STATE OF MINNESOTA

2022-2026 Five-Year Consolidated Plan and 2022 Annual Action Plan

DRAFT FOR PUBLIC COMMENT

MINNESOTA

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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

Since 1995, the U.S. Department of Housing and Urban Development (HUD) has required consolidating the planning, application, reporting, and citizen participation processes for the formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), National Housing Trust Fund (NHTF), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The single-planning process, termed the Consolidated Plan for Housing and Community Development, is intended to fulfill three basic goals more comprehensively: to offer decent housing, to provide a suitable living environment, and to expand economic opportunities.

According to HUD, the Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for housing and community development actions. It offers entitlement communities the opportunity to shape these housing and community development programs into effective, coordinated housing and community development strategies. It also allows for strategic planning and citizen participation to occur in a comprehensive context, thereby reducing duplication of effort.

As the lead agency for the Consolidated Plan for the State of Minnesota, the Minnesota Department of Employment and Economic Development (DEED), in coordination with the Minnesota Housing Finance Agency (Minnesota Housing), and the Department of Human Services (DHS), hereby follows HUD's guidelines for citizen and community involvement. Furthermore, these agencies are responsible for overseeing these citizen participation requirements, those that accompany the Consolidated Plan and the CDBG, HOME, HOPWA, NHTF, and ESG programs, as well as those that complement the DEED planning processes already at work in the state.

PURPOSE OF THE CONSOLIDATED PLAN

The Minnesota Consolidated Plan for Housing and Community Development for 2022 to 2026 is the comprehensive five-year planning document identifying the needs and respective resource investments in satisfying the state's housing, homeless and non-homeless special needs population, community development, and economic development needs.

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

Overview

The strategies of the programs administered by the DEED, Minnesota Housing, and DHS are to provide decent housing, a suitable living environment, and expanded economic opportunities for the state's low- and moderate-income residents. The agencies strive to accomplish these strategies by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that will serve economically-disadvantaged residents of the state. By addressing needs and creating opportunities at the individual and local government levels, the agencies hope to improve the quality of life for all residents of the state. These strategies are further explained as follows:

· *Providing decent housing* requires helping homeless persons obtain appropriate housing and assisting those at risk of homelessness, preserving the affordable housing stock, increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination, and increasing the supply of supportive housing.

· *Providing a suitable living environment* entails improving the safety and livability of neighborhoods, increasing access to quality facilities and services, and reducing the isolation of income groups within an area through integration of low-income housing opportunities.

· *Expanding economic opportunities* involves creating jobs that are accessible to low and moderate-income persons, making mortgage financing available for low- and moderate-income persons at reasonable rates, providing access to credit for development activities that promote long-term economic and social viability of the community, and empowering low-income persons.

These strategies will be purposed through the Goals as outlined in the Strategic Plan section of this Plan.

3. Evaluation of past performance

The State's evaluation of its past performance has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER). The past year CAPERs can be found here and here.

4. Summary of citizen participation process and consultation process

As part of the consolidated planning process, the lead agency must consult with a wide variety of organizations to gain understanding of the housing and community development needs of the State. This Consolidated Plan represents a collective effort from a broad array of entities in Minnesota including private, non-profit and public organizations, non-entitled communities, county governments, Continuum of Care organizations, and various other state agencies. The public participation process included focus groups, outreach committees, public input sessions, and a Housing and Community Development Needs Surveys.

5. Summary of public comments

Public comment narratives are attached as an appendix in Citizens Participation Comments.

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

Public comment narratives are attached as an appendix in Citizens Participation Comments. The State did not reject any comments.

7. Summary

The 2022-2026 Consolidated Plan has the following goals for the 5 year planning period. These goals will use HOME, ESG, HOPWA, NHTF and CDBG funds.

- Address Housing Rehabilitation Needs - DEED

  Fund housing rehabilitation activities for low to moderate income homeowner and rental households through CDBG funds

- Increase Affordable Housing Opportunities - Minnesota Housing

  Fund housing activities for low-to-moderate income rental households, including renovation and new construction

- Support Economic Development and Workforce Needs - DEED

  Encourage robust economic growth through commercial rehabilitation activities, the development and retention of businesses and jobs throughout non-entitlement areas of the State

- Facilitate Housing and Services for the Homeless - DHS

  Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota

- Provide Funds for Special-Needs Housing and Services – Minnesota Housing

  Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS

- Improve Public Facilities and Infrastructure– DEED

  Address community needs through improvements to public facilities and infrastructure

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

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

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

Agency Role	Name	Department/Agency
Lead Agency	MINNESOTA	Department of Employment and Economic Development
CDBG Administrator	MINNESOTA	Department of Employment and Economic Development
HOPWA Administrator	MINNESOTA	Minnesota Housing Finance Agency
HOME Administrator	MINNESOTA	Minnesota Housing Finance Agency
ESG Administrator	MINNESOTA	Department of Human Services
HOPWA-C Administrator		
NHTF Administrator	MINNESOTA	Minnesota Housing Finance Agency

Table 1 – Responsible Agencies

Narrative

Consolidated Plan Public Contact Information

Natasha Kukowski, Small Cities Development Unit Manager

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PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.200(l) and 91.315(l)

1. Introduction

As part of the consolidated planning process, the lead agency, DEED, and sister administering agencies, Minnesota Housing and DHS, must consult with a wide variety of organizations in order to gain understanding of housing and community development needs.

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

This represents a collective effort from a broad array of entities in Minnesota, ranging from advocacy groups for people with disabilities to economic development organizations. Private, nonprofit, and public organizations, including local government, persons interested in the CDBG program, persons interested in the HOME or National Housing Trust Fund programs, persons associated with Continuum of Care organizations, and the Minnesota Department of Health were contacted through email correspondence, direct interviews, and online group interactions. These persons were solicited to discuss housing and community development needs in Minnesota, including the ranking of those needs and activities that DEED, Minnesota Housing, and DHS might consider to better address needs throughout the state. Further, individuals were asked to provide additional insight into prospective barriers and constraints regarding housing and community development needs in Minnesota.

