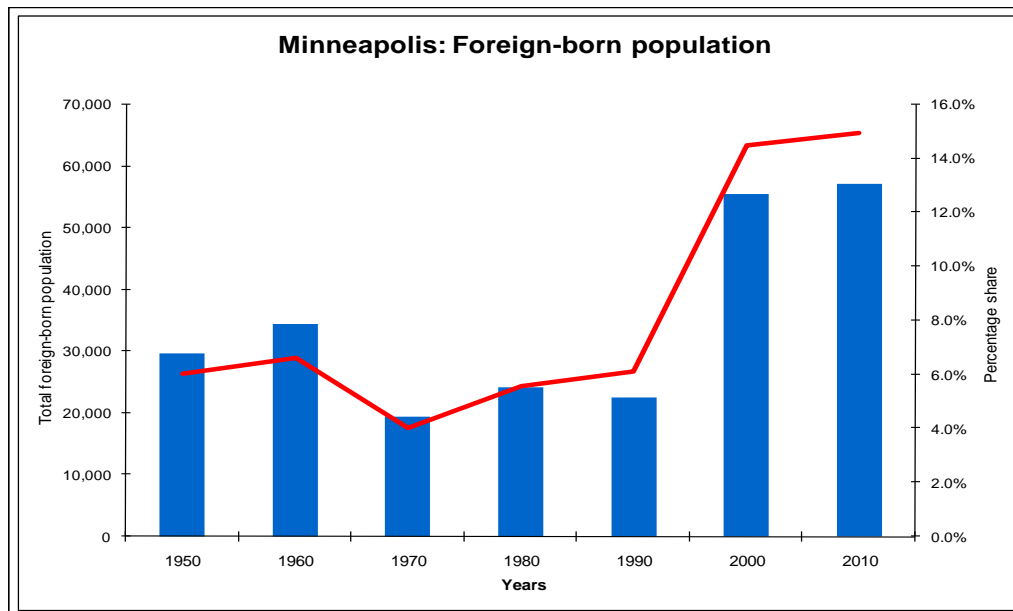
G. Lead-based Paint (91.215 (g))

The City, as recipient of HUD funding, is required to estimate the number of housing units that may contain lead-based paint hazards and that are occupied by HUD client populations – also required are actions to evaluate and reduce lead-based paint hazards. The 2010-14 Consolidated Plan housing chapter specifies these needs and actions.

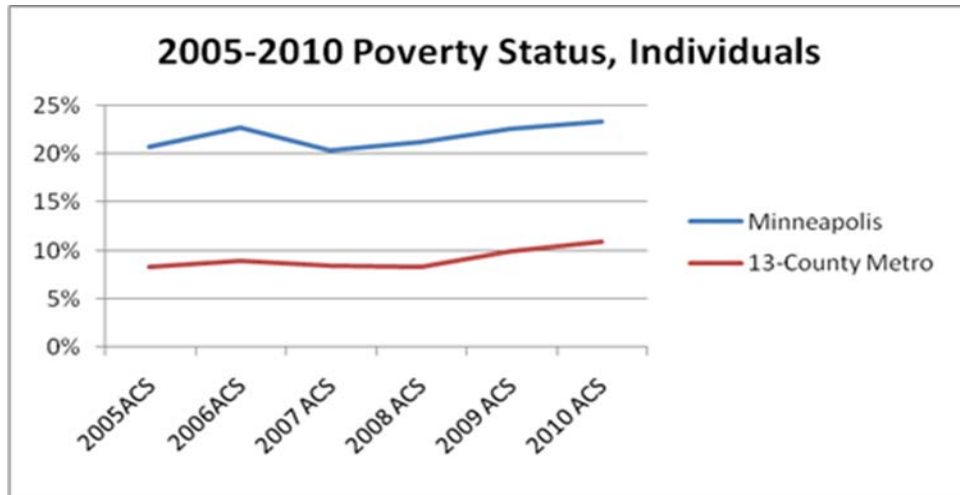
However, to summarize, the City will continue its active efforts at treating lead-based paint hazards in City housing stock through several levels. First, at the identification level- working with health providers, the state health department and local health departments to identify children with elevated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

H. General Community Demographics and Income

According to the 2010 US Census, the City's population was 382,578, slightly lower than the 382,618 population in 2000. The City reversed a decades-long trend of decline in the 1990's and stabilized during the past decade. The influx of foreign-born residents that was the hallmark of the nineties slowed down visibly in the last decade but continued to increase faster than the total population. According to the Census of Population, the foreign-born were nearly 55,500 in 2000 or 14.5 percent of the total population, and according to the American Community Survey (ACS) by 2010 they were about 57,800, or 15 percent of the total population (*except for total population, numbers are rounded*). The city's population was more diverse in 2010 than in 2000, in part because the foreign-born and people born in other states continued to arrive, and in part because current residents continued to move outside the city limits. Based on the last census the Latino population grew from 7 percent in 2000 to 11 percent in 2010, an increase of 37 percent. The black, or African American population hovered around 18 percent with an increase of 3 percent. At the same time, the white population dropped by 3.5 percent to 60 percent of the total in 2010 from 63 percent in 2000, and the Asian population decreased 8 percent from 23,300 in 2000.



The poverty rate for Minneapolis residents has varied 11 and 24 percent since the 1960s. Over the same period, based on HUD’s State of the Cities Data Systems (SOCDS), the poverty rate has been between two to three times higher the metropolitan area as a whole. ACS data for the period between 2005 and 2010 indicate that this trend has continued. However, poverty has steadily increased since 2007 in both the city and the metro area.



Source: Census Bureau ACS data: 2005-2010, one-year average

The following table shows the percentage of Minneapolis households in poverty in 2005 and 2010 according to Census Bureau annual ACS data. Particularly notable is that 1 in 4 children in families live in poverty. Nearly one-half of female-headed family households with children are in poverty with nearly 35 percent of female-headed family households with children under the age of five in poverty. This last group decreased considerably from nearly 53 percent in 2005 to almost 35 percent in 2010.

Poverty Status, Persons and Families, 2005 and 2010 by Percentage (%)

	2005	2010
All persons	20.8	23.3
Related children < 5 years	34.1	24.7
Related children 5-17 years	29.4	37.2
Related children < 18 years	31.1	33.2
Persons 18 and over	17.8	21.1
All families	14.6	16.9
Families with related children under 18 years	24.3	27.1
Female headed families with related children under age 18	47.6	48.5
Female headed families with related children under age 5	52.6	34.8

Source: Census Bureau ACS data: 2005, 2008

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

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

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

The following two illustrations describe the most recent, income limits and the full-time hourly wage required to achieve income levels. The following FY2014 numbers became available from HUD December 30, 2013:

FY 2014 Median Family Income – Single		
Minneapolis-St. Paul, MN-WI MSA		\$82,900
Annual Income & Equivalent Full-Time Wage/Hour*		
A single person at 30% MFI would earn... **	\$17,400	\$ 8.37/hr
A single person at 50% MFI would earn... **	\$29,050	\$ 13.97/hr
A single person at 80% MFI would earn... **	\$44,750	\$ 21.51/hr
FY 2014 Median Family Income – Family		
Minneapolis-St. Paul, MN-WI MSA		\$82,900
Annual Income & Equivalent Full-Time Wage/Hour***		
A family of four at 30% MFI would earn... **	\$24,850	\$ 11.95/hr
A family of four at 50% MFI would earn... **	\$41,450	\$ 19.93/hr
A family of four at 80% MFI would earn... **	\$63,900	\$ 30.72/hr
* Assumption 2,080 annual hours		
** Income is adjusted for HUD formula calculations		
*** Assumption one wage earner at 2,080 annual hours		

Very low income families or households are those whose income is between 0 and 30 percent of the metropolitan area's median family or household income, subject to adjustments for smaller or larger families. In Minneapolis, for 2014 the 30 percent income measure for a family of four is \$24,850, calculated from the current metropolitan median family income of \$82,900. Examples of households in this income category include many individuals residing in licensed residential facilities; those receiving public assistance such as Temporary Assistance for Needy Families (TANF), persons who are without housing, and many of the working poor. Additionally, evidence is that many recent immigrant populations that have moved into the City over the past decade are disproportionately at this income level.

In the 2000 Census, 30,379 Minneapolis households were at or below 30 percent MFI. This was a 2.6% decrease from 1990 (1990: 31,156 households). In 1990, 19.4% of Minneapolis households were very low-income, and in 2000, 18.7% of Minneapolis households were low income – showing no significant change in the share of households at this income level. However, according to 2009 American Community Survey, 34,515 households were at or below 30 percent MFI, indicating that 22% of households are in the very low-income category, or a 3.3% percent increase since the 2000 Census.

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

HUD defines low-income families or households as those whose income does not exceed 50 percent of the metropolitan area's median family income, subject to adjustments for smaller or larger families. For differentiation purposes, this Consolidated Plan defines low income as 31 to 50 percent of median family income. In Minneapolis, the current 50 percent limit for a family of four is \$41,450 calculated from the metropolitan median family income of \$82,900. Examples of households in this income category can include many single parent families and the working poor. Additionally, the City assumes that many recent immigrant populations that have moved into the City over the past decade are disproportionately at this income level.

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

HUD defines moderate-income households or families as those whose income does not exceed 80 percent of the median family income for the metropolitan

area, subject to adjustments for smaller or larger families. For differentiation purposes, this Consolidated Plan defines moderate-income as those having an income that is 51 to 80 percent of median family income. In Minneapolis, the current 80 percent limit for a family of four is \$63,900, calculated from the metropolitan median family income of \$82,900. The share of households in the City at this income level has remained the same over the past decade.

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

In Chapter 2 of the 2010-14 Consolidated Plan, discussion of housing needs uses updated estimates from the Comprehensive Housing Affordability Strategy (CHAS) which has been refreshed with American Community Survey (ACS) data from the U.S. Census Bureau. Demographic data will be updated later in 2014 in preparation for the 2015-2019 Consolidated Plan as 5-year ACS and 2010 U.S. Census count become available.

I. Poverty and Minority Concentrations

The City makes the following findings regarding what it locally defines as areas of poverty and minority concentration. An area of poverty concentration is a census tract that is double the city's average poverty rate of 22.7%, so tracts that are composed of at least 45.4% of persons in poverty are considered concentrated. Map 2 in the Appendix illustrates these areas. An area of minority concentration is a census tract that has a minority population that is at least 50% minority population. Map 1 in the Appendix illustrates these areas.

Chapter 2 Housing Needs

For this chapter, please refer to the 2010-2014 Consolidated Plan. No changes have been made in 2014 for this chapter.

Chapter 3 Homelessness and Those Threatened with Homelessness (91.205(b)(1)(i)(I) and (K)); (91.205 (c); 91.210 (c); and 91.215(c) and (d)—Needs Assessment; Inventory of Facilities, Housing and Services for Homeless Persons; and Strategic Plan

For this chapter, please refer to the 2012 Consolidated Plan which revised this chapter for the 2010-2014 Consolidated Plan. No changes have been made in 2014 for this chapter.

Chapter 4 Community Development

For this chapter, please refer to the 2010-2014 Consolidated Plan. No changes have been made in 2014 for this chapter.

Chapter 5 Five-Year Strategy (2010-2014)

Please refer to Chapter 5 in the 2010-14 Consolidated Plan for a full discussion of the Five-Year Strategy. The 2012 Consolidated Plan Chapter 5 contains a discussion of several changes made to that Five-Year Strategy.

Chapter 6 2014 One-Year Action Plan

A. General

The City will undertake a variety of activities to address its priority needs that have been described in the Consolidated Plan. The HUD Table 3 – Proposed Projects describes the programs that will be funded with 2014 Consolidated Plan funds. The table provides information on the title of the initiative, the addressed priority, program description, federal program eligibility, estimated accomplishments, budget, geographic location and the proposed program’s national objective.

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

City actions for the 2014 Consolidated Plan will be in conjunction with the strategies detailed in the 2010-14 Consolidated Plan Five-Year Strategy listed in Chapter 5 of that document. In summary, the City will undertake the following:

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

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

Goal H-1	Foster and Maintain Affordable Rental Housing
Objective H-1a	Provide financing and administer programs for the development of affordable and mixed-income housing
Goal H-2	Foster and Maintain Affordable Ownership Housing

Objective H-2a	Provide financing and administer programs for the development and preservation affordable ownership housing
Goal H-3	Provide for Safe Affordable Housing
Objective H-3a	Evaluate and remove lead-based paint hazards in City's affordable housing stock
Objective H-3b	Mitigate housing conditions that present life and safety issues
Goal H-4	Foster and Maintain City's Public Housing Supply
Objective H-4a	Support rehabilitation needs of MPHA housing stock
Objective H-4b	Assist in locating financial resources to prevent subsidized housing "opt-outs"
Objective H-4c	Assist in development of Heritage Park – a mixed-use, mixed-income community on the near northside of Minneapolis
Goal H-5	Affirmatively Further Fair Housing
Objective H-5a	Enforce the City's fair housing ordinance
Objective H-5b	Provide resources to the metro Fair Housing Implementation Committee
Goal H-6	Remove or ameliorate any barriers to affordable housing
Objective H-6a	Mitigate barriers to the development, maintenance, and improvement of affordable housing
Goal HM-1	Support Persons Suffering from Homelessness
Objective HM-1a	Support movement of homeless families and individuals toward permanent housing
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with strategies of Continuum of Care and the Heading Home Hennepin Plan to End Homelessness
Goal SPH-1	Foster and Maintain Housing for those with special needs
Objective SPH-1a	Provide financing for the development and preservation of housing opportunities for persons with special needs
Goal CD-1	Expand Economic Opportunities for Low- and Moderate-Income Persons
Objective CD-1a	Link residents to permanent jobs
Objective CD-1b	Provide resources to improve community access to capital
Goal CD-2	Support the Community Safety Net
Objective CD-2a	Provide support to City's senior citizens
Objective CD-2b	Promote healthy outcomes for low- and moderate-income individuals and families
Objective CD-2c	Provide resources to vulnerable citizens
Objective CD-2d	Provide resources for City's youth programming initiatives
Goal CD-3	Meet Community Infrastructure Needs

Objective CD-3a	Use CDBG resources to address public facilities initiatives in CDBG target and majority low/moderate income neighborhoods
Goal CD-4	Meet Community Public Safety Needs
Objective CD-4a	Use CDBG resources to address crime prevention and restorative justice in CDBG target and majority low/moderate income neighborhoods
Goal CP-1	Encourage Citizen Participation in the Consolidated Plan
Objective CP-1a	Support citizen participation processes that facilitate community input into all phases of Consolidated Plan development and implementation
Objective CP-1b	Provide timely data and analysis to inform citizens
Goal AD-1	Manage HUD Resources for Accountability
Objective AD-1a	Design, implement and monitor Consolidated Plan programs to achieve compliance
Objective AD-1b	Encourage citizen feedback for Consolidated Plan performance