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

The DHS hosts a monthly meeting of all Continuum of Care Coordinators. Also in attendance are staff from various state administered homelessness programs as well as HUD CPD staff. Issues such as accessing HUD Super NOFA funding, the allocation of program resources, development of common assessment tools, performance measurement and HMIS are discussed at these meetings as these issues relate to the CoCs.

Representatives from the Minnesota Interagency Council on Homelessness (MICH) subcommittee on Continuum of Care Planning send representatives to all Continuum of Care regional meetings.

As part of the DHS' and Minnesota Housing's participation in the MICH, staff are working with CoCs around the state to implement the State's Heading Home Plan, which includes many goals related to the

needs of chronic homeless individuals and families, families with children, veterans, and unaccompanied youth. These goals include but are not limited to ending veteran homelessness, eliminating transitions to homelessness in youth and adult systems of care, and connecting homeless and highly mobile families with students to rental assistance and other resources to improve housing stability.

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

Consultation on allocation:

The State's competitive RFP process for ESG funds continues to include the opportunity for each CoC representative(s) to participate in the evaluation of applications for funding. CoCs have taken advantage of this opportunity and offered meaningful and important input into the allocation of ESG funds in their regions. Additional meetings and opportunities for CoC consultation have been added to the RFP review process as well, ensuring a strong CoC voice in funding decisions.

Performance Standards and Evaluation:

The existing performance standards for ESG were developed in recent years during meetings with CoC representatives from around the state, and reflect the basic purpose of ESG shelter, prevention, and rapid re-housing funds to a) keep people safely sheltered, b) re-house persons who are homeless, and c) ensure persons are stably housed at program exit. ESG sub-recipient performance reports are sent to each CoC Coordinator and include information on these goals and sub-recipient performance. This set of outcomes, as well as specific annual goals for these ESG-funded activities, are included in the Outcomes Measures and Performance Standards section of this Plan.

Policies and Procedures for HMIS:

The HMIS Governing Group oversees the operation and administration of Minnesota's statewide HMIS system. The Governing Group includes representatives from each of the Continuum of Care(CoC) regions, state agencies, advocacy organizations and service providers. As members on the HMIS Governing Group, state agency staff participate in making joint decisions regarding the administration and funding of HMIS.

1	**Agency/Group/Organization**	**Moorhead Public Housing**
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
2	**Agency/Group/Organization**	**Lake & Prairies CAP**
	Agency/Group/Organization Type	Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
3	**Agency/Group/Organization**	**WCMA**
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes	Invited to participate in survey, public input meetings and to provide comments

	of the consultation or areas for improved coordination?	on the draft plan. Participated in a targeted interview.
4	**Agency/Group/Organization**	**Churches United**
	Agency/Group/Organization Type	Services-Housing; elderly persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
5	**Agency/Group/Organization**	**NW Minnesota Legal Services**
	Agency/Group/Organization Type	Services-Homeless; Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
6	**Agency/Group/Organization**	**White Earth Nation**
	Agency/Group/Organization Type	Other government - Federal
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
7	**Agency/Group/Organization**	**Lotus Center**
	Agency/Group/Organization Type	Housing Services-Health; Education; Employment; Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
8	**Agency/Group/Organization**	**West Central Minnesota CoC**
	Agency/Group/Organization Type	Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
9	**Agency/Group/Organization**	**United Community Action Partnership**
	Agency/Group/Organization Type	Housing Services-Homeless; Education; Employment

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
10	**Agency/Group/Organization**	**Global Father Foundation**
	Agency/Group/Organization Type	Services-Education; Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
11	**Agency/Group/Organization**	**RS EDEN**
	Agency/Group/Organization Type	Housing Services-Education; Homeless; Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a

	of the consultation or areas for improved coordination?	community meeting and gave input on topics discussed
12	**Agency/Group/Organization**	**Winona County Criminal Justice Coordinating Council**
	Agency/Group/Organization Type	Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
13	**Agency/Group/Organization**	**HRA of Hibbing**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
14	**Agency/Group/Organization**	**RSA Consultation**
	Agency/Group/Organization Type	Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs

		Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
15	**Agency/Group/Organization**	**Duffy Development Company**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
16	**Agency/Group/Organization**	**Unity Church Unitarian Affordable Housing Team**
	Agency/Group/Organization Type	Housing Services-Homeless; Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed

17	**Agency/Group/Organization**	**Murray County EDA**
	Agency/Group/Organization Type	Other government-county
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
18	**Agency/Group/Organization**	**Rainbow Health Minnesota**
	Agency/Group/Organization Type	Services-Health; Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
19	**Agency/Group/Organization**	**Project for Pride in Living**
	Agency/Group/Organization Type	Housing Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
20	**Agency/Group/Organization**	**Hennepin County Human Services**
	Agency/Group/Organization Type	Other government-County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
21	**Agency/Group/Organization**	**Minnesota State Colleges and Universities**
	Agency/Group/Organization Type	Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed
22	**Agency/Group/Organization**	**City of Red Wing**
	Agency/Group/Organization Type	Other government-Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
23	**Agency/Group/Organization**	**City of Lamberton**
	Agency/Group/Organization Type	Other government-local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
24	**Agency/Group/Organization**	**Leech Lake Band**
	Agency/Group/Organization Type	Housing Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a

	of the consultation or areas for improved coordination?	community meeting and gave input on topics discussed.
25	**Agency/Group/Organization**	**Minnesota Department of Employment and Economic Development (DEED)**
	Agency/Group/Organization Type	Other government-State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
26	**Agency/Group/Organization**	**Southwest Minnesota CoC**
	Agency/Group/Organization Type	Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
27	**Agency/Group/Organization**	**Three Rivers Community Action**
	Agency/Group/Organization Type	Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs

		Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
28	**Agency/Group/Organization**	**Mid-Minnesota Legal Aid**
	Agency/Group/Organization Type	Services-Persons with disabilities; homeless; Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
29	**Agency/Group/Organization**	**Southern Minnesota Regional Legal Services**
	Agency/Group/Organization Type	Services-Persons with disabilities; homeless; Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a

		community meeting and gave input on topics discussed.
30	**Agency/Group/Organization**	**Development Services, Inc.**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
31	**Agency/Group/Organization**	**Central Minnesota CoC**
	Agency/Group/Organization Type	Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
32	**Agency/Group/Organization**	**Minnesota Housing Partnership**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
33	**Agency/Group/Organization**	**West Central CoC**
	Agency/Group/Organization Type	Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
34	**Agency/Group/Organization**	**City of Princeton**
	Agency/Group/Organization Type	Other government-Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
35	**Agency/Group/Organization**	**Park Plaza Cooperative**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs

		Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
36	**Agency/Group/Organization**	**Cass Clay Community Land Trust**
	Agency/Group/Organization Type	Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
37	**Agency/Group/Organization**	**DMC EDA of Rochester**
	Agency/Group/Organization Type	Other government-State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
38	**Agency/Group/Organization**	**Headwaters Regional Development Commission**

	Agency/Group/Organization Type	Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
39	**Agency/Group/Organization**	**CEDA-City of Benson**
	Agency/Group/Organization Type	Housing Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
40	**Agency/Group/Organization**	**Otter Tail Housing HRA**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes	Invited to participate in survey, public input meetings and to provide comments

	of the consultation or areas for improved coordination?	on the draft plan. Participated in a community meeting and gave input on topics discussed.
41	**Agency/Group/Organization**	**Phumulani Minnesota African Women Against Violence**
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
42	**Agency/Group/Organization**	**Damascus Way Rochester**
	Agency/Group/Organization Type	Services-Education; homeless; health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
43	**Agency/Group/Organization**	**Alluma Cares**
	Agency/Group/Organization Type	Services-Health; Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs

		Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
44	**Agency/Group/Organization**	**City of New Prague**
	Agency/Group/Organization Type	Other government-Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
45	**Agency/Group/Organization**	**Rainbow Research**
	Agency/Group/Organization Type	Planning Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
46	**Agency/Group/Organization**	**Max Results**

	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.
47	**Agency/Group/Organization**	**Minnesota Interagency Council on Homelessness**
	Agency/Group/Organization Type	Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a targeted interview.
48	**Agency/Group/Organization**	**Minnesota NAHRO**
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes	Invited to participate in survey, public input meetings and to provide comments

	of the consultation or areas for improved coordination?	on the draft plan. Participated in a targeted interview.
49	**Agency/Group/Organization**	**Rebuilding Together Minnesota**
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Invited to participate in survey, public input meetings and to provide comments on the draft plan. Participated in a community meeting and gave input on topics discussed.

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

The State agencies made attempts, including invitations to surveys, email outreach and public notices to be as inclusive as possible.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Heading Home Together: Minnesota's Plan to Prevent and End Homelessness	Minnesota Interagency Council on Homelessness (MICH)	Minnesota has a statewide plan to end homelessness which includes all CoCs in the state. This plan is coordinated by the MICH, in which DHS staff participate. The MN Plan to End Homelessness encompasses all the affordable housing and suitable living environment goals of the Strategic Plan. In addition, DHS and other state agency staff regularly attend local and regional CoC and FHPAP planning meetings to give and receive input to inform the Strategic Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Olmstead Plan	Olmstead Implementation Office	The Olmstead Plan is a broad series of key activities our state must accomplish to ensure people with disabilities are living, learning, working, and enjoying life in the most integrated setting. The Plan will help achieve a better Minnesota for all Minnesotans, because it will help Minnesotans with disabilities have the opportunity, both now and in the future to: Live close to their family Live more independently Engage in productive Participate in community life.

Table 2 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(l))

Consulted with many units of local government across the state when preparing the action plan, including inclusion in the survey, focus groups and other opportunities for feedback. This included local chambers of commerce, housing rehabilitation authorities and local leaders, such as mayors, city clerks, county officials and administrators.

Narrative (optional):

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The State utilized a variety of citizen participation tools throughout the process to allow to input on the planning process. This included a survey, focus groups, outreach groups and public input sessions. The comments received from these various forums were integrated into the development of the plan in selecting priority needs and establishing goals.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Internet Outreach	Non-targeted/broad community	The 2022 Housing and Community Development Survey asked respondents various questions about the needs of housing and community development throughout the state. A total of 292 responses were received.	Outcomes of the survey results are presented throughout this document.	All comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Focus Groups	Stakeholders	Four focus groups were held on June 22 (three sessions) and 23, 2022 (one session). These four focus groups covered affordable housing, facilities and infrastructure, community services, and general resident perspectives.	Transcripts of all comments are included as an attachment.	All comments were accepted.	
3	Public Meeting	Non-targeted/broad community	Public input meetings were held to gather comments on the preliminary plan information. These meetings were held XXX	Transcripts of the proceedings are included as attachments.	All comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Interviews	Targeted stakeholders were interviewed to collect expertise on housing and community development topics.	12 interviews were conducted	Themes from the interview sessions included the rising costs of housing, lack of available housing units, difficulty retaining staff to provide services, and need to address pending imminent increase in the number of people at risk of homelessness given expiration of eviction moratorium.	All comments were accepted.	

Table 3 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

This section addresses housing and homeless needs in Minnesota. Specific needs and the priority level of these needs were determined based on data from the 2022 Housing and Community Development Survey, public input meetings, and from consultation with representatives of various state and local agencies throughout Minnesota. Results from the 2022 Housing and Community Development Needs Survey showed that construction of new rental housing and rental housing for very low-income households were considered to have a high need for funding. There were 483,733 households under 80 percent Median Family Income (MFI) with housing problems based on available CHAS data from 2013-2017. Of these households, 204,546 household were in the 0-30% MFI category. Among all households statewide, 78 percent of households in the 0-30% MFI category have at least one housing problem. The most common housing problem faced by Minnesotans is cost burden. There were 128,760 renter households and 96,820 homeowner households severely cost burdened by their housing, paying more than 50% of their income on housing costs. Additionally, some racial/ethnic groups faced a disproportionate share of housing problems. According to the point-in-time count, the counted homeless population was 7,977 in 2020. Non-homeless special needs populations in the state include the elderly and frail elderly, persons living with disabilities, persons with alcohol or other drug addiction, victims of domestic violence, and persons living with HIV and their families. These populations are not homeless but are at the risk of becoming homeless and therefore often require housing and service programs.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

The population of Minnesota grew from approximately 5.3 million in 2010 to 5.6 million in 2020, or by 6.3 percent. According to 2020 U.S. Census data, the Minnesota population had grown to 5,639,632 by 2020, as seen in Table II.1; with just under a quarter of the population aged 35 to 54 at the beginning of the decade (a decrease of 3% over the 10-year period 2010-2020), and approximately one-fifth of the population aged 5 to 19. These two groups, which accounted for more than half of the population in 2000 (and declined in number over the following decade) declined a further 4% between 2010 and 2020 as they now represent around 44 percent of the population, down more than eight percentage points from 2000. At the same time, residents aged 55 to 64 (which grew from 8.2 to 11.9 percent of the total population between 2000 and 2010) grew a further 1.5% and now comprise over 13% of Minnesota's total population. Likewise, residents aged 65 and older (i.e., the "elderly cohort"), grew at more than twice the rate of any other segment of the population and now comprise the third largest age delineated segment of all Minnesotans trailing only the 35-54 and 5-19 aged cohorts in total population.