1. Federal Resources

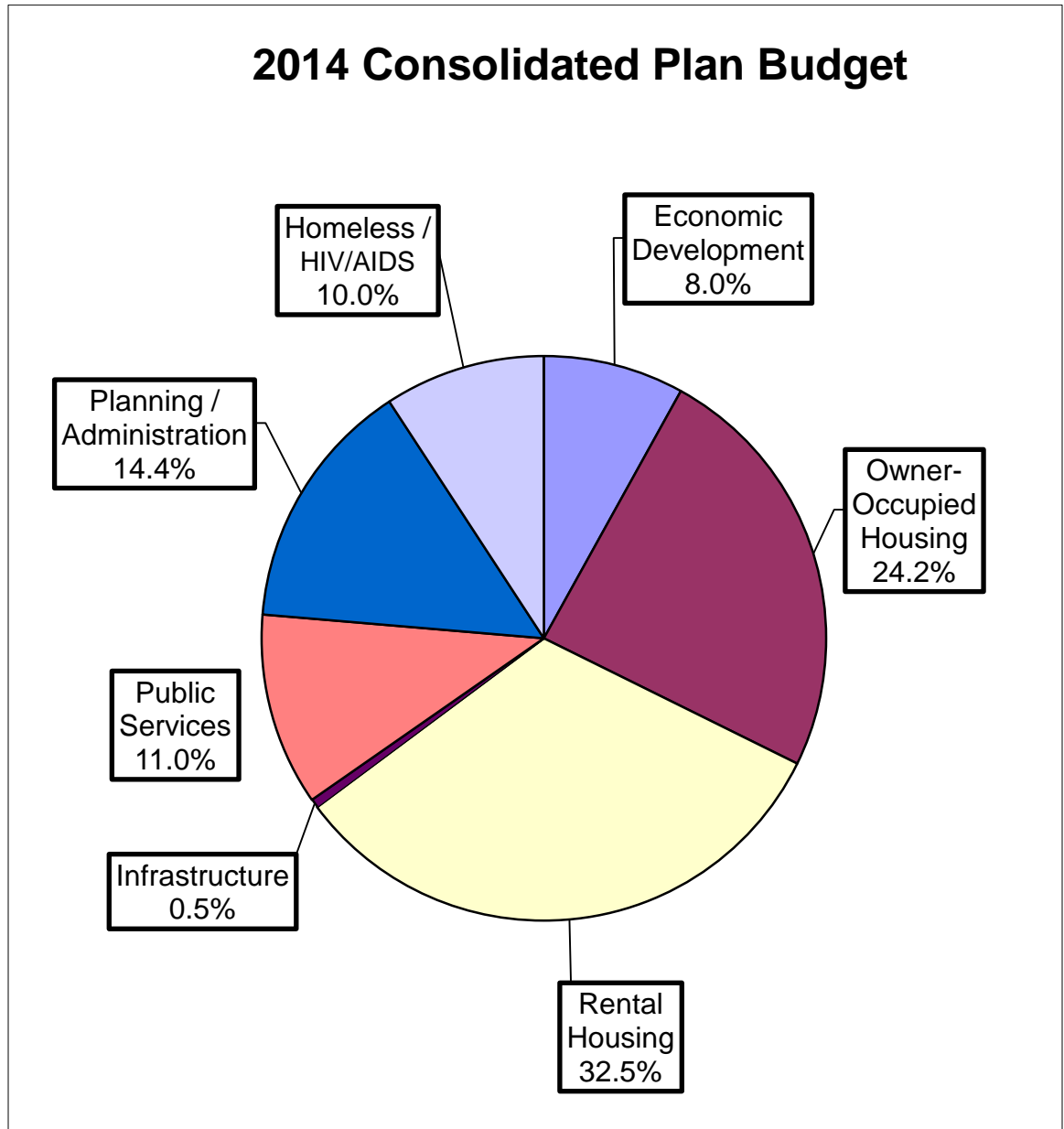
The City expects to have the following Consolidated Plan resources available to address its priority housing and community development needs over the next year. Primarily, the City will direct approximately 50% of its Consolidated Plan funds toward the stabilization and development of affordable housing units.

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

The 2014 City Budget and Consolidated Plan funding available to the City consists of the following awards:

CDBG	\$ 10,722,550
HOME	\$ 2,248,392
ESG	\$ 897,425
HOPWA	\$ 1,040,950

Remaining CDBG funds from prior years have been reprogrammed. The total reprogrammed funding from prior years is \$2,118,000.



Federal funding levels for the 2014 Consolidated Plan are 1% less than the 2013 funding level of \$15,037,229. The 2014 funding level is approximately 31% less than what it was 2004 when it was \$21,689,123. The City is concerned about the impact of the actual and potential reduced level of funding which affects vulnerable residents, principally low- and moderate-income persons, as well as job creation, housing development, public safety, and slum and blight abatement. This affects the City's long-term business plan and strategic outlook for community and business

development, job creation, public service and affordable housing, for the poorest and most vulnerable citizens of Minneapolis.

2. Other Resources

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

Other housing resources expected during the 2014 Consolidated Plan year will be MHFA, the State's Metropolitan Council, Family Housing Fund, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, low income housing tax credits, and the McKinney-Vento Homeless Assistance programs. The City will support any organization's application for state or federal assistance that is consistent with this Consolidated Plan.

Neighborhood Stabilization Program (NSP)

Over the past several years, the City has received special CDBG funding known as Neighborhood Stabilization Program funds. These NSP funds were originally authorized by the Housing and Economic Recovery Act of 2008, Title III, Section 2301 – Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes. The Congressional intent for these funds is to provide cities and states funding to address the effects of abandoned and foreclosed upon homes and residential properties. The funding is not intended for foreclosure prevention. There have been three funding rounds (NSP1, 2, 3) for which the city has received funding. The City of Minneapolis awards of \$32,864,474 have been from both HUD and sub-awards from Minnesota Housing:

NSP 1	\$ 14,003,239
NSP 2	\$ 15,424,156
NSP 3	\$ 3,437,079

These programs are substantially completed. Additional programming activity will occur with program income received by projects assisted during the grants.

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

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

The City implements NSP funding through the Minneapolis Community Planning and Economic Development Department (CPED).

B. Geographic Distribution of Consolidated Plan Assistance

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

CDBG funds will be provided predominately to areas of the city where at least 51% of the residents are low- and moderate-income. A map illustrating these areas follows in the Appendix.

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

HOPWA will fund programs serving site-based initiatives and providing tenant rental assistance throughout the metropolitan area. Funding priorities are determined through the Minnesota HIV/AIDS Housing Coalition and through an annual RFP process.

HOME funds are spent throughout the City for income-eligible units. Projects are selected through an annual RFP process. New construction projects assisted with HOME funds are located in geographic areas of the City that are not minority concentrated, illustrated in Map 1 in the appendix.

C. Addressing Obstacles in Meeting Underserved Needs

As stated throughout Chapter 5 of the 2010-14 Consolidated Plan Five-Year Strategy, the City will be pursuing a variety of initiatives to meet underserved needs identified in the Plan. Specific Consolidated Plan initiatives for 2014 are listed in the HUD Table 3 – Proposed Projects. The extent of the City’s ability to address underserved needs will be conditioned by the amount of funding resources it has.

D. 2014 Planning Process

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

E. Summary of 2014 Citizen Participation Process

City of Minneapolis Citizen Participation Plan FY 2014 Consolidated Plan	
August 13-28, 2013	Public Comment period for 2012 Consolidated Annual Performance and Evaluation Report (CAPER)
August 15, 2013	Mayor’s Proposed 2014 Budget
August 20, 2013	Public Hearing on 2012 CAPER
August 29, 2013	2012 CAPER submitted to HUD
November 19, 2013	Public Hearing on 2014 Proposed Budget and Taxation Review including Consolidated Plan
December 11, 2013	2014 Council-Adopted Budget & Public Hearing
April 10, 2014	Notice of Public Hearing and Comment Period sent to Consolidated Plan mailing list
April 14 – May 13, 2014	Public Comment period on Draft 2014 Consolidated Plan
April 15, 2014	Set Public Hearing for April 29, 2014 CD meeting
April 29, 2014	Public Hearing on 2014 Consolidated Plan and Council Committee Action to submit Plan to HUD
May 9, 2014	2014 Consolidated Plan Budget Approval by City

	Council based on HUD official grant notification
May 15, 2014	City submission of 2014 Consolidated Plan to HUD
June 1, 2014-May 31, 2015	Year 40 CDBG Program Year, FY 2014 Consolidated Plan Year
August 19, 2014	Public Hearing on FY 2013 CAPER
August 29, 2014	Submission of FY 2013 CAPER to HUD

F. 2014 Institutional Structure

The institutional structure through which the City carries out its housing and community development plan consists of public, private and nonprofit partners, including social service agencies, community and faith-based organizations. The primary public entities are the City of Minneapolis, the Minneapolis Public Housing Authority (MPHA), Hennepin County, and the Minnesota Housing Finance Agency (MHFA). Nonprofit organizations include nonprofit developers and community housing development organizations, the Family Housing Fund, and the Funder's Council. Private sector partners include local financial institutions, for-profit developers, faith-based organizations and the foundation community. The City and Hennepin County's 10 year plan to end homelessness, Heading Home Hennepin, has been a collaborative effort driven in large part by the efforts of social service agencies and faith-based organizations who have taken the lead in providing services for the chronically homeless in our community. The City and Hennepin County collaborate to identify the needs and coordinate implementation of the Emergency Solutions grant programming through the lead of the City-County Office to End Homelessness and Heading Home Hennepin.

Relationship with Local Public Housing Authority

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

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

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

G. 2014 Monitoring Objectives

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

The City will monitor federally funded projects in accordance with the criteria and priorities detailed in Chapter 1.

H. 2014 Lead-based Paint Objectives

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

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

- Inspect, identify and order repaint of lead hazards from units occupied by children with elevated blood lead levels.
- Provide a free specialized lead cleaning (swab cleaning) in homes of children with blood lead levels 10 ug/dl of blood and greater to reduce accessible hazards to children.
- The City has lowered the mandatory inspection trigger of a blood lead level of 15 micrograms per deciliter of blood (ug/dbl) to 10 ug/dbl as permitted by state law.
- Provide inspection in rental units where children have been tested with a blood lead level of 5-9.9 venous. The inspection looks for deteriorated paint and bare soil. Orders are issued to the property owner to repair deficiencies.
- Referral of all blood lead levels to lead hazard control grant programs in the City of Minneapolis and Hennepin County
- Pursuing policies that support primary prevention without reduction in the efforts for secondary prevention response
- Education and outreach to pregnant women and families of children most impacted by lead hazards in dwellings within the City.
- Education and outreach to property owners and contractors on Lead Safe Work Practices or the Renovation, Remodeling and Painting rule as appropriate.
- Housing inspections continues to emphasize paint condition and during rental license inspections and requires property owners issued interior

corrective orders on paint condition to take the Renovation, Remodeling and Painting rule.

- Continue reduction of lead hazards identified by agencies such as CPED and MPHA. The agencies have incorporated Title X (Section 1012/1013 and 1018) rules into their policies and procedures. CPED requests lead risk assessments in assisted properties and have incorporated lead safe hazard reduction practices into properties undergoing rehabilitation. MPHA is working on policies and procedures to integrate grant resources for lead hazard reduction and lead safe work practices training for properties enrolled in the non-project based Section 8 programs.

Consolidated Plan Program

- *Lead Hazard Reduction Program (CDBG) – 50 Housing Units*

I. Housing

The City will be addressing the following housing strategies with Consolidated Plan funding with 2014 funding. Further project level detail is found in HUD Table 3 – Proposed Projects found in the Appendix.

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

Grantee Name: Minneapolis, MN Program Year: 2013	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)		To be reflected in 2013 Annual Performance Report				
Homeless households (capital development/rehab only)	25 (rehab)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	N/A		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households (capital development/rehab only)	42 (new) + 36 (rehab) = 78		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)	Units may be counted multiple times among strategies					
Acquisition of existing units	25		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	310		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Rehabilitation of existing units	380		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	125		<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Total Sec. 215 Affordable Rental	840		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)	Units may be counted multiple times among					

	strategies					
Acquisition of existing units	25		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Production of new units	52		<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitation of existing units	18		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	17		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	112		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)	Units may be counted multiple times among strategies					
Acquisition of existing units	25		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	362		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Rehabilitation of existing units	398		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Homebuyer Assistance	17		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Housing	802	“Geographic Distribution of Consolidated Plan Assistance”	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL HOUSING GOALS	Source: 2010-14 Consolidated Plan Table 2A					
Annual Rental Housing Goal (HUD Table 2A Section 215 goal)	518		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annual Owner Housing Goal (HUD Table 2A Section 215 goal)	28		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Annual Housing Goal	546		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

1. 2014 Housing Goals and Objectives

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

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

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

- ◆ Preserve and improve the physical condition of existing subsidized housing, both publicly and privately owned.

- ◆ Support development of new three or more bedroom rental units for large families. The City's goal is that 70% of affordable housing funds be allocated to larger family units.
- ◆ A minimum of 20% of all City-assisted rental projects of 10+ units be affordable at 50%MFI.
- ◆ Create additional transitional housing units with appropriate supportive services as an alternative to extended shelter use.
- ◆ Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- ◆ Encourage development of mixed-income housing serving a broad and continuous range of incomes.
- ◆ Emphasize new affordable housing development outside areas of concentrated poverty. (See Consolidated Plan Map 2 in the Appendix).
- ◆ Use the affordable housing trust fund to guarantee a minimum level of sustained financial commitment toward the housing needs of those at the low-income level. The annual funding goal is \$10 million.
- ◆ Link housing programs to supportive service programs, income assistance programs and public housing initiatives to facilitate affordability.
- ◆ Fifty percent (50%) of City affordable housing funds will be used for capital production of units affordable at 30%MFI.

Consolidated Plan Programs

- *Affordable Housing Trust Fund (CDBG/HOME) – 200 Housing Units*
- *High Density Corridor Housing (CDBG) – 54 Housing Units*
- *HOME Multifamily Rental (HOME) – 80 Housing Units*

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

In order to meet these goals, the City will pursue the following strategies. The aim is to keep existing low-income homeowners in their homes with strategic home improvement investments and to promote new low-income homeowners through creative, leveraged homeowner financing programs. The City will design its homeownership programs to attract minority homeowners. It is estimated that at least 50 percent of new homeowners will be minorities. The City is also exploring funding options and partnerships for addressing the needs of resident owner occupants who are exposed to foreclosure actions while continuing its support for foreclosure prevention housing services.

- ◆ Preserve and improve the physical condition of existing ownership housing through home improvement offerings.

- ◆ Support in-fill development of new three or more bedroom houses for large families through a combination of construction GAP financing and affordability loans.
- ◆ A minimum of 20% of all City-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.
- ◆ Encourage development of mixed-income ownership housing options serving a broad and continuous range of incomes.
- ◆ Promote and support first-time homeownership opportunities for traditionally underserved populations.
- ◆ Streamline City development review, permitting, and licensing to make it easier to develop property in the City of Minneapolis.
- ◆ Develop a close dialog with community participants about appropriate locations and design standards for new housing.
- ◆ Foster community dialog about housing growth in and adjacent to City neighborhoods.
- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.

In addition to the home ownership programs included for 2014 in Table 3 of the Appendix, the City uses funds approved in the 2009, 2010, and 2011 Consolidated Plan Action Plans for its Homeownership Program. This program provides assistance for homes priced at fair market value which will be sold only to low/moderate-income level buyers. Funding will be provided for development gap funding, defined as the difference between the total development cost less the sales price, for construction and acquisition in addition to an affordability loan up to \$20,000, and closing costs loan with maximum of \$4,000. Applications will be reviewed on a case by case basis by the City of Minneapolis; funds can be drawn at the time of acquisition and/or during construction with a final reconciliation at closing. This program is limited to serving households below 80% median income. The affordability financing (affordability and closing cost) is secured against the property as a junior mortgage to the first mortgage.

Consolidated Plan Programs

- *Vacant and Boarded Housing (CDBG) – 30 Housing Units*
- *Homeownership Works (HOME) – 10 Households*
- *Owner-occupied Rehab – 30 Households*

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

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

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

Currently, the City has instituted a Problem Properties Unit (PPU). This unit is a cross-departmental group that works with housing properties in targeted areas that consume many City resources in the areas of inspections and public safety. The Problem Properties Unit (PPU) identifies properties that had a history of police calls for service, housing code and building code issues, and develops strategies to monitor and resolve, or eliminate issues associated with boarded property and vacant property. 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.

Consolidated Plan Program

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

The City recognizes the important role that public housing plays in the provision of affordable housing. 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. The City funds resident participation initiatives that encourage local resident management of public housing sites. MPHA’s Resident Participation Program provides funding for resident participation councils – these councils are a means for MPHA residents to contribute to resident management. Due to reduced CDBG budgets, these activities have been curtailed. The City has supported the Heritage Park redevelopment through provision of resources for the development of housing in phases on the 145-acre site. This includes extensive infrastructure work. For example, construction on the Van White Bridge and road extension to connect the Heritage Park area with downtown completed fall 2013. The City is also aware of the importance of subsidized housing in the City and stands ready to assist

the local market in preserving and stabilizing subsidized housing as needed. The City will continue to partner with MPHA in joint housing developments that need project-based housing vouchers to finance low-income units.

2. 2014 Actions to Address Affordable Housing Barriers

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

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

The City will be continuing its efforts at removing barriers to affordable housing. Further development and implementation of the coordinated development function between the City’s Regulatory and CPED agencies will assist in reducing the time and effort needed by housing developers in creating new housing.

3. 2014 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 Citywide.

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 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

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 PJ will measure the percentage change in median sales prices over the period of ownership and the percentage change in the Consumer Price Index (CPI) over the period of ownership which will be added to the original down payment and the cost of the City of Minneapolis Regulatory Services building permitted improvements i.e. roof, siding, kitchen or bathroom remodel based on the value stated on the building permit, made by the current owner during their period of ownership. These requirements 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 i.e. City of Lakes Community Land Trust. The Land Trust has as their missions, 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 increase in the market value of the property will be based on an independent appraisal or a 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 only and the value is based on that permitted value (see above). Properties sold during the affordability period must be affordable to a reasonable range of low-income homebuyers as defined in the "Target Buyer" section 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 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

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-paids.

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 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. 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.

4. 2014 HOME/CDBG Multifamily Guidelines

Affordable Housing Trust Fund Administrative Guidelines

In 1982, the City of Minneapolis began a new housing program called the Multi-Family Rental and Cooperative Housing Program to finance the production of new or rehabilitated affordable rental units. In 2002, the City Council changed the name of this program to the Affordable Housing Trust Fund. The primary sources of funds for this program are HOME and

CDBG monies. This program provides funds to affordable rental projects that need gap financing assistance to cover the difference between total development costs and the amount that can be secured from other sources. Applications for program funds will be solicited through a Request for Proposals scheduled to be advertised beginning June 2014. 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, previously referred to as the Affordable Housing Policy (City Council Resolution 2004R-260), this 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 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 (as evidenced by the 2012 solicitation), or can be obtained through request to CPED. For more information, please contact Matt Goldstein at 612-673-5075.

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.

Based on previous years' performance, HOME program income for 2014 from multifamily rental projects is estimated to be \$220,000.

HOME Affirmative Marketing Program plus Minority and Women Business Outreach

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

5. 2014 Affirmatively Furthering Fair Housing

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

The City works to ensure that to the greatest extent possible, its housing programs affirmatively further fair housing. The lead City agency in educating and enforcing fair housing laws is the Department of Civil Rights. The Department of Civil Rights works in partnership with community groups to research fair housing issues, publicize affirmative practices, and enforce federal, state and local fair housing laws.

In October 2009, a Regional Analysis of Impediments to Fair Housing was developed by the Fair Housing Implementation Council on behalf of HUD Consolidated Plan entitlement jurisdictions in the Twin Cities. The Regional Analysis is for the 2010-14 Five Year Strategy. A regional study was completed because of the close proximity of the cities in the metro area and the nature of fair housing issues being metro wide and not concentrated to one city. The Fair Housing Implementation Council (FHIC) consists of the metropolitan Consolidated Plan jurisdictions along with fair housing advocates, stakeholders and housing industry representatives. It oversees the development and implementation of the Regional Analysis and its associated strategies. In 2006, FHIC received an award of excellence from the National Association of County Community and Economic Development for its metro-wide approach and partnership to fair housing issues.

The FHIC will implement action recommendations for the jurisdictions over the course of the 2010-14 Five Year Strategy. The FHIC input will provide the City with a clearer understanding of the issues that are in need of the greatest attention and what the City can proactively provide to those issues. The 2009 Regional Analysis of Impediments to Fair Housing is found on the following website: www.ci.minneapolis.mn.us/grants

Over the next year, the City will assist in the following affirmatively furthering fair housing actions within the city and in support of FHIC initiatives with CDBG funding. The City will also begin work with local partners on updating the Regional Analysis of Impediments to Fair Housing for purposes of the new five-year Consolidated Plan strategy for the 2015 Consolidated Plan.

Impediment (s)	Action	Organization	Resources
<ul style="list-style-type: none"> • Discriminatory terms and conditions for racial and ethnic minorities in rentals • Discrimination and harassment in the rental markets 	Services including complaint intake, investigation, advocacy and litigation	Mid-Minnesota Legal Aid-Housing Discrimination Law Project	CDBG
<ul style="list-style-type: none"> • Poor documentation of fair housing activities, especially 	Enforcement of City fair housing ordinance; case	Minneapolis Civil Rights Department	CDBG

enforcement activities, such as housing complaint responses	investigation		
<ul style="list-style-type: none"> • Insufficient system capacity • Discriminatory terms and conditions for racial and ethnic minorities in rentals • Discrimination and harassment in the rental markets • Discrimination of Section 8 voucher holders 	Advice and representation with special emphasis on housing and shelter-related issues	Mid-Minnesota Legal Aid	CDBG
<ul style="list-style-type: none"> • Lack of sufficient outreach and education 	Continued promotion of Housing Link culturally specific fair housing education videos	Housing Link	FHIC

Additional affirmative steps in addressing fair housing impediments:

Impediment (s)	Action	Organization
Policies and practices that have contributed to concentrations of protected classes in selected areas of the community	Relocation plans required of any developer who plans to demolish existing housing, as well as the HUD one-for-one replacement requirement.	CPED
Lack of sufficient outreach and education	Citizen information number (311) refers callers to First Call for Help and Housing Link that provide information about housing programs throughout the City of Minneapolis in other languages. The City of Minneapolis Neighborhood and Community Relations Department provides Spanish, Hmong and Somali interpretive services for CPED housing programs.	CPED, NCR
Insufficient system capacity; Disproportionately high home purchase denial rates for racial and ethnic minorities	Homeownership Center 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.	CPED, Homeownership Center
Disproportionate shares of racial and ethnic minorities in selected	CPED requires as part of affirmative marketing	CPED

areas	agreements, the advertisement of developed units in community newspapers.	
Lack of sufficient outreach and education	Minneapolis Public Housing Authority actively recruits new landlords and makes them aware of the Section 8 housing voucher choice program with an emphasis on larger family units.	MPHA
Policies and practices that have contributed to concentrations of protected classes in selected areas of the community	All city-assisted development projects are required to provide Section 8 acceptance.	CPED
Discriminatory terms and conditions for racial and ethnic minorities in rentals	The City has instituted a tenant screening ordinance which applies to all rental licensees	City of Minneapolis

Consolidated Plan Programs

- *Metro Fair Housing Actions through FHIC (CDBG) – 1 Organization*
- *Civil Rights/CDBG Compliance/Fair Housing (CDBG) – 1 Organization*
- *Mid-Minnesota Legal Aid (CDBG) – 1 Organization*
- *Housing Discrimination Law Project (CDBG) – 80 Households*

J. 2014 Addressing Homelessness and Those Threatened with Homelessness

Goal HM-1	Support Persons Suffering from Homelessness
Objective HM-1a	Support movement of homeless families and individuals toward permanent housing
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with strategies of Continuum of Care and the Heading Home Hennepin Plan to End Homelessness

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

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

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

2014 Actions to Address Homelessness

The City intends to pursue the following strategies with its Consolidated Plan funds to meet the needs of the homeless. The strategies encompass a variety of approaches to address needs of the homeless and those threatened with homelessness. The City will continue to fund a City/County Coordinator of Homelessness with its Consolidated Plan funds. This position will staff the development and implementation of the Heading Home Hennepin strategic plan (HUD Continuum of Care Strategy).

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

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

ESG: The city will budget ESG resources to the rehabilitation/renovation of shelters in the city, street outreach, and provide funding for homelessness prevention and rapid re-housing 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, street outreach, data system management and rapid re-housing activities.

It is estimated that 100 persons will be assisted with street outreach/emergency shelter services, and 50 households will be provided with either rapid re-housing or homelessness prevention services.

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

Over the course of the next year, the City will seek to have the following developed number of units appropriate for housing those who are homeless or who are housed precariously in some stage of completion.

New:	166
Rehab:	446

K. 2014 Community Development Objectives

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

1. Public Facilities

Goal CD-3	Meet Community Infrastructure Needs
Objective CD-3a	Use CDBG resources to address public facilities initiatives in CDBG target and majority low/moderate income neighborhoods

Medium Priority Strategies

Public Facilities (General)

Use Capital Improvement Plan to guide City investment in public facilities.

Neighborhood Facilities

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

Child Care Centers

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

Senior Centers

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

Youth Centers/Handicapped Centers

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

Park and Recreational Facilities

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

2. Public Services

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

Medium Priority Strategies

Senior Services

Support programs that allow seniors to be self-sufficient

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

Medium Priority Strategies

Health Services

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

Medium Priority Strategies

Child Care Services

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

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

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Medium Priority Strategies

Public Services (General)

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

Consolidated Plan Programs

- *Domestic Abuse Project – 150 People*

Substance Abuse Services

Coordinate with county to promote culturally sensitive substance abuse programming

Mental Health Services

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

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

Medium Priority Strategies

Youth Services

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

Consolidated Plan Programs

- *Youth Employment and Training (CDBG) – 387 People*
- *Way to Grow (CDBG) – 400 People*
- *Juvenile Supervision Center (CDBG) – 1500 People*
- *Youth Coordinating Board (CDBG) – 1 Organization*

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

Medium Priority Strategies

Public Services (General)

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

Consolidated Plan Programs

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

3. Economic Development

The City community and neighborhood development programs, through CPED, engage with businesses directly, as well as through business associations, neighborhood associations, and community development corporations. The economic development staff works closely with the development community through various forums, planning processes, and development solicitations. The City Council established the Great Streets Business District program in 2007 to sustain vibrant commercial districts and economic activity throughout the City of Minneapolis. The program includes business and commercial real estate development loans, grants for business technical assistance and district-wide marketing and recruitment efforts, and façade improvement matching grants to business and property owners. The real estate development and technical assistance to low- and moderate-income micro-entrepreneurs utilize CDBG funds; other program activities rely upon discretionary City funding sources.

In 2013, the City Council authorized the Grow North program, which will use CDBG dollars appropriated to commercial real estate development to recruit jobs-intensive businesses to North Minneapolis with forgivable loans for real estate development investments and job creation.

The Minneapolis Workforce Council, made up of 19 Mayoral appointments, provides strategic guidance for the broad partnerships that make up the local workforce development service delivery system for area jobseekers and employers. Workforce Council members are leaders and key decision-makers within their organizations and/or the community, including business owners and executives as well as agency and program directors.

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

High Priority Strategy

Economic Development Direct Financial Assistance to For-Profits

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

Consolidated Plan Program

- *Adult Training Placement and Retention (CDBG) – 375 Jobs*

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

High Priority Strategies

Rehab, Publicly or Privately-Owned Commercial

Rehabilitate commercial properties to keep them marketable

Consolidated Plan Program

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

Medium Priority Strategies

Commercial Industrial Land Acquisition/Disposition

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

Commercial Industrial Infrastructure Development

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

Other Commercial Industrial Improvements

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

Economic Development Technical Assistance

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

Micro-Enterprise Assistance

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

L. 2014 Anti-Poverty Objectives

The city focuses its resources and efforts on developing a skilled and employable resident workforce capable of receiving living wage jobs. The city also works to develop infrastructure to support industries that can pay a living wage.

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

The Department of Community Planning and Economic Development (CPED) works to assist local businesses in navigating financing and regulatory issues that they may encounter in either seeking or expanding a site in the City. CPED pursues Brownfield redevelopment initiatives to clean up old industrial sites to make them “green” again and attractive for business investment. These efforts seek to broaden the availability of business opportunities providing jobs to the City’s low and moderate-income residents.

The City supports the work of various community-based employment training, human development and social service agencies. The City also reaches out to agencies that represent the City’s new foreign-born populations to assure that no segment of the City’s population lacks accessibility to culturally appropriate human development strategies. The Neighborhood and Community Relations Department Access and Outreach staff assists in this effort.

Minneapolis continues to review issues of concentrated poverty, housing choice and the needs of its low and moderate-income residents when designing its housing and economic development programs. The City is

actively working to deconcentrate poverty, increase the variety of housing options and support residential displacement and relocation policies. As a HUD recipient, the City offers Section 3 assistance through project notification procedures, bid requirements, and monitoring applicable projects. This expands economic opportunities to the City's very low- and low-income residents. The Section 3 promotion and enforcement monitoring is delivered through the Civil Rights Department.

The City estimates that over the 2010-14 five-year strategy, 60,000 residents will benefit from its anti-poverty programming and initiatives.

M. Non-Homeless Special Needs Housing

The City will seek to fund special needs housing through its Affordable Housing Trust Fund project funding solicitations.

1. 2014 Non-Homeless Special Needs Objectives

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

Consolidated Plan Program

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

The City supports the creation of housing units for special needs populations. When possible these units should be in the form of supportive housing. The City anticipates the following 2010-14 goals for special needs housing. Annual goals will depend on developer response to annual Affordable Housing Trust Fund solicitations, but are projected to be:

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

The City can support these goals through the following strategies:

- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.
- ◆ Support the development of housing with supportive services that help households gain stability in areas such as employment, housing retention, parenting, mental health and substance challenges.
- ◆ Not use zoning ordinance or other land use regulations to exclude permanent housing for people with disabilities. Special needs housing shall be available as needed and appropriately dispersed throughout the City.

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

Elderly/Frail Elderly

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

Severe Mental Illness

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

Developmentally Disabled

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

Physically Disabled

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

Persons with Alcohol/Other Drug Addiction

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

Veterans

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

2. Housing Opportunities for Persons with AIDS (HOPWA) Objectives

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

HOPWA Program-Specific Requirements

The HOPWA allocation to the City of Minneapolis is for expenditure in the Metropolitan Statistical Area comprising eleven counties in Minnesota (Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright), three cities in Minnesota (Minneapolis, Saint Paul and Bloomington) and two counties in Wisconsin (Pierce and Saint Croix.) For 2014, the City will receive \$1,040,950 of HOPWA allocation, approximately 3% more than 2013. These funds are advertised by the City of Minneapolis each year through a Request for Proposal (RFP) process.

The purpose of HOPWA funding is to help those with HIV/AIDS achieve and maintain housing stability, avoid homelessness, and improve access to HIV/AIDS treatment and related care through emphasis on permanent

supportive housing. 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. The City of Minneapolis considers capital requests to be a top priority. Funding for operating capacity and services is not a priority or consistent with the existing long-term tenant-based continuum of housing assistance that is currently established as a funding priority both locally and nationally.

Additionally, in order to ensure that the grant is distributed throughout the metropolitan area, the City of Minneapolis administers and monitors HOPWA projects.

HUD Table 3-Proposed Projects table describes the projects to receive 2014 HOPWA funds awarded. The City estimates that 138 households will receive housing assistance through these programs.

Consolidated Plan Programs

- *Minnesota AIDS Project Transitional Housing Program (HOPWA) – 85 Households*
- *Metropolitan Council HRA Housing Assistance Program (HOPWA) – 53 Households*

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

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

N. CDBG Program Requirements

CDBG Program Income

Estimated program income is identified separately from the budget contained in the HUD Table 3-Proposed Projects. As a matter of administrative convenience, the City recognizes program income as it is received, and reports it at the end of the program year in the performance report. The City uses program income to extend program activities originating the income. Activities that may earn program income are noted in Table 3 project descriptions. The City does not generate program income from revolving loan fund activity. The City estimates that program income will be approximately \$1,200,000. Fifty percent of program income not obligated by pre-2009 CDBG contracts will be applied to reducing the deficit in the City's letter of credit with the federal government. The balance of program income will be available for activity reprogramming.

CDBG Float-Funded Activities

The City of Minneapolis does not plan to fund any float-funded activities.