This elderly cohort represented 12.9 percent of the population in 2010 and as of 2020 represents 16.3% of the population. Nearly a quarter of the elderly population was aged 70 to 74 years in 2000, 2010, and again in 2020 while those aged 75 to 79 years saw their segment of the population increase in total while decreasing as a percentage of the total from just more than a fifth in 2020 to slightly more than 17% in 2020. As shown in Table II.2, these groups declined as a share of the overall elderly population between 2000 and 2010 and again between 2010 and 2020. The most pronounced growth was at the younger end of the elderly cohort, where residents aged 65 to 66 years and 67 to 69 years effectively doubled their numbers between 2010 and 2020.

The state also experienced a significant shift in its racial and ethnic composition from 2010 through 2020. As shown in Table II.3, white residents accounted for nearly 90 percent of the state's population in 2010, with just more than 4.4 million residents. However, the white population grew at a slower rate than other racial and ethnic groups over the following decade, and by 2020 had fallen to 83.8 percent of the population. The black population, which represented 3.5 percent of the overall population in 2010, more than doubled in size and as of 2020 accounted for 7 percent of the state's total population. Similarly, the Asian population more than doubled from 2010 through 2020, and now comprises more than 5 percent of the state's total population.

In terms of ethnicity, population growth between 2010 and 2020 was much more pronounced among Hispanic residents than among the state's non-Hispanic population. From around 143,400 in 2010, the Hispanic population grew by 119 percent to roughly more than 315,000, or around 5.6 percent of the state's population. The number of non-Hispanic residents also grew over the decade, but compared to the state's non-Hispanic population, that growth rate was relatively modest measuring just less than 11.5 percent.

As one might expect, Minnesota's population growth mirrors its household growth where by 2017 households numbered 2,153,202, up 4% from the base year (2009). Just over 40% of these households have incomes at or below 80% AMI in the following banded segments – there were 261,440 households between 0-30% AMI (12.1%), 256,225 households between >30-50% AMI (11.9%), and 350,995 households between 50-80% AMI (16.3%). As the number of low-moderate income households continues to increase the need for affordable housing options will also need to increase to keep pace with demand.

Demographics	Base Year: 2009	Most Recent Year: 2017	% Change
Population	5,303,925	5,490,726	4%
Households	2,061,882	2,153,202	4%
Median Income	$57,007.00	$65,699.00	15%

Table 4 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2013-2017 ACS (Most Recent Year)

Table II.1
Population by Age
State of Minnesota

	2010 Census		2020 Census		Change in percentage
Age	Population	% of Total	Population	% of Total	2010-2020
Under 5	355,504	6.7%	351,622	6.2%	-0.5%
5 to 19	1,075,707	20.3%	1,093,724	19.4%	-0.9%
20 to 24	355,651	6.7%	355,929	6.3%	-0.4%
25 to 34	715,586	13.5%	762,616	13.5%	0.0%
35 to 54	1,488,992	28.1%	1,398,938	24.8%	-3.3%
55 to 64	629,364	11.9%	756,421	13.4%	1.5%
65 or Older	683,121	12.9%	920,382	16.3%	3.4%

Table II.2
Elderly Population by Age
State of Minnesota

	2010 Census		2020 Census		Change in percentage
Age	Population	% of Total	Population	% of Total	2010-2020
65 to 66	62,176	10.5%	129,513	14.1%	3.6%
67 to 69	90,993	15.3%	174,163	18.9%	3.6%
70 to 74	142,656	24.0%	227,383	24.7%	0.7%
75 to 79	122,677	20.6%	158,811	17.3%	-3.3%
80 to 84	90,163	15.2%	107,902	11.7%	-3.5%
85 or Older	85,601	14.4%	122,610	13.3%	-1.1%

Table II.3
Population by Race and Ethnicity
State of Minnesota

	2010 Census		2020 Census		Change in Percent of Population
Race	Population	% of Total	Population	% of Total	2010-2020
White	4,400,282	89.4%	4,723,931	83.8%	-5.6%
Black or African American	171,731	3.5%	395,556	7.0%	3.5%
American Indian and Alaska Native	54,967	1.1%	77,479	1.4%	0.3%
Asian	141,968	2.9%	292,507	5.2%	2.3%
Native Hawaiian and Other Pacific Islander	1,979	0.0%	4,214	0.1%	0.1%
Other	65,810	1.3%	NA	NA	NA
Two or More Races	82,742	1.70%	145,945	2.6%	0.9%
Total	4,919,479	100%	5,639,632	100%	
Non-Hispanic	4,776,097	97.10%	5,324,502	94.4%	-2.7%
Hispanic	143,382	2.90%	315,130	5.6%	2.7%

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	261,440	256,225	350,995	238,520	1,046,025
Small Family Households	60,015	65,165	110,980	89,145	569,540
Large Family Households	15,195	19,630	28,320	19,545	88,745
Household contains at least one person 62-74 years of age	48,275	53,930	80,260	52,600	206,165
Household contains at least one person age 75 or older	50,660	56,185	50,935	24,275	58,365
Households with one or more children 6 years old or younger	38,485	39,040	55,660	37,335	118,810

Table 5 - Total Households Table

Data Source: 2013-2017 CHAS

Housing Problems

The Census Bureau collects data on several topics that HUD has identified as "housing problems." For the purposes of this report, housing problems include incomplete plumbing or kitchen facilities, overcrowding, and cost-burden. More than 12,000 households with incomes less than or 80% AMI lacked complete plumbing and/or kitchen facilities during the period 2013-2017 as represented in CHAS data. Plumbing facilities are incomplete if a household is missing any of the following: a flush toilet, piped hot and cold running water, a bathtub, or a shower. A household is considered to lack complete kitchen facilities when it does not have a range or cook top and oven, a sink with piped hot and cold running water, and a refrigerator.

The problem was similar with overcrowding where more than 9,000 households with incomes less than or equal to 80% AMI were defined as severely overcrowded (i.e., more than 1.51 persons/bedroom) and an additional 23,230 households met the definition of overcrowded (i.e., 1-1.50 persons/bedroom).

Even with the level of housing lacking complete plumbing and kitchen facilities and units being overcrowded, cost burden was easily the most rampant housing problem in Minnesota during the period 2013-2017 during which time more than 225,580 households (21.5%) had monthly housing costs that exceeded 50% of their annual income and a further 458,620 households (43.8%) had monthly housing costs exceeding 30% of their annual income. These statistics paint a complicated picture of housing affordability in the state that, with the onset of the COVID-19 pandemic, inability of housing development (especially affordable housing) to keep up with demand, and the current inflationary economic environment (which places severe upward price pressure on both rents and interest rates) has likely only exacerbated.

Housing Needs Summary Tables

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

	Renter					Owner				
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	4,630	2,460	1,620	645	9,355	1,535	860	915	620	3,930
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	3,410	2,205	1,690	895	8,200	300	605	865	525	2,295
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	6,575	5,800	4,070	1,405	17,850	970	2,300	3,515	1,885	8,670

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 50% of income (and none of the above problems)	91,655	22,465	4,535	670	119,325	49,890	29,840	15,500	3,620	98,850
Housing cost burden greater than 30% of income (and none of the above problems)	25,900	55,570	29,025	5,620	116,115	18,415	36,340	56,580	27,180	138,515
Zero/negative Income (and none of the above problems)	7,405	0	0	0	7,405	6,965	0	0	0	6,965

Table 6 – Housing Problems Table

Data Source: 2013-2017 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen

or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	106,275	32,930	11,915	3,615	154,735	52,695	33,610	20,790	6,645	113,740
Having none of four housing problems	55,900	89,850	111,700	59,605	317,055	32,200	99,835	206,590	168,655	507,280
Household has negative income, but none of the other housing problems	7,405	0	0	0	7,405	6,965	0	0	0	6,965

Table 7 – Housing Problems 2

Data Source: 2013-2017 CHAS

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	36,010	23,765	10,560	70,335	13,620	18,775	26,735	59,130
Large Related	9,135	5,570	1,350	16,055	3,440	5,805	6,580	15,825
Elderly	30,215	21,415	10,180	61,810	37,385	29,740	23,395	90,520
Other	53,965	32,755	12,725	99,445	15,755	13,405	16,340	45,500

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Total need by income	129,325	83,505	34,815	247,645	70,200	67,725	73,050	210,975

Table 8 – Cost Burden > 30%

Data Source: 2013-2017 CHAS

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	28,105	5,045	515	33,665	10,660	8,705	5,230	24,595
Large Related	6,425	885	40	7,350	2,455	1,870	895	5,220
Elderly	21,855	9,480	3,060	34,395	24,895	12,565	6,390	43,850
Other	43,740	8,405	1,205	53,350	12,980	7,055	3,120	23,155
Total need by income	100,125	23,815	4,820	128,760	50,990	30,195	15,635	96,820

Table 9 – Cost Burden > 50%

Data Source: 2013-2017 CHAS

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	8,905	6,930	4,590	1,595	22,020	1,265	2,475	3,545	2,010	9,295
Multiple, unrelated family households	600	700	660	215	2,175	160	475	780	435	1,850
Other, non-family households	620	545	600	540	2,305	0	29	95	8	132

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Total need by income	10,125	8,175	5,850	2,350	26,500	1,425	2,979	4,420	2,453	11,277

Table 10 – Crowding Information – 1/2

Data Source: 2013-2017 CHAS

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

Table 11 – Crowding Information – 2/2

Data Source Comments:

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

According to the ACS Five-Year estimates for 2020, 635,930 households are single person household. While single person households increased 14.6 percent between 2000 and 2010 the growth between 2010 and 2020 was less than one percent for single person households, rising from 28 to 28.8 percent of the population. Single person households at or below 30 percent AMI are the most likely to need housing assistance. As the size of this population increases, the State expects the need for housing assistance will increase also.

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

According to the 2000 Census, approximately 679,000 residents were living with a disability in that year, or 15 percent of the population. In 2008, the Census Bureau made substantial changes to how it conceives of and defines “disability”, and these changes mean that ACS estimates from after 2008 are not directly comparable to earlier estimates or the 2000 Census. For that reason, the analysis of disability included in this study will focus on the incidence of disability among different age groups. Residents became progressively more likely to be impacted by disability in older age groups in 2000.

The same was true of the state's population in 2010-2014, when 10.3 percent of the population was counted as living with a disability. The disability rate for the population as a whole; i.e., males and females together; rose progressively with age, from less than one percent of the population aged less than five to 45.4 percent of the population aged 75 and over. The disability rate for male residents was higher than that of female residents.

With regards to victims of domestic violence, dating violence, sexual assault and stalking, we do not have data to produce an estimate of families in need of assistance.

What are the most common housing problems?

As noted above, a considerably large number of households were impacted by cost-burdening during the period 2013-2017, and this percentage grew considerably over the decade. A housing unit is considered cost-burdened when between 30 and 50 percent of its income goes toward housing costs, and severely cost-burdened when housing costs consume more than 50 percent of a household's income as shown in Tables 3 and 4 above.

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

Renters are more likely to be cost burdened than homeowners. According to CHAS data for 2013-2017, there were nearly 250,000 rental households that were housing cost-burdened with between 30 and 50 percent of their income being spent on housing while approximately 210,000 low-moderate income homeowners were cost-burdened in the same range making renters roughly 15 percent more likely to be cost-burdened at this level. The number of renters and low-moderate income homeowners that were severely cost-burdened was lower on both counts, 128,760 rental households and 96,820 low-moderate income homeowners respectively, but the trend of severe cost-burden was even steeper for renters who were 30 percent more likely to be severely cost-burdened than low-moderate income homeowners.