CDBG Location of Proposed Activities

The HUD Table 3-Proposed Projects table provides the location of CDBG-funded activities. The location may be address-specific. Locations may also be Citywide if the services are available throughout the City.

CDBG Contingency Funds

The City has budgeted all 2014 CDBG funds to programs in FY 2014.

CDBG Urgent Needs

HUD has three national objectives: (1) Slum and Blight, (2) Low Moderate Income Benefit and (3) Other Urgent Needs. No CDBG-funded project addresses the urgent needs national objective. At least 70 percent of the CDBG funds will be used for activities that benefit low and moderate-income persons and all other activities will meet the national objective of slum and blight elimination.

CDBG Revolving Funds

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

CDBG Statement of Objectives

City Goals for City budgeting purposes are:

- ◆ Build communities where all people feel safe and trust the City’s public safety professionals and systems;
- ◆ Maintain the physical infrastructure to ensure a healthy, vital and safe City;
- ◆ Deliver consistently high quality City services at a good value to taxpayers;
- ◆ Create an environment that maximizes economic development opportunities within Minneapolis by focusing on the City’s physical and human assets;
- ◆ Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth;
- ◆ Preserve and enhance our natural and historic environment and promote a clean, sustainable Minneapolis;
- ◆ Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities;
- ◆ Strengthen City government management and enhance community engagement.

Further discussion of goals and objectives are contained in Chapter 5 of the 2010-14 Consolidated Plan Five-Year Strategy, as well as referenced above.

CDBG Statement of Displacement Policies

In developing the CDBG program, the City considers existing City policies for the minimization of displacement. In carrying out CDBG-funded activities, the City follows ongoing administrative policies to limit displacement through using land inventories, available vacant land and substandard vacant structures. Where displacement does occur, the City provides a full range of relocation benefits and services to those displaced according to its relocation policy.

O. Emergency Solutions Grant (ESG) Program Requirements

Goal HM-1	Support Persons Suffering from Homelessness
Objective HM-1a	Support movement of homeless families and individuals toward permanent housing
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with strategies of Continuum of Care and the Heading Home Hennepin Plan to End Homelessness

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. 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 were covered in a revision of Chapter 3 to the 2010-14 Consolidated Plan Five-Year Strategy as part of the 2012 Consolidated Plan

1. Summary of 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 Continuum of Care work and oversight of the Homeless Management Information System (HMIS) is the responsibility of the Executive Committee's Housing Committee and Continuum of Care Subcommittee. The HMIS oversight work includes the development of funding, policies, and procedures for the operation and administration of HMIS. This work is governed by a written agreement with the local and state HMIS lead agency, Wilder Research Center of St. Paul, Minnesota.

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 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 is using the citizen participation process as outlined in Chapter 1 of the 2014 Consolidated Plan for receipt of comments on FY14 Proposed Program.

3. Proposed Activities

For FY 2014 the city will budget 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 estimated funding is reserved for any HMIS costs that the City will incur in participation in ESG.

Homelessness Prevention and Rapid Re-housing activities funded will be determined from project solicitations received from a Request for Proposal process to be announced later this spring. 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.

The priority needs 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 ESG 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. Throughout the city, there are over 1,400 emergency shelter beds. A recent survey of recent recipients of the City's ESG

funding indicated over \$2 million in likely rehabilitation needs over the next five years.

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. The RFP is scheduled for spring 2014. 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 of either 3 or 10 years depending on the degree of renovation and the value of the building.
- ◆ 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 a 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

The City will issue as described above a 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 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.

6. FY 2014 ESG Budget

A HUD-prescribed budget table format for FY14 ESG funds is presented on the following page. As described above, the preference for an RFP for Rapid Re-housing and Homelessness Prevention services will be for funding rapid re-housing services. However, it is unknown at this time, exactly how potential applications may fit within each of these two eligible activities, so for purposes of the budget table, the funds are placed on the Rapid Re-housing line. Housing Relocation and Stabilization Services and Rental Assistance are budget subsets of the respective Homelessness Prevention and Rapid Re-housing budget categories and are unknown at this time. The FY14 grant budget includes a \$150,000 budget for an outreach services contract awarded to St. Stephen's Human Services. Shelter renovation under the FY14 grant will be \$408,377. Estimated funding of \$8,974 is reserved for any HMIS costs that the City will incur in participation in ESG and is subject to further review based upon HMIS Lead Agency guidance. Administration is set at 7.5% of grant.

FY 2014 ESG Detailed Budget Table		
Grant Amount		Emergency Solutions Grants Program Allocations
Total Administration	\$ 897,425	
	\$ 67,306	
		Total Fiscal Year 2014
	Eligible Activities	Activity Amount
Emergency Solutions Grants Program	Emergency Shelter**	
	<i>Renovation**</i>	\$ 408,377
	<i>Operation**</i>	
	<i>Essential Service**</i>	
	<i>URA Assistance**</i>	

Street Outreach - Essential Services**	\$ 150,000
HMIS-Wilder	\$ 8,974
HMIS- Providers	
Rapid Re-housing	\$ 262,768
Homelessness Prevention	
Administration- CPED	\$ 62,306
Administration- IGR	\$ 5,000
Emergency Solutions Grants Subtotal	\$ 897,425

7. 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 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 assessment system. To date the county does have some level of coordinated assessment for families while systems for single adults and youth are at various stages of development. HMIS participation will be required of all funding recipient agencies. 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.

8. ESG Sub-award Process

The City of Minneapolis will issue Request for Proposals (RFP) for Rapid Re-housing and Homelessness Prevention services as well as for shelter rehabilitation. 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.

9. 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.

10. 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.

Rapid Re-housing Outcomes
<ul style="list-style-type: none"> • Participants will be re-housed into stable housing within 30 days of eligibility determination for services
<ul style="list-style-type: none"> • Participants receiving Rapid Re-housing will not become homeless during services or within six months of case closing
Source of evaluation data: HMIS

Homelessness Prevention Outcomes
<ul style="list-style-type: none"> • Eligible renter households will not become homeless
<ul style="list-style-type: none"> • At Risk of Homelessness Families, Adults and Youth will retain stable, permanent housing
<ul style="list-style-type: none"> • Households receiving services will not become homeless during the six months following case closing
Source of evaluation data: HMIS

Emergency Shelter Outcomes
<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
<ul style="list-style-type: none"> • 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
<ul style="list-style-type: none"> • Connect unsheltered individuals to housing, health care and services
<ul style="list-style-type: none"> • Identify high frequency uses of emergency services
<ul style="list-style-type: none"> • Reduce livability crimes

**P. SF-424 Federal Applications for Assistance & Grantee
Certifications:**

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 05/15/14	Applicant Identifier 41-6005375
<input type="checkbox"/> Construction	<input type="checkbox"/> Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY 05/15/14	Federal Identifier
<input type="checkbox"/> Non-Construction	<input type="checkbox"/> Pre-application		

5. APPLICANT INFORMATION

Legal Name: City of Minneapolis		Organizational Unit: Department: City Coordinator	
Organizational DUNS: 066530411		Division:	
Address: Street: 301M City Hall, 350 South Fifth St.		Name and telephone number of person to be contacted on matters involving this application (give area code)	
City: Minneapolis		Prefix:	First Name: Peter
County: Hennepin		Middle Name	
State: MN		Last Name O'Toole	
Zip Code 55415	Suffix:		
Country: USA		Email: Peter.OToole@Minneapolismn.gov	

6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375	Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250
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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) <input type="checkbox"/> <input type="checkbox"/>	7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)
9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development	


10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): HOME Investments Partnerships Program (HOME) 14-239	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY14 Consolidated Plan Home Investments Partnerships (HOME)
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12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis

13. PROPOSED PROJECT Start Date: 06/01/14	Ending Date: 05/31/15	14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th	b. Project 5th
--	--------------------------	---	-------------------

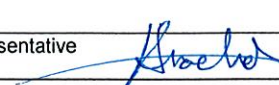
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal HOME	\$ 2,248,392 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$ ⁰⁰	DATE:	
c. State	\$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other Match (12.5%)	\$ 281,049 ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
f. Program Income	\$ 220,000 ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 2,749,441 ⁰⁰		

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative		
Prefix Mr.	First Name Jay	Middle Name
Last Name Stroebel		Suffix
b. Title Interim City Coordinator		c. Telephone Number (give area code) 612-673-3241
d. Signature of Authorized Representative 		e. Date Signed 04/15/14


**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 type="checkbox"/> Non-Construction	2. DATE SUBMITTED 05/15/14	Applicant Identifier 41-6005375
			3. DATE RECEIVED BY STATE	State Application Identifier
			4. DATE RECEIVED BY FEDERAL AGENCY 05/15/14	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)		
City: Minneapolis		Prefix:	First Name: Peter	
County: Hennepin		Middle Name		
State: MN	Zip Code 55415	Last Name O'Toole		
Country: USA		Suffix:		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375		Phone Number (give area code) 612-673-5456		Fax Number (give area code) 612-673-3250
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): CDBG Entitlement Grant 14-218		9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY14 Consolidated Plan Community Development Block Grant (CDBG)		
13. PROPOSED PROJECT Start Date: 06/01/14		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th		
Ending Date: 05/31/15		b. Project 5th		
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$ 10,722,550 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$ ⁰⁰	DATE:		
c. State	\$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
f. Program Income	\$ 1,200,000 ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
g. TOTAL	\$ 11,922,550 ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix Mr.	First Name Jay	Middle Name		
Last Name Stroebe		Suffix		
b. Title Interim City Coordinator		c. Telephone Number (give area code) 612-673-3241		
d. Signature of Authorized Representative 		e. Date Signed 05/15/14		

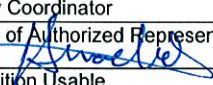
**APPLICATION FOR
FEDERAL ASSISTANCE**

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 type="checkbox"/> Non-Construction	2. DATE SUBMITTED 05/15/14	Applicant Identifier 41-6005375
			3. DATE RECEIVED BY STATE	State Application Identifier
			4. DATE RECEIVED BY FEDERAL AGENCY 05/15/14	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)		
City: Minneapolis		Prefix:	First Name: Peter	
County: Hennepin		Middle Name		
State: MN	Zip Code 55415	Last Name O'Toole		
Country: USA		Suffix:		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375		Email: Peter.OTOole@Minneapolismn.gov		
		Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250	
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Emergency Solutions Grant (ESG) 14-231		9. NAME OF FEDERAL AGENCY: U. S. Department of Housing & Urban Development		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Minneapolis FY14 Consolidated Plan Emergency Solutions Grant (ESG)		
13. PROPOSED PROJECT Start Date: 06/01/14		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th		
Ending Date: 05/31/15		b. Project 5th		
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$ 897,425. ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$. ⁰⁰	DATE:		
c. State	\$. ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$ 897,425. ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$. ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
f. Program Income	\$. ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
g. TOTAL	\$ 1,794,850. ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix Mr.	First Name Jay	Middle Name		
Last Name Stroebe		Suffix		
b. Title Interim City Coordinator		c. Telephone Number (give area code) 612-673-3241		
d. Signature of Authorized Representative 		e. Date Signed 05/15/14		

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 05/15/14	Applicant Identifier 41-6005375
<input type="checkbox"/> Construction	Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	4. DATE RECEIVED BY FEDERAL AGENCY 05/15/14	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)	
City: Minneapolis		Prefix:	First Name: Peter
County: Hennepin		Middle Name	
State: MN		Last Name O'Toole	
Zip Code 55415	Suffix:		
Country: USA		Email: Peter.OToole@Minneapolismn.gov	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005375		Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		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) 14-241		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 FY14 Consolidated Plan Housing Opportunities for Persons with AIDS (HOPWA)	
13. PROPOSED PROJECT Start Date: 06/01/14		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 5th	
Ending Date: 05/31/15		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	\$ 1,040,950 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	\$ ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
e. Other	\$ ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
f. Program Income	\$ ⁰⁰		
g. TOTAL	\$ 1,040,950 ⁰⁰		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Mr.	First Name Jay	Middle Name	
Last Name Stroebe		Suffix	
b. Title Interim City Coordinator		c. Telephone Number (give area code) 612-673-3241	
d. Signature of Authorized Representative 		e. Date Signed 05/15/14	

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Standard Form 424 (Rev.9-2003)
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-LLL, "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

5/15/14
Date

Title: Interim 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

5/15/14
Date

Title: Interim City Coordinator

**OPTIONAL CERTIFICATION
CDBG**

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which 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 to meet such needs.



Signature/Authorized Official

5/15/14
Date

Title: Interim 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



Date

Title: Interim 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

5/15/11

Date

Title: Interim 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

5/15/14
Date

Title: Interim 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.

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.

AHTF Affordable Housing Trust Fund is a City program with the purpose of providing gap financing for affordable and mixed-income rental housing. AHTF is used to finance the production, preservation and stabilization of affordable and mixed-income rental housing in Minneapolis

American Indian Population The number of people in a 2000 Census tract that listed themselves as non-Hispanic American Indian or Alaskan Native.

Any Housing Problems Cost burden defined as greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Asian/Hawaiian/Pacific Islander Population The number of people in 2000 Census tract that listed themselves as non-Hispanic Asian or Pacific Islander

Black Population The number of people in a 2000 Census tract that listed themselves as non-Hispanic black/African/American

CDBG Community Development Block Grant One of the HUD entitlement programs covered by the Consolidated Plan. Provides grants for programs that develop decent housing and suitable living environments, and that expand economic opportunities, principally for low- and moderate-income persons

CHAS Comprehensive Housing Affordability Strategy data compiled from the 2000 U.S. Census HUD requires communities to document their local affordable housing needs upon this data. These “special tabulation” data are used by local governments for housing planning as part of the Consolidated Planning process. HUD also uses some of these data in allocation formulas for distributing funds to local jurisdictions. In 2009 HUD had updated CHAS data produced out of the American Community Survey.

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)

APPENDIX

2014 Minneapolis Consolidated Plan

- **HUD Table 2A 2010-14 Priority Housing Needs**
- **HUD Table 2B 2010-14 Non-Housing Community Development**
- **HUD Table 3 Proposed Projects**
- **Consolidated Plan Maps**
- **Public Hearings and Comments**

Table 2A - Priority Housing Needs (2010-2014)

Capital			Income	Priority	5-Year Goals
Renters	Small Related (0-2 BR)	Rehabbed	0-30% MFI	H	630
			31-50% MFI	H	360
			51-80% MFI	H	200
		New/Conversion	0-30% MFI	H	380
			31-50% MFI	H	330
			51-80% MFI	H	150
	Large Related (3+ BR)	Rehabbed	0-30% MFI	H	210
			31-50% MFI	H	140
			51-80% MFI	H	150
		New/Conversion	0-30% MFI	H	140
			31-50% MFI	H	110
			51-80% MFI	H	100
	Elderly	Rehabbed	0-30% MFI	L	-
			31-50% MFI	L	-
			51-80% MFI	L	-
		New/Conversion	0-30% MFI	H	140
			31-50% MFI	H	150
			51-80% MFI	H	50
	All Other	Rehabbed	0-30% MFI	H	Included in Related Numbers Above
			31-50% MFI	H	
			51-80% MFI	H	
New/Conversion		0-30% MFI	H		
		31-50% MFI	H		
		51-80% MFI	H		
Owner	Rehabbed	0-30% MFI	L	-	
		31-50% MFI	H	30	
		51-80% MFI	H	60	
	New/Conversion	0-30% MFI	L	-	
		31-50% MFI	H	110	
		51-80% MFI	H	150	
Special Needs (Rental)	Rehabbed	0-80% MFI	H	180 (Included in Numbers Above)	
	New/Conversion			210 (Included in Numbers Above)	
Section 215 Goal	Renter				2,590
	Owner				140

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

HUD Table 3 - 2014 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Type/ Eligible Activity/National Objective			Funding Source	Prior-years Unspent CDBG Funds Reprogrammed	2014 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date	
					N	N	N	N									
Economic Development	CD-1a	H	2	Adult Training, Placement & Retention: Employment services for adult low-income Minneapolis residents. Ten 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 METP. Agencies are monitored yearly to ensure program requirement and standards are being met. Agencies are located throughout the city. An updated list is available from METP by calling 673-5298 or by accessing our website (www.ci.minneapolis.mn.us/metp).	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2014 Projected to be 375 Jobs	CPED	Local Gov't./18A ED Direct Financial Assistance 570.203(b)/L/M Jobs 570.208(a)(4)	18A	LMJ	CDBG		\$ 1,247,500	6/14-5/15
Rental Housing	H-1a; H-4c	H	4	Affordable Housing Trust Fund. 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 2013. Awards made approximately November. Eligible housing is both family and single adult rental units (including homeless youth). At least 20% of the units must be affordable at <50% MMI. Program income can be realized through this program. (at least 51% of the units that include CDBG funds must be affordable at <80% MMI). Activities set up under this funding project may be revolving loan programs.	Y	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2014 Projected to be 200 Housing Units	CPED	Local Gov't./ 1 Acquisition of Real Property; 14 Housing related; 570.202/ L/M Housing 570.500(a)(3)	1	LMH	CDBG		\$ 3,277,540	6/14-5/15
Economic Development	CD-1b	H	6	Economic Development Activities: Acquisition, demolition, rehabilitation of commercial structures. Construction of shared commercial parking and other commercial center improvements. Preservation of historic buildings. Financial assistance to businesses. Applications from developers are accepted year-round by CPED; application form is available on the City's website. Funds are awarded using ranking/rating criteria by CPED to projects meeting CDBG guidelines. Program income can be realized through this program through revolving loans. Some redeveloped buildings are occupied by a single tenant and some have multiple tenants. Loans are made to Developers. "Businesses" are the end users (occupants).	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2014 Projected to be 4 Businesses and 115 People	CPED	Local Gov't./17D Other Comm/Industrial Improvements 570.203(a)/ L/M Area 570.208(a)(1)/Jobs 507.208(a)(4)/Slum/Blight 507.208(a)(2)&(4); 18C 570.208(a)(2)(iii) LMCMC (for technical assistance to low/mod-income entrepreneurs)	17D	LMA	CDBG		\$ 123,000	6/14-5/15
Owner-Occupied Housing	H-2a	H	7	Owner Occupied Rehab: Loans for code compliance, home repairs, and rehab. Loan terms run up to 20 years and the loans will be targeted to families <80% median income. Applications are taken continuously, reviewed for compliance and funded every June 1 until funds are exhausted. Program income can be realized through this program	N	N	N	N	Create Decent Housing with Improved/New Sustainability; Accomplishments for 2014 Projected to be 30 Housing Units	CPED	Local Gov't./ 14A Rehab Single-unit residential, 14B Rehab Multi-Unit Residential 570.202 /L/M Housing 570.208(a)(3)	14A	LMH	CDBG	\$ 1,115,000	\$ -	6/14-5/15

HUD Table 3 - 2014 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Type/ Eligible Activity/National Objective			Funding Source	Prior-years Unspent CDBG Funds Reprogrammed	2014 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date	
					N	N	N	N									
Owner-Occupied Housing	H-2a	H	8	Vacant & Boarded Housing: Acquisition and disposition of vacant and substandard housing to eliminate blight. In cases where structures are demolished the vacant lots are marketed for development for the fair reuse value. This program also supports the property management expenses with holding the property until disposition occurs. Program income can be realized through this program.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2014 Projected to be 30 Housing Units	CPED	Local Gov't./ 04 Clearance and Demolition 570.202/Slum/Blight 570.208(b)(2)	14G	SBA	CDBG	\$ 856,000	\$ 1,753,000	6/14-5/15
Rental Housing	H-1a	H	9	High Density Corridor Housing: Acquisition of sites for mixed-income rental and ownership multifamily housing development on community commercial and transit corridors as defined in Minneapolis Plan. At least 51% of the units will be affordable at <80%MMI, and at least 20% of the units will be affordable at <50% MMI.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2014 Projected to be 54 Housing Units	CPED	Local Gov't/ 14G Acquisition for Rehab 570.202/ L/M Housing 570.208(a)(3)	14G	LMH	CDBG		\$ 579,000	6/14-5/15
Rental Housing	H-3a	M	12	Lead Hazard Reduction: Support for lead hazard reduction activities of city's Healthy Homes and Lead Hazard Control program. Work will include performing risk assessments, lead education, lead safe work practices education, clearance tests, 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.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2014 Projected to be 50 Housing Units	Minneapolis Health Department	Local Gov't./ 14I Lead Based Paint/Hazards Test/Abatement 570.202/ L/M Housing 570.208(a)(3)	14I	LMH	CDBG		\$ 61,000	6/14-5/15
Planning/Administration	AD-1a	H	13	New Problem Properties Strategy: City multi-departmental collaborative effort to reduce the number and severity of problem properties in targeted zones. The Problem Properties Unit (PPU) identifies the city's worst properties and develops effective solutions to reduce or eliminate problems and establish long-lasting goals. 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. At least 1,236 properties are either registered as vacant and/or boarded, razed, or rehabbed. 7% of staff time equals 86 properties touched annually by the grant.	N	N	N	N	Performance Measure, Output: 1 Organizations	Multiple Depts, Fire, Ops/Regrs, City Attorney, Police	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG		\$ 88,100	6/14-5/15
Public Services	CD-2d	M	14	Youth Employment Training: Provision of summer STEP-UP employment opportunities for income eligible city youth 14-21 years old. Services include 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.	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2014 Projected to be 387 People	CPED	Local Gov't./ 05H Employment Training 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	05H	LMC	CDBG		\$ 253,000	6/14-5/15
Public Services	CD-2d	M	16	Way to Grow: Community-based collaboration designed to promote family-friendly communities and the school readiness of its children. Informal and formal support systems for parents are provided to meet child's growth and development needs through age six. Programming is open to all. CDBG support is provided to program sites serving low income areas. Program office at 125 W. Broadway, Minneapolis, MN 55411, with services delivered both north and south Minneapolis.	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2014 Projected to be 400 People	Minneapolis Health Department	Sub/Public/ 5D Youth Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	05D	LMC	CDBG		\$ 212,000	6/14-5/15

HUD Table 3 - 2014 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Type/ Eligible Activity/National Objective			Funding Source	Prior-years Unspent CDBG Funds Reprogrammed	2014 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date	
					N	N	N	N									
Public Services	CD-4a	M	16.3	CCP-SAFE Crime Prevention Specialists (CPS) With an emphasis on targeted neighborhoods that are at least 51% low- and moderate-income due to their inverse violent victimization rates based on household income CPSs work with Low- mod-income residents, neighborhood organizations and businesses to <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 	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2014 Projected to be 227472 People	Police Department	Local Gov't./ 51 Crime Awareness - Public Services 570.201 (e)/ L/M Area 570.208(a)(1)	51	LMA	CDBG		\$ 897,000	6/14-5/15
Public Services	CD-2d	M	19	Curfew and Truancy Services: Juvenile Supervision Center (JSC); Operations, staffing and services provided by The Link for curfew and truancy activities as part of a larger JSC operations. The JSC/CTC provides short-term supervision for juveniles detained by law enforcement professionals or referred by parents as being truant, or who are in violation of the Minneapolis curfew ordinance for juveniles ages 18 years or younger. JSC/CTC services assures that juveniles are returned to a safe and appropriate environment i.e., school, home, or short-term shelter. JSC/CTC identifies juveniles that are currently receiving County services and document communication with Case Manager, Probation Officer etc. regarding incident for possible follow up. JSC/CTC operations located in City Hall Room 21A, 350 S. 5th Street, Minneapolis, MN 55415	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2014 Projected to be 1500 People	The Link	Sub/Private/ 05D Youth Services 570.201(e)/ L/M Clientele 570.208(a)(2)	05D	LMC	CDBG		\$ 100,000	6/14-5/15
Public Services	CD-2c	H	31	Domestic Abuse Project will provide advocacy services for victims of domestic violence by ensuring 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. Office located at 204 W. Franklin Avenue Mpls MN 55404	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2014 Projected to be 150 People	Domestic Abuse Project	Sub/Private/ 05M Health Services/ L/M Ltd. Clientele 570.208(a)(2)	05A	LMC	CDBG		\$ 75,000	6/14-5/15
Planning/Administration	H-5a; AD-1a	H	37	Civil Rights/CDBG Compliance/Fair Housing: Administration of city's contract compliance functions, enforcement of city's civil rights ordinance, fair housing education and enforcement, federal labor standards, Davis-Bacon Act and Section 3 wage monitoring and outreach.	N	N	N	N	Performance Measure, Output: 1 Organizations	Dept. of Civil Rights	Local Gov't./ 21D Fair Housing 570.206 / N/A	21D		CDBG		\$ 335,000	6/14-5/15
Planning/Administration	CP-1b	H	40	CPED Planning Department: Administration of comprehensive planning activities including environmental review supporting Consolidated Plan strategies.	N	N	N	N	Performance Measure, Output: 1 Organization	CPED	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG	\$ 147,000	\$ 899,807	6/14-5/15
Planning/Administration	AD-1a	H	42	Grant Administration: Grant development and management for CDBG capital and public service programs.	N	N	N	N	Performance Measure, Output: 1 Organization	Minneapolis Health Department	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG		\$ 62,000	6/14-5/15
Planning/Administration	AD-1a	H	43	Way to Grow Administration: General administration for Way to Grow program.	N	N	N	N	Performance Measure, Output: 1 Organization	Minneapolis Health Department	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG		\$ 15,000	6/14-5/15
Planning/Administration	AD-1a	H	43.1	Youth Violence Prevention: General administration for youth violence program.	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Youth Coordin	Sub/Public/ 20 Planning 570.205/ N/A	20		CDBG		\$ 158,000	6/14-5/15

HUD Table 3 - 2014 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Type/ Eligible Activity/National Objective	Funding Source	Prior-years Unspent CDBG Funds Reprogrammed	2014 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date		
					N	N	N	N								
Planning/Administration	AD-1a	H	44	Finance Administration: Financial administration and accountability for Consolidated Plan programs.	N	N	N	N	Performance Measure, Output: 1 Organization	Finance Dept.	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A	CDBG	\$ 180,000	6/14-5/15	
Planning/Administration	AD-1a; AD-1b	H	45	Grants & Special Projects: Resource development and management for Consolidated Plan strategies; overall city management of Consolidated Plan	N	N	N	N	Performance Measure, Output: 1 Organization	Intergovernmental Relations	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A	CDBG	\$ 175,000	6/14-5/15	
Planning/Administration	CD-2c; H-5a	H	46	Mid-Minnesota Legal Aid: Provides advice and representation with special emphasis on housing and shelter-related issues to income eligible persons and groups in low and moderate income neighborhoods. Assistance assures compliance of housing with city housing ordinances and codes. Emphasis on issues that will protect, promote, and provide fair housing opportunities for public assistance recipients. Project location: 430 First Ave. N.	N	N	N	N	Performance Measure, Output: 1 Organization (Improving the ability of LMI recipients to find and retain housing)	Mid-Minnesota Legal Aid	Sub/Private/ 21D Fair Housing 570.206 / N/A	21D	CDBG	\$ 24,700	6/14-5/15	
Planning/Administration	CD-2d	M	48	Youth Coordinating Board: Advocate, catalyst and developer of comprehensive services and systems benefiting children, youth and families.	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Youth Coordinating	Sub/Public/ 20 Planning 570.205/ N/A	20	CDBG	\$ 64,803	6/14-5/15	
Planning/Administration	H-5a	H	50	Housing Discrimination Law Project: Project serves low-income clients with investigation of housing discrimination claims, negotiation, advice and referrals and representation in court and administrative actions. Services will include complaint intake, investigation, advocacy and litigation. Project location: 430 First Ave. N.	N	N	N	N	Performance Measure, Output: 80 Households	Mid-Minnesota Legal Aid	Sub/Private / 21D Fair Housing 570.206 / N/A	21D	CDBG	\$ 40,100	6/14-5/15	
Planning/Administration	H-5a; AD-1a	H	51	Access & Outreach: Provide liaison services to residents and community groups, promote integration of diverse communities into the work and priorities of the City and neighborhood organizations, and work with City Departments regarding equal access to City services for residents where barriers such as language, cultural norms, or lack of understanding local government exist.	N	N	N	N	Performance Measure, Output: 1 Organizations	Neighborhood & Community Relations	Sub/Public/ 21C Public Information 570.205/ N/A	21C	CDBG	\$ 102,000	6/14-5/15	
CDBG Total Budget											\$ 2,118,000	\$ 10,722,550	6/14-5/15			
Rental Housing	AD-1a; H-1a; H-2a	H	52	HOME Program: Administration of HOME program and funding for multifamily rental development and single family homeownership. Program income can be realized through this program. Funding is estimated to be allocated as follows: Homeownership Works (10 Housing Units) (described in Action Plan), Affordable Housing Trust Fund (80 Housing Units) (see ID#4 above), 10% Administration. Overall, a minimum of 15% of the grant will be used to support CHDO-sponsored activities.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2014 Projected to be 80 Rental Housing units and 10 Ownership Housing units	CPED				HOME	\$ 1,618,842	6/14-5/15
Owner-Occupied Housing		H		HOME Homeownership Works (HOW)											\$ 404,711	
				HOME Administration						CPED / IGR Depts					\$ 224,839	

HUD Table 3 - 2014 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Type/ Eligible Activity/National Objective	Funding Source	Prior-years Unspent CDBG Funds Reprogrammed	2014 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date
					Y	N	Y	N						
Homeless / HIV/AIDS	HM-1b	H	53	Emergency Solutions Grants (ESG) Shelter Rehabilitation/Renovation and Street Outreach: Minneapolis uses ESG funding for the rehabilitation of emergency or transitional housing shelters serving homeless families and persons. The properties must be located within the City or Hennepin County. Projects are selected through an annual request for proposal process scheduled for late spring 2013. Awards will be made by end of year. The following types of proposals will receive priority consideration: 1) Larger capital requests, 2) Requests with realistic, detailed scope of work and projected costs including soft costs, 3) Projects that can start within 6 months of project approval, 4) Projects with potential for leveraging other funds to help cover rehab costs. ESG expenditures are matched one for one by projects with local funding used for eligible ESG activities. Funding is also provided to St. Stephen's Human Services for street outreach programming.	Y	N	Y	N	Create Decent Housing with Improved/New Availability; Accomplishments for 2014 Projected to be 100 People	CPED	ESG	\$ -	\$ 558,377	6/14-5/15
				ESG Rapid Re-Housing, Homlessness Prevention funds: Minneapolis will award ESG funding for eligible rapid re-housing and homelessness prevention fund to community providers as selected through a Request for Proposals process that will be administered by the CPED Department. It is anticipated that the Request for Proposals will be issued in early summer with awards made by year end. Funding priorities are detailed in Chapter 6 ESG Program Requirements. Funding in this table consist of the FY14 ESG amount anticipated to be awarded to these activities. ESG expenditures are matched one for one by projects with local funding used for eligible ESG activities.	Y	N	Y	N	Enhance Suitable Living Environment Through improved/new Accessibility; Public Service outcomes will be determined with a forthcoming RFP: estimated at 50 persons	CPED		\$ -	\$ 262,768	6/14-5/15
				ESG Administration and HMIS: Funding of 7.5% of grant will be reserved for ESG administration and an estimated amount of \$8,974 will be reserved for HMIS administration costs.	Y	N	N	N	Performance Measure, Output: 1 Organization	CPED and IGR Departments		\$ -	\$ 76,280	6/14-5/15
Homeless / HIV/AIDS	SPH-1	H	54	HOPWA (Housing Opportunities for Persons with AIDS): 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 85 clients to be served for 2014 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 53 clients to be served for the 2014 program year through the Housing Assistance Program - clients who have exhausted time limits are referred here from the Transitional Housing Program run by MAP.	N	Y	Y	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2014 Projected to be 138 People	City of Mpls Admin, Sub-recipient s	HOPWA	\$ -	\$ 1,009,723	6/14-5/15
				HOPWA Administration: 3% of grant will be reserved for HOPWA administration						Admin			\$ 31,227	
Total CDBG, ESG, HOME, HOPWA:												\$ 2,118,000	\$ 14,909,317	