In addition, Black, Indigenous, or People of Color are also more likely to be cost burdened than White, non Hispanic households, as described in the section NA-30 below.

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

Households most likely to be at risk of becoming unsheltered are those that with extremely low incomes that are cost-burdened. There were 204,546 households at or below 30 percent AMI that had at least

one housing problem in 2017; a 2 percent increase over the five-year period 2008-2012. Formerly homeless families and individual who are receiving rapid rehousing assistance and nearing the termination of that assistance are also at high risk given the shifts in the market during the COVID-19 pandemic. Rising rents have reduced the supply of units that qualify as safe and decent, and many units that would be considered affordable are not in areas near amenities like good school, medical care, and grocery stores. More affordable units are needed to house these most vulnerable populations.

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

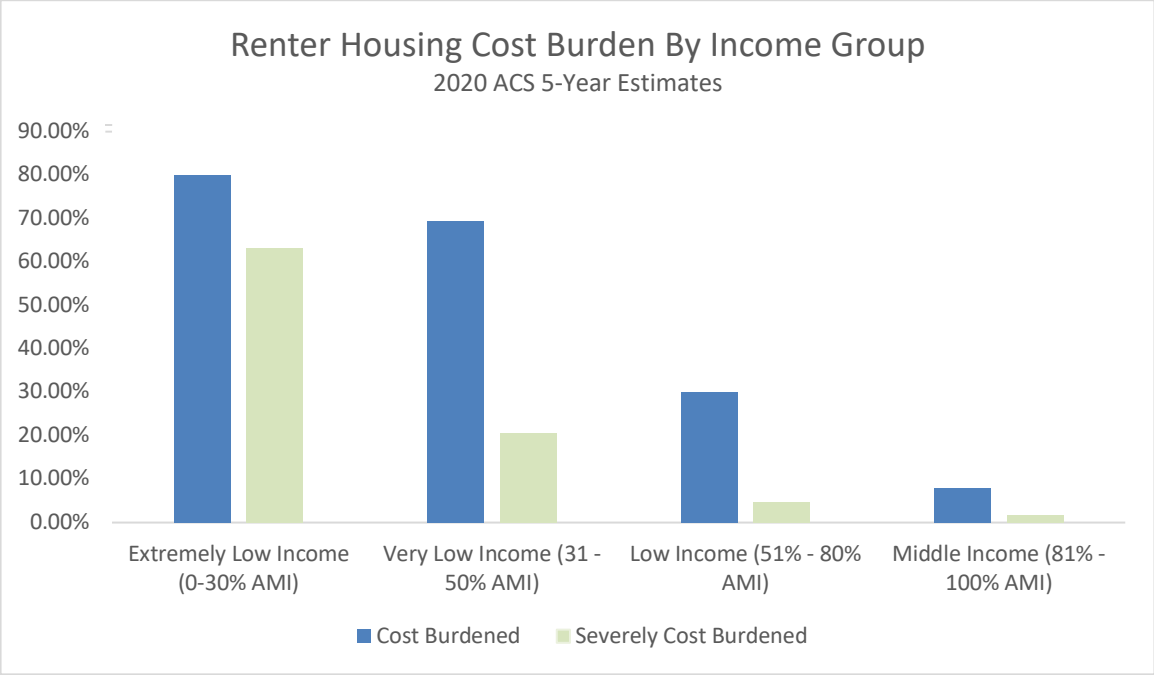
Not applicable.

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

According to the National Alliance to End Homelessness, there are various factors that contribute to an increased risk of homelessness. These housing characteristics include households that are doubled up, or living with friends or family, persons recently released from prison, and young adults out of foster care. Economic factors include households with severe cost burden and households facing unemployment. The Wilder Foundation's 'Homelessness in Minnesota: Detailed Findings from the 2018 Minnesota Homeless Study' also provides breakdowns of that characteristics of those individuals and families facing homelessness. More information from the Wilder Study is presented later in this document. As described here and in the following sections, there are many households facing cost burdens and other housing problems that create instability and increase their risk of homelessness.

Discussion

As seen above, the amount of housing need in the State has increased, especially for cost burdens. By 2020, the number of cost burdened households continued to grow with renters facing this problem at high rates. Rates were especially higher for households in the 0-30% AMI income category. Eighty percent of renters in the 0-30% AMI income category are cost burdened with nearly 60% experiencing severe cost burden. In the 31 – 50% AMI category, nearly 70% are cost burdened with about 20% being severely cost burdened.



NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

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

Introduction

A disproportionate need exists if any one racial or ethnic group faces housing problems at a rate of 10 percentage points higher than the jurisdiction average. The following section will explore the disproportionately greater need for housing problems in the State of Minnesota.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	204,546	45,657	15,308
White	143,862	34,541	11,819
Black / African American	30,561	6,368	1,681
Asian	8,743	1,597	774
American Indian, Alaska Native	3,959	1,042	255
Pacific Islander	71	14	14
Hispanic	12,552	1,244	600

Table 12 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2013-2017 CHAS

*The four housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	159,832	99,315	0
White	122,348	84,061	0
Black / African American	15,792	5,809	0
Asian	6,234	2,448	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
American Indian, Alaska Native	1,694	1,468	0
Pacific Islander	16	33	0
Hispanic	10,346	4,283	0

Table 13 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2013-2017 CHAS

*The four housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	159,832	99,315	0
White	122,348	84,061	0
Black / African American	15,792	5,809	0
Asian	6,234	2,448	0
American Indian, Alaska Native	1,694	1,468	0
Pacific Islander	16	33	0
Hispanic	10,346	4,283	0

Table 14 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2013-2017 CHAS

*The four housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	44,014	196,278	0
White	38,755	173,063	0
Black / African American	1,504	6,430	0
Asian	1,676	6,091	0
American Indian, Alaska Native	224	1,544	0
Pacific Islander	8	28	0
Hispanic	1,391	6,349	0

Table 15 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2013-2017 CHAS

*The four housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

Discussion

A discussion of disproportionate share is included in NA-30.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

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

Introduction

The following section will explore the disproportionately greater need for severe housing problems in the State of Minnesota. (For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in category as a whole).

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	160,535	89,964	15,308
White	111,712	67,012	11,819
Black / African American	24,353	12,569	1,681
Asian	7,258	3,074	774
American Indian, Alaska Native	3,109	1,907	255
Pacific Islander	27	58	14
Hispanic	10,028	3,766	600

Table 16 – Severe Housing Problems 0 - 30% AMI

Data Source: 2013-2017 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	67,827	191,065	0
White	51,848	154,262	0
Black / African American	6,258	15,331	0
Asian	2,990	5,716	0
American Indian, Alaska Native	711	2,489	0
Pacific Islander	16	33	0
Hispanic	4,906	9,737	0

Table 17 – Severe Housing Problems 30 - 50% AMI

Data Source: 2013-2017 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	33,715	318,918	0
White	25,594	274,607	0
Black / African American	2,280	14,953	0
Asian	2,263	9,536	0
American Indian, Alaska Native	391	3,214	0
Pacific Islander	4	87	0
Hispanic	2,883	12,228	0

Table 18 – Severe Housing Problems 50 - 80% AMI

Data Source: 2013-2017 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	10,928	229,138	0
White	8,378	203,239	0
Black / African American	515	7,413	0
Asian	998	6,789	0
American Indian, Alaska Native	104	1,685	0
Pacific Islander	4	32	0
Hispanic	801	6,944	0

Table 19 – Severe Housing Problems 80 - 100% AMI

Data Source: 2013-2017 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

Discussion

A discussion of disproportionate share is included in NA-30.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

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

Introduction

The following section will explore the disproportionately greater need due to housing cost burdens in the State of Minnesota.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,600,752	308,625	237,853	15,985
White	1,421,803	248,834	180,924	12,288
Black / African American	51,293	24,249	26,570	1,869
Asian	51,350	10,203	8,380	843
American Indian, Alaska Native	11,717	2,815	3,364	263
Pacific Islander	407	68	35	14
Hispanic	43,701	14,136	11,052	696

Table 20 – Greater Need: Housing Cost Burdens AMI

Data Source: 2013-2017 CHAS

Discussion

A discussion of disproportionate share is included in NA-30.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

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

Disproportionate needs show up for Black/African Americans and Native American groups. It should be noted that communities of color, particularly Black/African American and Native American residents, are far more likely to live in the lowest income categories. The lowest income levels demonstrate that highest housing needs in the data. In Minnesota, 44 percent of white renters are cost burdened. In contrast, 58 percent of Black/African American renters and 54% of Native American renters are cost burdened. Further, in every racial category, black, indigenous, and people of color are more likely to experience cost burden than white households due to historical injustices such as redlining, racial covenants, and disinvestment.

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

No additional needs have been identified.

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

NA-35 Public Housing – (Optional)

Introduction

Not required section for statewide Consolidated Plan.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

In Minnesota, there are two primary sources of Homeless Needs data – the HUD Point in Time Count and the Wilder Minnesota Homelessness Study. As part of a Federal requirement to receive McKinney Vento Act funding, the regional Continuum of Care committees partner with the State of Minnesota to conduce the HUD Point in Time Count in January of every year. The date of this count is Federally mandated, and results in significant undercounts of homeless persons in the harsh Minnesota climate, especially the unsheltered population. According to the 2020 point-in-time homeless count, there were a total of 7,940 individuals experiencing homelessness in the state at that time. A majority of those households, or 4,036, lived in an emergency shelter. An additional 1,955 lived in transitional housing. The remainder lived outside of a shelter. Because unsheltered data was not collected in 2021 due to the COVID-19 pandemic, all HUD Point in Time data for Minnesota used in this plan (sheltered and unsheltered) is from the 2020 Point in Time count.

In addition to the HUD-mandated Point In Time count, the 2018 Wilder study, discussed in more detail below found a 10% increase in homelessness between 2015 and 2018 with a 25% increase in homeless senior and the highest rates of homelessness among Native American and Black/African American populations.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	**2,970**	**244**	0	0	0	0
Persons in Households with Only Children	**73**	**16**	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Only Adults	**2,948**	**1,689**	0	0	0	0
Chronically Homeless Individuals	**746**	**758**	0	0	0	0
Chronically Homeless Families	226	57	0	0	0	0
Veterans	**268**	**47**	0	0	0	0
Unaccompanied Child	**500**	**246**	0	0	0	0
Persons with HIV	-	-	0	0	0	0

Table 21 - Homeless Needs Assessment

Source: HUD, Continuum of Care Performance Profile / HIC, PIT

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

Minnesota typically relies on another data source for Homeless Needs data, which is also a single-night count, and comes from Wilder Research's triennial Minnesota Homeless Study. This study has been conducted by Wilder Research every three years in October since 1991. Due to the COVID-19 pandemic. the most current data available from the Wilder studies is from 2018. In 2018, the Homeless study found that there were 11,371 homeless persons on a given night, which was a 10 percent increase between 2015 and 2018. The Minnesota Homeless Youth Act defines youth as those age 24 and under, and the Wilder Study found 1,484 unaccompanied youth to be homeless, making up 15 percent of the total homeless population counted. Further, youth on their own (age 24 and younger) staying outside of a formal shelter setting increased by 11% from 2015 to 2018.

The Wilder Research Minnesota Homeless study also collects extensive data on homeless veterans and their families. From 2000-2018, the percentage of Minnesotans experiencing homelessness who are also military Veterans decreased from 16% to 7%. This is particularly hopeful given that the overall homeless population has increased by 10% between 2015 and 2018.

To be considered chronically homeless, a person must be: living in a place not meant for human habitation, a safe haven, or in an emergency shelter; and have 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 three years; and can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability.

Nature and Extent of Homelessness: (Optional)

Race:	**Sheltered:**	**Unsheltered (optional)**
Ethnicity:	**Sheltered:**	**Unsheltered (optional)**

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

Based on 2020 PIT data, the number of families in need of housing assistance including both sheltered and unsheltered families is 3,214. The number of veteran families in need of housing assistance is 315.