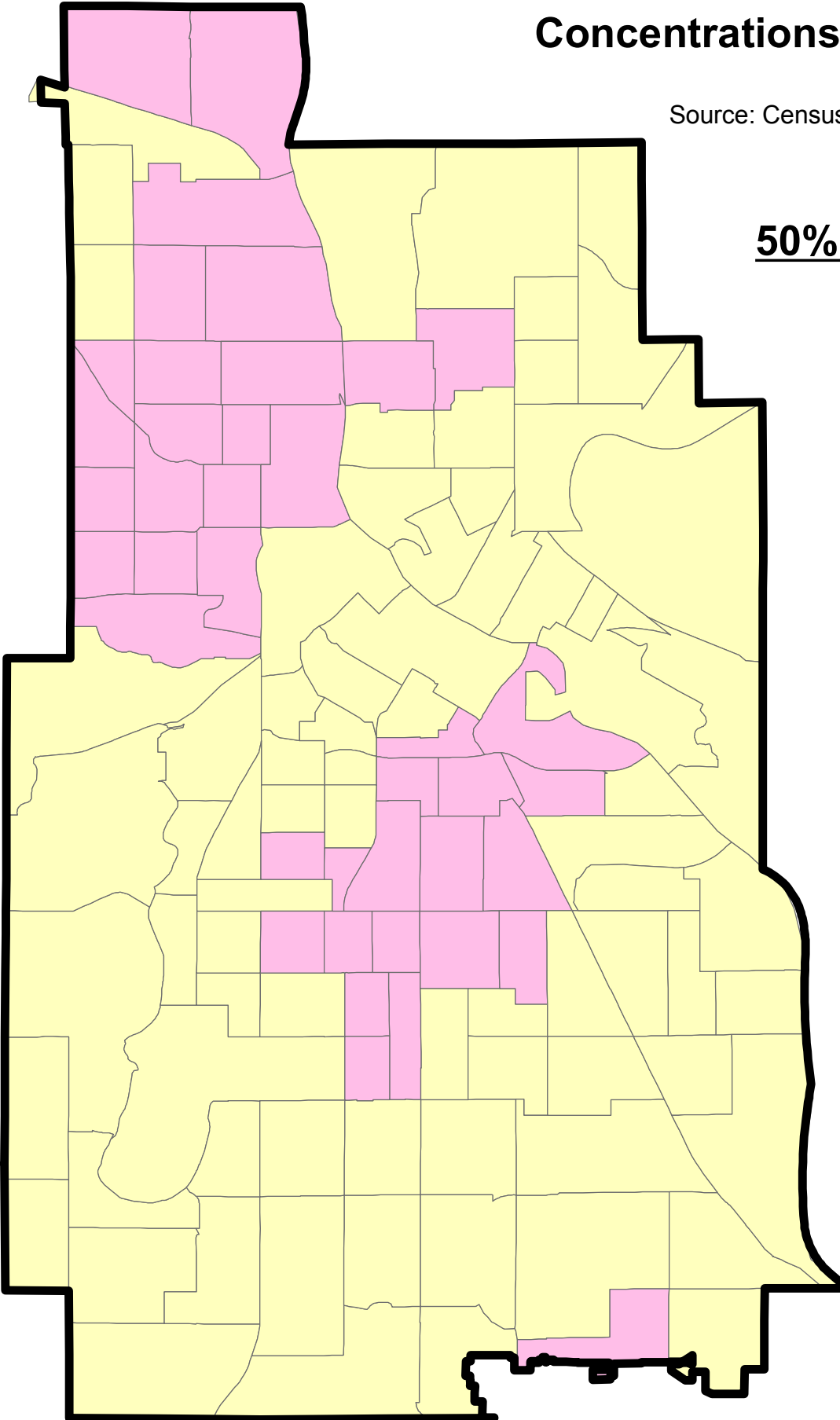
Consolidated Plan Maps

1. 2010 Census Minneapolis Minority Concentration Census Tracts
2. 2010 Census Minneapolis Poverty Concentration Census Tracts
3. Minneapolis HOPWA Program Area
4. HUD Estimated Foreclosure and Abandonment for NSP funds
5. 2000 Census Minneapolis Very Low Income Areas
6. 2000 Census Minneapolis Low Income Areas
7. 2000 Census Minneapolis Moderate Income Areas

2010 Minority Population Concentrations by Census Tract



Source: Census Bureau, 2010 SF1

50% Treshhold



Legend

TRACTS

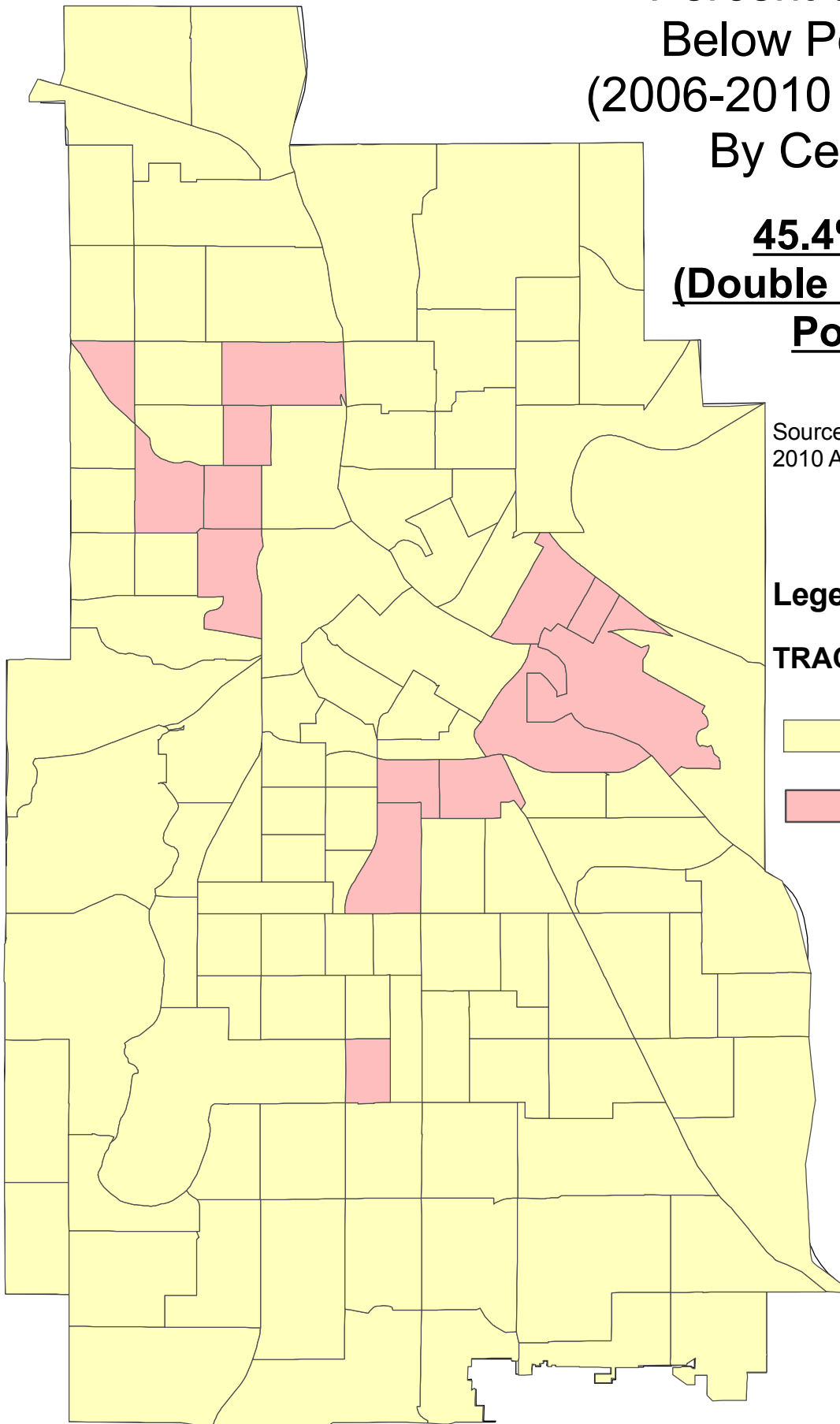
-  Less than 50% Concentration
-  50% or more Concentration



Percent of Population Below Poverty Level (2006-2010 5-year average) By Census Tract



45.4% Threshold
(Double 22.7% City wide Poverty rate)

Source: Census Bureau,
2010 ACS 5-year average (2006-2010)



Legend

TRACTS

-  Less than 45.4% population below poverty
-  45.4% or more population below poverty



Minneapolis
City of Lakes

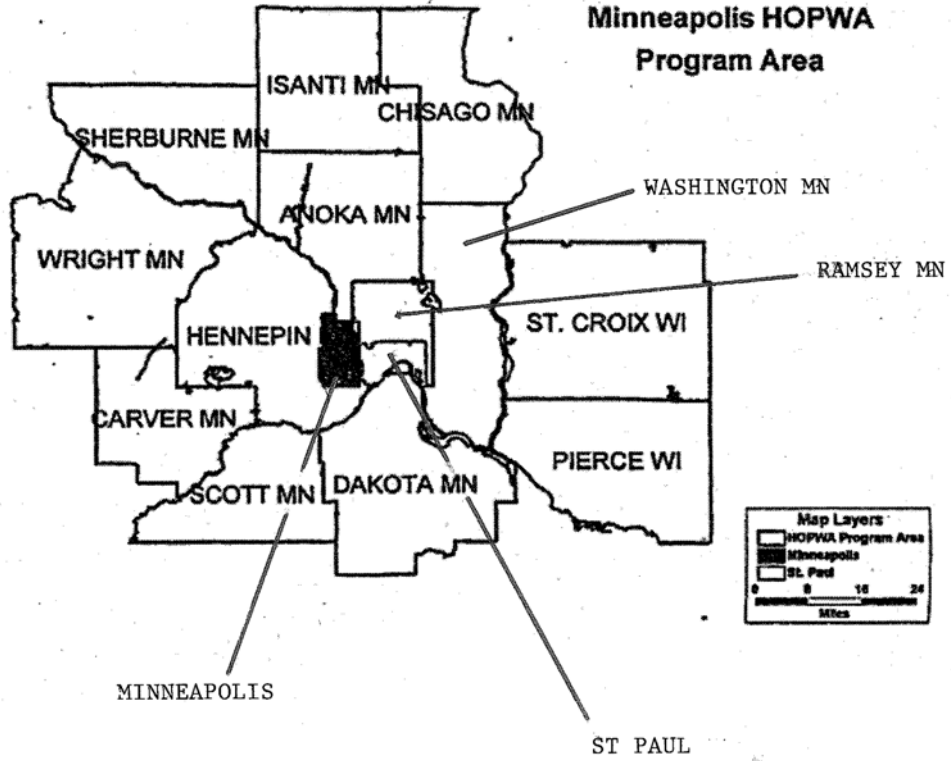
Community Planning &
Economic Development



North

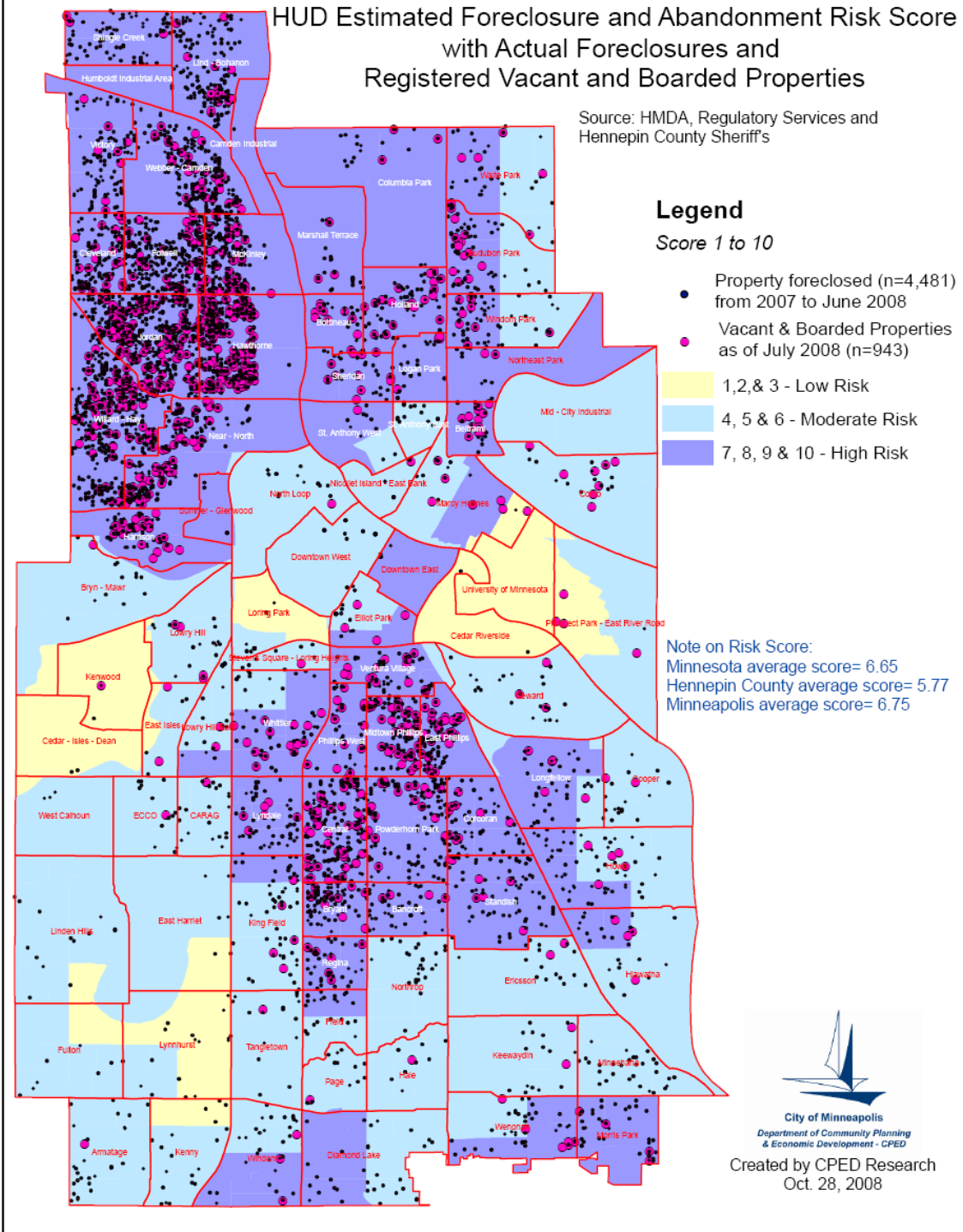
Map 22

Minneapolis HOPWA
Program Area



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

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



Legend

Score 1 to 10

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

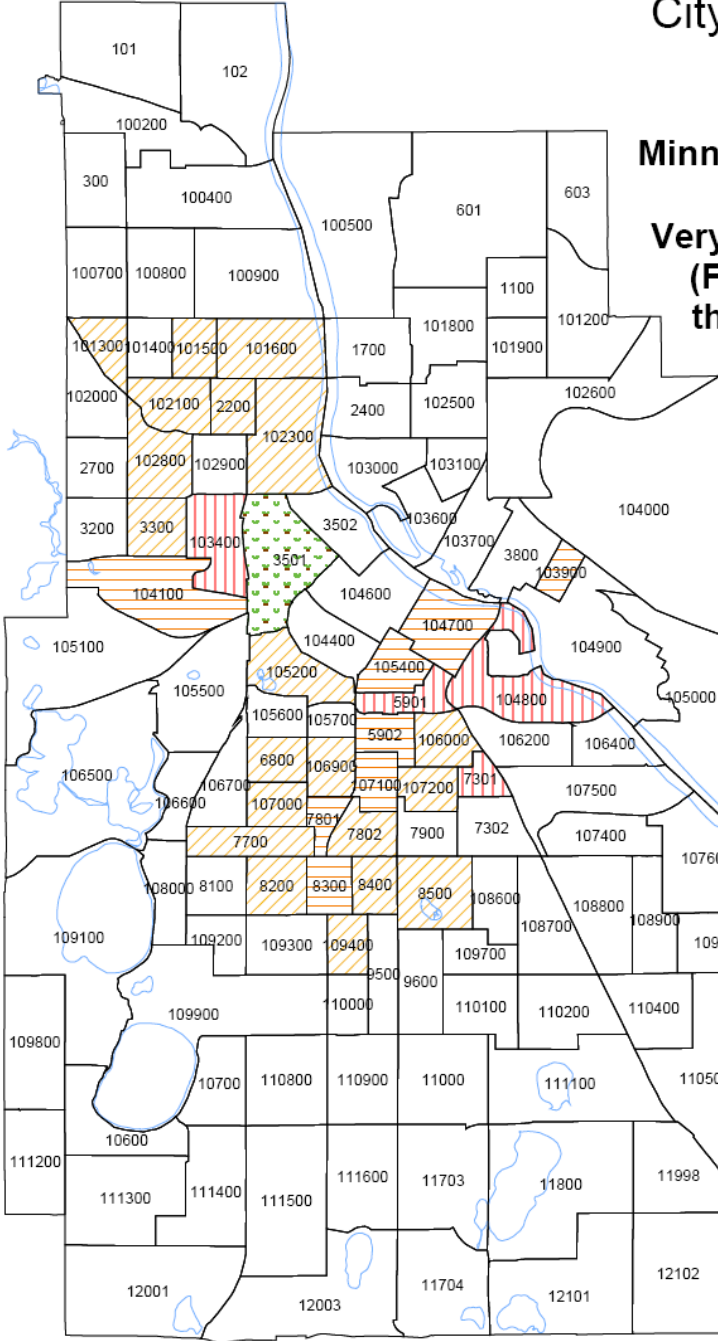
Note on Risk Score:
Minnesota average score= 6.65
Hennepin County average score= 5.77
Minneapolis average score= 6.75



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

2000 Census City of Minneapolis

Minneapolis Census Tract with Percent of Very Low Income Family (Family income less than 30% of MMI or \$19,080)



Legend

Percent of Family

- Less than 30.0%
- 30.0% to 39.9%
- 40.0% to 49.9%
- 50.0% to 59.9%
- 60.0% and Over

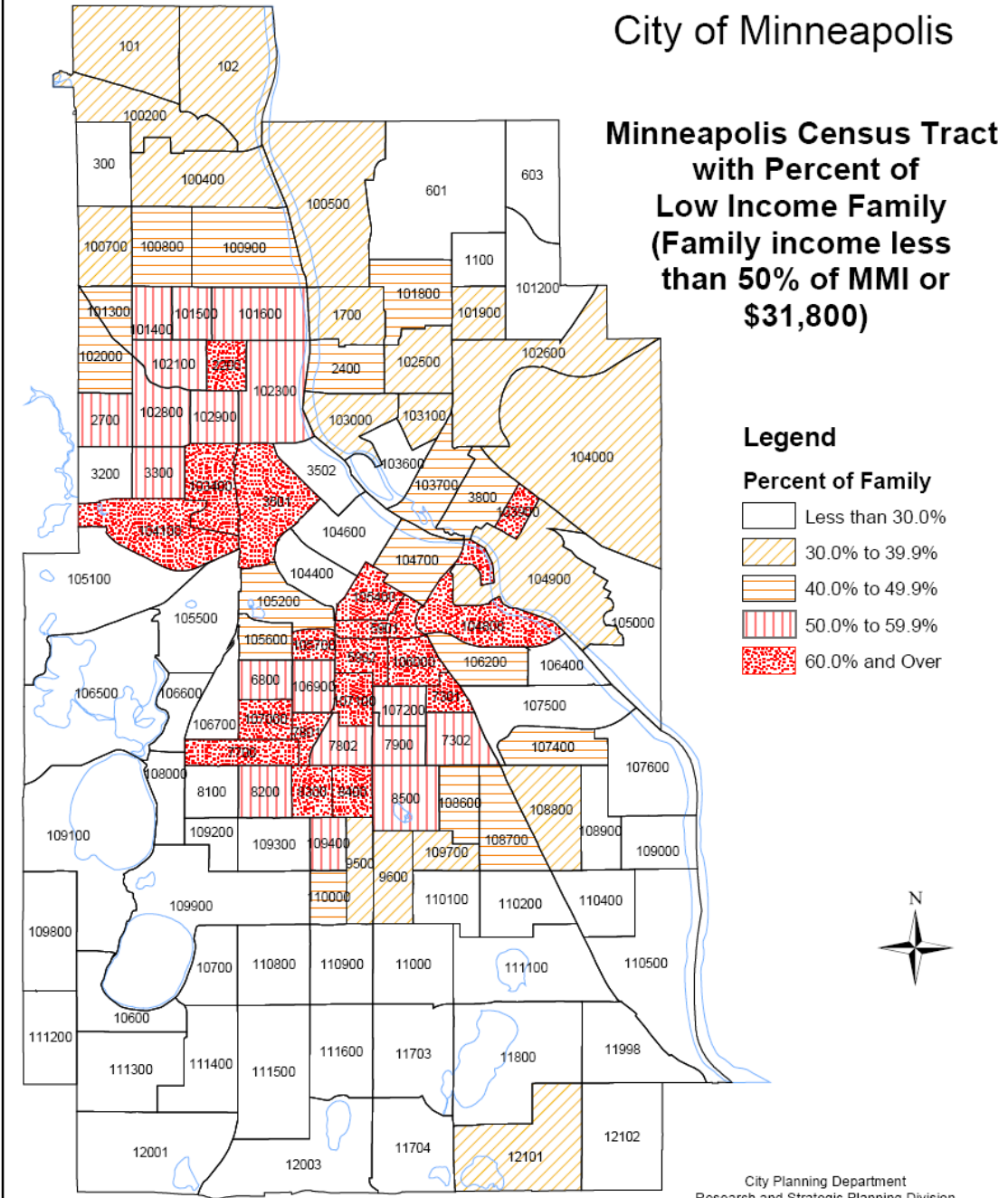


City Planning Department
Research and Strategic Planning Division
November 2002

Source: 2000 U.S. Census

2000 Census City of Minneapolis

Minneapolis Census Tract with Percent of Low Income Family (Family income less than 50% of MMI or \$31,800)

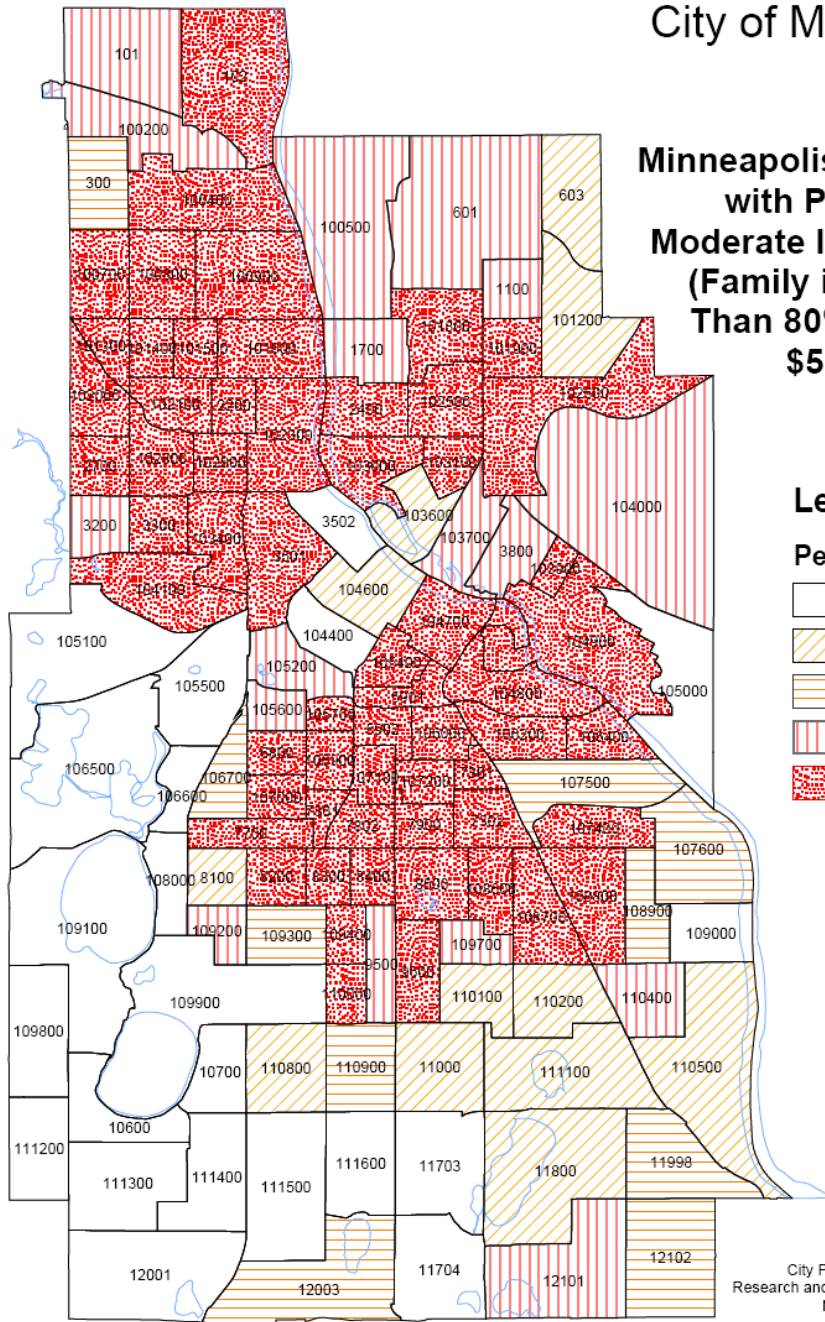


Source: 2000 U.S. Census

City Planning Department
Research and Strategic Planning Division
November 2002
www.ci.minneapolis.mn.us/citywork/planning/Census2000/

2000 Census City of Minneapolis

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



Legend

Percent of Family

- Less than 30.0%
- 30.0% to 39.9%
- 40.0% to 49.9%
- 50.0% to 59.9%
- 60.0% and Over



City Planning Department
Research and Strategic Planning Division
November 2002

Source: 2000 U.S. census

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

City of Minneapolis FY 2014 City Budget and Consolidated Plan Summary of Public Comments

Public Hearing November 19, 2013

This public hearing was held for the purpose of obtaining comment on the City of Minneapolis proposed 2014 City Budget & tax levy, and the proposed 2014 Consolidated Plan budget.

Comments are summarized as follows: No comments were received

Public Hearing December 11, 2013

This public hearing was held with the City Council 2014 Budget Adoption for the purpose of obtaining comment on the 2014 City Budget, including the proposed 2014 Consolidated Plan budget.

Comments are summarized as follows: No comments were received

Public Hearing April 29, 2014

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 follows: One person spoke at the public hearing making comments paraphrased as follows: thank you for sustaining a continued partnership with Heritage Park – there should be signage on Glenwood and Van White Boulevard indicating access [connectedness] to, for example, highway I-394; the Consolidated Plan states that 70% of CDBG goes toward low- and moderate-income persons, and funds are provided [needed] for slum and blight removal; more attention should be given to the K-12 school children who are part of homeless families – need greater outreach [to resolve conditions of homelessness among school children] to involve the School Board and organizations such as MHFA; all new construction/development should follow a zero-waste policy, and include more solar panels, etc., e-cycling bins should be available [to residents]; gardens [green spaces] should be incorporated to a greater extent

Public Comment Period April 14 – May 13, 2014

A 30 day public comment period was held to allow public review and comment of the 2014 Consolidated Plan.

Written comments and the response from the City of Minneapolis are summarized as follows:

From: Bob Boyd [mailto:bboyd@mplspha.org]
Sent: Thursday, April 24, 2014 6:39 AM
To: Bower, Matthew A.; O'Toole, Peter
Cc: McCorvey, Cora
Subject: 2014 One Year Consolidated Plan

Matt and Peter:

MPHA received a draft copy of the City's HUD Consolidated Plan - 2014 One Year Action Plan:

The Plan's overall objectives are very good and we appreciate the language the attests to the partnership between MPHA and the City to accomplish a number of these tasks. In Chapter 6 – 2014 One-Year Action Plan (beginning on page 43) there are some incongruencies between the plan and the current realities. The plan states, “The HDU Table 3 – Proposed Projects that **will be funded** with 2014 Consolidated Plan funds.”

Goals: H-4 and CP -1 include language in the goal itself and/or the narrative that speak to funding for MPHA. It is our understanding that at this time, there are no Consolidated Plan funds directed to MPHA:

- Page 50 under the title: Relationship with Local Public Housing Authority, the plan states: “The City provides financial support to several MPHA initiatives” and on page 51, it goes on to state, “The City funds resident participation initiatives that encourage local management of public housing sites.”
- On page 56 under the “Consolidated Plan Program” title – the City identifies - Objective H-4a –Support rehabilitation needs of MPHA housing Stock. The narrative here identifies that the City –no longer provides support to either the Rehabilitation needs nor the Resident Participation Program “Due to reduced CDBG budgets...”

You may want to clarify the language in these two parts of the Plan that appear to contradict each other.

On pages 68 and 69, the Plan states “Over the next year, the City will assist in the following affirmatively furthering fair housing actions within the city and in support of the FHIC initiatives with CDBG funding... Under “Additional affirmative steps in addressing fair housing impediments...” It states that “Minneapolis Public Housing Authority use of marketing position to recruit new Section 8 Landlords. The recruitment has taken on various concerns, one of which is larger family units.”

- MPHA does not receive and CDBG funding for its Section 8 recruitment activities and MPHA has not has a position dedicated to recruitment of Section 8 Landlords for sometime. We are always seeking and marketing to recruit new Section 8 landlords and hold monthly owner meetings to inform and educate new landlords about the Section 8 program. The language of the MPHA activity is inaccurate but on an ongoing basis we are seeking new landlords and specifically seek those with larger units.

As noted earlier, this is a good plan and we are proud of our relationship with the City on numerous activities identified in the plan. It is important though to clarify both the role and funding for MPHA under the 2014 One Year plan.

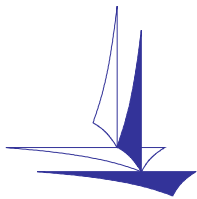
If you have questions or need additional information, please let me know.

Peace

Bob Boyd
Director of Policy and Special Initiatives
Minneapolis Public Housing Authority
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Minneapolis, MN 55401
(612) 342-1437

bboyd@mplspha.org

It is a rare person who can take care of hearts
while also taking care of business



Minneapolis
City of Lakes

Intergovernmental Relations

Office of Grants & Special Projects

350 South 5th Street - Room 301M
Minneapolis MN 55415

May 13, 2014

Bob Boyd
Director of Policy and Special Initiatives
1001 Washington Avenue North
Minneapolis, MN 55401

Dear Mr. Boyd,

Thank you for your input to the City's 2014 update to the 2010-2014 Consolidated Plan with your email of April 24, 2014. Your comments will be included in the published Consolidated Plan.

In response to the items you raised in your email, please note the City of Minneapolis and Minneapolis Public Housing Authority (MPHA) continue to work together in addressing the goals described in the City's most recent 5-year 2010-14 Consolidated Plan. This is despite the reductions in CDBG funding that have been experienced over this time period.

Here is a summary of your concerns together with a response to address your concerns:

- Concern: "The HUD Table 3 – Proposed Projects that will be funded with 2014 Consolidated Plan funds."
 - Response: The One-Year Action Plan is within the context of the 5-year plan and to include reference to "goals/objectives supporting the 2010-14 Consolidated Plan." This action plan is the final year of the 5-year plan that was developed with input from MPHA based on projected funding at that time.

- Concern: "Goals: H-4 and CP -1 include language in the goal itself and/or the narrative that speak to funding for MPHA. It is our understanding that at this time, there are no Consolidated Plan funds directed to MPHA."
 - Response: As noted above, this One-Year Action Plan is the final year, through the City budgeting process, and despite funding constraints, the City continues to support the Goals/Objectives of the 2010-14 Consolidated Plan, including

fostering and maintaining public housing stock, as funds are available, and it encourages public housing participation in the Consolidated Plan through public hearings, and public comment periods, such as this, to which you are responding. Over the 5-year period, MPHA received \$136,000 of CDBG funds for Resident Participation, and \$110,000 for housing rehabilitation. The PHA also continued to draw over \$235,000 from funds previously allocated from past years.

- Comment: “Page 50 under the title: Relationship with Local Public Housing Authority, the plan states: “The City provides financial support to several MPHA initiatives” and on page 51, it goes on to state, “The City funds resident participation initiatives that encourage local management of public housing sites.”
 - Response: As noted above, within the context of the 5-year Consolidated Plan, the City does sustain a partnership relationship, and, based on funding availability, identifies the linkage between projects and goals, as a priority dependent upon funding availability. We have changed the language to reflect past tense usage of these terms.

- Comment: “On page 56 under the “Consolidated Plan Program” title – the City identifies - Objective H-4a –Support rehabilitation needs of MPHA housing Stock. The narrative here identifies that the City –no longer provides support to either the Rehabilitation needs nor the Resident Participation Program “Due to reduced CDBG budgets...” You may want to clarify the language in these two parts of the Plan that appear to contradict each other.”
 - Response: As noted above, and within the context of the 5-year Consolidated Plan, this statement reveals the current funding constraints and reduction of CDBG funding.

- Comment: “On pages 68 and 69, the Plan states “Over the next year, the City will assist in the following affirmatively furthering fair housing actions within the city and in support of the FHIC initiatives with CDBG funding... Under ‘Additional affirmative steps in addressing fair housing impediments...’ It states that ‘Minneapolis Public Housing Authority use of marketing position to recruit new Section 8 Landlords. The recruitment has taken on various concerns, one of which is larger family units.’ MPHA does not receive and CDBG funding for its Section 8 recruitment activities and MPHA has not has a position dedicated to recruitment of Section 8 Landlords for sometime. We are always seeking and marketing to recruit new Section 8 landlords and hold monthly owner meetings to inform and educate new landlords about the Section 8 program. The language of the MPHA activity is inaccurate but on an ongoing basis we are seeking new landlords and specifically seek those with larger units.”
 - Response: The mention of MPHA Section 8 landlord marketing was in the context of other fair housing efforts in the city that staff are aware of that do not have direct CDBG or HOME funding to support those efforts. We have updated the specific reference to MPHA to mention its awareness of the need to

outreach to landlords to support a variety of Section 8 voucher use options, especially with regard to large units.

The City looks forward to continued work with the Minneapolis Public Housing Authority as the next Five-year Consolidated Plan is developed, beginning later this year. If you have questions or need additional information, please let me know.

Again, thank you for your comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matt Bower", with a stylized flourish at the end.

Matt Bower, Manager Resource Coordination
Office of Grants & Special Projects
City of Minneapolis



MID-MINNESOTA LEGAL AID
MINNEAPOLIS OFFICE
James E. Wilkinson ▪ (612) 746-3784 ▪ jewilkinson@mylegalaid.org

May 13, 2014

Matthew Bower
Planning and Special Projects
City of Minneapolis
350 South Fifth St.
Minneapolis, MN 55415

Via email

Re: Consolidated Plan, Action Plan for 2014

Dear Mr. Bower:

We welcome the opportunity of the Consolidated Plan public comment period to urge the City to make more effective efforts to further fair housing. We believe that a fair housing lens should be used to examine and guide the Con Plan and other City activities. The City's actions can more effectively address the inequities among City residents that are a focus of public discourse this spring and serve the City's goals, if Minneapolis' work influences and is integrated into regional development plans. We would first refer the City back to the ideas we presented last year and ask that any that have not yet been implemented now be worked into the upcoming City housing plans. A copy is enclosed.

Today we emphasize a few critical and timely issues. The Met Council's Fair Housing and Equity Analysis, now known as the Choice, Place and Opportunity (CPO) analysis shows that significant portions of this City can be characterized as racially concentrated areas of poverty (RCAP). The CPO and the Met Council's Thrive 2040 plan give Minneapolis a chance to draw new attention to ways of reducing the problems faced by many families in RCAPs. The CPO correctly identifies the existence of RCAPs as being a result of and driver of inequity. The City should focus its CDBG resources to strategically address RCAP issues. It should also use its influence in the region to make sure that development and investment policies also strengthen those parts of the City.

With respect to the housing crisis faced by Mid-Minnesota Legal Aid's poor and disabled clients, particularly in the RCAP areas, we suggest the following:

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- a. investments to preserve existing families' home ownership as some now lose homes due to relatively small arrearages or because they do not get expert assistance soon enough;
- b. policies and services to insure that homeownership programs for lower income people in those communities make long term financial sense and are coupled with sufficient supports for success;
- c. actions to rein in exploitative real estate transactions like contracts for deed through ordinance changes, education, enforcement and by developing alternative means of home purchases, such as more work with land trusts;
- d. actions to counter likely maintenance and other problems in the bulk out-of-state single family home purchases;
- e. policies to increase availability of affordable rental housing in areas where there is now little such housing, these should include:
 1. use of inclusive zoning and development policies that require more mixed income housing;
 2. work with MPHA and HUD on expanding the range of homes available to voucher users in higher opportunity areas of the City and outside of Minneapolis by adjusting payments standards up and down to take into account micro-markets;
 3. changes in the City civil rights ordinance that will remove "no section 8" barriers in areas of higher opportunity to rental by otherwise qualified voucher users.

In our recent meetings with President Johnson and with Mr. Muse from the Mayor's office we raised many of these suggestions and were pleased by the positive response from City leadership. We will add more detail to these ideas as discussions move ahead.

MMLA appreciates the many years of financial support through the CDBG program. We note that the most recent CDBG funding for our fair housing work and tenant help has declined much more rapidly than the reduction in overall federal funds subject to the Con Plan. We wish to do more to address the needs of the City's poor people in these fields but can only do so with increased financial support. It is also a fact that much of our funding requires local match, such as the support we have had from the City, and reduced local support can have big consequences for our fair housing work as a whole.

We salute the City's commitment to equity in housing and urge that it take actions like those set out in this letter to make that commitment a reality.

Sincerely,

James E. Wilkinson
Supervising Attorney

JEW:jew
Enc.



MID-MINNESOTA LEGAL AID
MINNEAPOLIS OFFICE
James E. Wilkinson ▪ (612) 746-3784 ▪ jewilkinson@mylegalaid.org

April 9, 2013

Matthew Bower
Planning and Special Projects
City of Minneapolis
350 South Fifth St.
Minneapolis, MN 55415

Re: Consolidated Plan, Action Plan for 2013; Opportunities to Advance City and Regional Fair Housing Goals

Dear Mr. Bower:

Minneapolis is held back from vibrant community, business and individual development by deep and long-standing racial and economic inequities that are both reflected and rooted in inequitable housing. We are taking the opportunity of the Consolidated Plan public comment period to invite the City to join in new efforts to advance fair housing. We believe that a fair housing lens, including and going beyond the 2009 Analysis of Impediments, should be used to examine and guide the Con Plan and other City activities. Further, the City's actions can more effectively address these inequities and serve the City's goals, if Minneapolis' work influences and is integrated into upcoming regional development plans. Because the current budget and plans are in place, we use this opportunity to start important discussions, rather than suggest particular changes in the published Action Plan.

First, we invite the City to help us to launch the HUD, MHFA and Metropolitan Council-supported Fair Housing Resource Guide: www.FairHousingMN.org. It is a comprehensive resource guide for providers, renters, public agencies, homeowners and all Minnesotans. We invite you to feature the Guide on the City's website, particularly in Departments

addressing housing and civil rights. We also invite the City to become a content partner for the Resource Guide. Contact the leader of Legal Aid's Housing Discrimination Law Project, Lael Robertson, at lerobertson@mylegalaid.org or 612 746 3834. Later this year, we will share with the City our online Affirmative Marketing Toolkit aimed at helping managers and owners to integrate their housing. Each of these products is responsive to findings in the Regional Analysis of Impediments to Fair Housing and the City can further these efforts by helping us to improve and make them widely available.

Next, we address several sets of activities that the City can work on to address impediments to fair housing.

Segregated Low Income Housing and Restricted Voucher Use

The 2009 Analysis of Impediments to Fair Housing pointed to the ongoing problem of Housing Choice Voucher users being shut out of areas where families are most likely to find good homes, good schools, and safe and healthy environments. Efforts to comprehensively address this problem have been ineffective, although the Public Housing Authority has taken small steps to prioritize integrative placement. There are many steps that the City and its partners in other jurisdictions and partners like the PHA, HUD and MHFA could take to improve the situation and break down patterns of segregation using this federally-funded program. Here are ideas to explore:

1. Advocate that HUD and the PHA further adjust voucher rents to discourage concentration in poor areas and to increase eligible units in wealthier areas;
2. Require TOD-related housing to notify HousingLink and voucher administrators of openings;
3. Support housing counseling & other steps to help tenants make integrative moves;
4. Buy use restrictions in apartments in areas of high opportunity to include commitment to rent to a percentage of voucher users;
5. Work with others to strengthen property tax incentives (reinvigorate the former 4d program);
6. Amend laws to prevent discrimination against voucher holders;
7. Require TOD-related housing to include mixed-income units, including voucher-focused housing.

Address Needs of People with Disabilities

New transit-oriented development offers the opportunity to address the housing needs of people with disabilities. Steps that the City and partners should consider adopting are:

1. Include accessible rental units in new and rehabbed housing, especially in non-poverty areas;
2. Require new multi-unit housing to go beyond accessibility minimums, e.g., use visitability standards, have at least one powered door entrance, etc.;
3. Require training and policies on reasonable accommodation for all housing staff and contractors;
4. Audit new construction for accessibility features;
5. Discourage inaccessible housing designs like multistory town homes.

Renewed Problems in Home ownership

Certain areas of Minneapolis were particularly badly hit by the foreclosure crisis. The City and its partners, including Legal Aid, have responded by providing counseling and legal help to homeowners who face foreclosure and other problems, including mortgage rescue scams, tenants' rights when the owner is losing the property, etc. These actions have provided a positive impact on protected class persons in areas like North Minneapolis and furthered fair housing.

As the housing market changed, predatory practices changed to match. Even as the North Side experiences fewer foreclosures it faces predatory practices from those who follow in the wake of the crisis. Investors purchase properties on a discounted bulk basis, then seek to generate income at the least expense. Often, their practices involve shoddy compliance or outright noncompliance with City ordinances and consumer protection laws. In more elaborate schemes, investors actively seek to avoid rental licensing requirements by "selling" the properties on contracts for deed, in transactions that generate income to the investor without creating a genuine home ownership opportunity for the buyer. Some such investors are well-known to City inspection officials as former slumlords; others have no local presence at all. Legal Aid is now litigating a case in which a South Carolina company

with hundreds of properties nationwide knowingly sold a lead-condemned home in North Minneapolis to a family with children.

The new investor model threatens the City, its neighborhoods and residents and erodes past efforts to affirmatively further fair housing. Any steps the City takes to systematically combat these practices will protect the rights of home buyers, tenants, and affirmatively further fair housing. For example, the City should seek to keep North Side properties out of pool sales and out of the hands of predatory investors by supporting responsible new owners. We urge that the City's housing inspection staff pay particular attention to situations involving such bulk buyers, scrutinize the activities carefully and provide information and referral to residents. This will be especially important for limited English speakers who are particularly vulnerable.

Regional Fair Housing and Equity Engagement

Mayor Rybak has been a leader on the Corridors of Opportunity (CoO) Policy Board which will soon finish a sustainable development plan focusing on Metro area transit corridors. Most of those corridors intersect at downtown Minneapolis. The transit oriented development (TOD) envisioned by the CoO will change housing here for decades. Minneapolis should both take advantage of and influence these changes to further its fair housing agenda. Most importantly from the fair housing perspective, the City should work to see that TOD spurred by transit developments will increase housing choice and decrease negative housing impacts for low income, protected class persons across the region. This can be done using a range of tools, policies and activities in the rental and home ownership fields that we and others will be pleased to discuss in detail with City officials. Legal Aid and others can offer a range of small fixes and very ambitious efforts that Minneapolis should review, improve and adopt.

Respecting the Con Plan programs themselves, please consider whether future allocation of HOME dollars, CCP-SAFE funds and Trust Fund money could yield higher returns on investment when spatially aligned with upcoming TOD in transit corridors. Alternatively, TOD investments in some parts of the City may need to be balanced by CBDG investments

in others. Unless the City addresses the probable impacts on the “inequity structures” our clients now experience, it will not further fair housing nor increase equity.

Because Minneapolis is a part of the region and has a unique set of strengths and challenges, the opportunity to influence upcoming regional planning agendas is very important. Because the City has a high population of low income, disabled, new immigrants and protected class people, it is particularly important that it push the region as a whole to address equity issues, including fair housing. Minneapolis alone cannot solve the problems of affordable housing. Minneapolis alone cannot overcome local or regional patterns of housing segregation. Minneapolis alone cannot create conditions where its most challenged residents can get ahead and participate in the development we want to see in coming years.

The Metropolitan Council, as part of the CoO process, is working on a regional Fair Housing and Equity Assessment (FHEA). The FHEA could, with the support of this City and other jurisdictions, become a key part of a regional fair housing action plan with particular benefits for Minneapolis and its residents. This comes at a particularly opportune time as the Met Council is also developing its new Regional planning guide, Thrive 2040, and a new Housing Policy. The Council and the Mayor (and his successor) should raise these fair housing and equity issues to a high priority rank in regional activities like the CoO. The Council and Mayor should direct City staff to pursue these regional fair housing efforts with the Met Council, other jurisdictions and public and private partners. We would like to partner with you in these efforts.

We know that Legal Aid services will play a strong role in the City’s Action Plan and appreciate the City’s financial support for and partnerships in working on fair housing and related activities.

Thank you for your attention.

Sincerely,

James E. Wilkinson
Supervising Attorney



Minneapolis
City of Lakes

Intergovernmental Relations

May 14, 2014

**Office of Grants & Special
Projects**

350 South 5th Street - Room 301M
Minneapolis MN 55415

James E. Wilkinson
Mid-Minnesota Legal Aid
430 First Avenue North, Suite 301
Minneapolis, MN 55401

Dear Mr. Wilkinson:

Thank you for your input to the City's 2014 update to the 2010-2014 Consolidated Plan with your email of May 13, 2014. Your comments will be included in the published Consolidated Plan, as well as distributed among City departments and local partners who work to address the issues you have identified.

Please note, the City of Minneapolis and Mid-Minnesota Legal Aid continue to work together in addressing the goals described in the City's most recent 5-year 2010-14 Consolidated Plan. This is despite the reductions in CDBG funding that have been experienced over this time period.

The City strives to allocate its increasingly scarce Consolidated Plan resources appropriately among its high and medium priority housing, community development, and public service strategies, based on need, through an extensive planning process through our partnerships with all levels of government and the private sector, including for-profit and non-profit organizations. Your continued involvement in this process will assure that the concerns you have identified will be included in the planning process.

The City looks forward to continued work with Mid-Minnesota Legal Aid as the next Five-year Consolidated Plan is developed, beginning later this year. If you have questions or need additional information, please let me know.

Again, thank you for your comments.

Sincerely,

Matt Bower, Manager Resource Coordination
Office of Grants & Special Project