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

The 2018 Minnesota Homeless Study identified total homeless individuals by race as represented in the chart below. As shown, the total number of homeless folks are those in the Black or African American racial demographic, followed by people in the White demographic. However, as a percentage of total population within each racial demographic, American Indian and Alaskan Natives are more likely to be homeless with 1.35% of the population experiencing homelessness at the time of the study. Black/African America individuals were the next most likely racial group to experience homelessness with .64 percent of the population homeless on the night of the study count.

Race	Total Homeless	Total Population	% of Total Population
White	2296	4,629,375	0.05%
Black or African American	2368	367,653	0.64%
American Indian or AK Native	826	60,983	1.35%
Asian and Other Pacific Islander	116	275,522	0.04%
Some Other Race or Not Specified	262	102,814	0.25%
Two or More Races	482	174,832	0.28%

Source: 2018 Minnesota Homeless Study, 2018 Census, 2018 ACS, 1-Year Estimates

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Of the 11,371 homeless adults, youth, and children counted in the Wilder 2018 Minnesota Homeless Study, at least 1674 adults and children were in unsheltered settings, including on the street or in places not meant for human habitation.

Discussion:

Homelessness continues to be a persistent problem in the State of Minnesota, and as only worsened over the course of the COVID-19 pandemic. The expiration of eviction moratoriums will further intensify the risks of homelessness for low- and moderate-income households. Rising rent prices and overall cost of living will further strain household across all income levels, but households on fixed incomes and those already living near or at the poverty level (under 30% AMI) will be at greatest risk for housing instability.

When assessing homelessness statewide, the state relies on point-in-time counts to estimate the amount of homelessness the state. While such counts are effective for tracking trends, identifying the overall number of homeless persons each year is difficult to do from such data. Another challenge of Point in Time counts comes in a large, mostly rural state where many communities lack any physical emergency shelter or have limited provider resources. Counts performed during the COVID-19 pandemic may show further concerns of accuracy.

These factors make it very challenging to identify the actual number of unsheltered persons. HUD also does not consider those who may be frequently moving from on unstable housing situation to another as literally homeless, even though many individuals and families in Minnesota sleep in temporary arrangements (on the floors or couches of friends and family) due to limited or non-existent emergency shelters in many parts of the State.

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

The State's special needs populations include elderly persons, frail elderly persons, persons with disabilities, persons with alcohol and/or other drug addictions, persons with HIV/AIDS, victims of domestic violence, and veterans.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	50
Area incidence of AIDS	0
Rate per population	0
Number of new cases prior year (3 years of data)	74
Rate per population (3 years of data)	0
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	500
Area Prevalence (PLWH per population)	472
Number of new HIV cases reported last year	0

Table 22 – HOPWA Data

Data Source: 2020 CDC HIV Surveillance

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	0
Short-term Rent, Mortgage, and Utility	200
Facility Based Housing (Permanent, short-term or transitional)	0

Table 23 – HIV Housing Need

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

HOPWA continues to be the foundation for a system of care that links healthcare and an array of other affordable housing opportunities and services to people living with HIV/AIDS. People with HIV/AIDS who have stable housing are much more likely to access health services, attend primary care visits, receive ongoing care, and receive care that meets clinical practical standards. Multiple studies have found the lack of stable housing to be one of the most significant factors limiting the use of antiretrovirals (ARVs), regardless of insurance, substance abuse, and other factors. Housing interventions improve stability and connection to care, providing the essential foundation for participating in ARV treatment and achieving an undetectable viral load, which prevents the spread of HIV.

Describe the characteristics of special needs populations in your community:

Persons with special needs include the elderly and frail elderly, persons with severe mental illness, developmentally disabled, physically disabled, veterans, persons with alcohol/other drug addictions, victims of domestic violence, and persons living with HIV/AIDS. Many of these households have very low incomes.

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

The housing and supportive service needs are as follows:

1. Elderly and frail elderly as a result of being on a fixed income are often cost burdened. Many of these households may need home modifications and supportive services so that they can age in place. In addition, this population needs access to affordable transportation and health care.

2. Persons with disabilities face a range of housing related issues. Many people with disabilities rely solely on Supplemental Security Income to live. This limited income results in this population often paying over 50% of their income for housing. In addition, persons with disabilities also need accessible housing, caregivers, and access to affordable transportation.

3. Persons with alcohol and other drug addictions require a wide range of support services. Health problems resulting from substance abuse can cause a financial burden, lead to a physical or mental disability, and an inability to work. In addition to health concerns and health care needs, addictive disorders disrupt relationships with family and friends.

4. Persons with HIV/AIDs vary in their needs for housing and housing related services. The effects of HIV/AIDS range from loss or reduction of income to the inability to live independently due to declining health. A range of housing options is needed, including options that allow for in-home caregivers at certain points. Housing linked to mental health and chemical dependency case management is needed for persons who are dually or triply diagnosed – a growing portion of the HIV/AIDS population. Housing and care needs can extend to assisted living support such as in-home medical services, nursing services, and hospice care.

5. Victims of domestic violence, dating violence, sexual assault, and stalking may need both support services and housing. Victims of domestic violence have significant immediate needs for shelter and crisis services, and ongoing needs for support to overcome the trauma they have experienced to move on with their lives, including assistance to find stable new housing.

6. Veterans in addition to housing need a multitude of services. These services may include mental health/social services counseling, addictions counseling, and vocational rehabilitation counseling and training.

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

Discussion:

Affordable housing remains one of the greatest unmet needs for people living with HIV/AIDS.

According to a report issued by the Minnesota HIV Housing Coalition, In 2018, there were 9,966 Minnesotans diagnosed HIV+. 4,472 (50%) received assistance from what is known as the federal Ryan White HIV/AIDS Program. The State of Minnesota's HOPWA program focuses on Greater Minnesota, with funding for the Twin Cities Metropolitan Area provided through the city of Minneapolis.

There were 674 Ryan White clients in Greater Minnesota with 54 living in temporary or unstable housing situations.

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

Respondents to the survey and participants in meetings overwhelmingly noted the need for more childcare centers and support for childcare generally. In the survey, 76 percent of respondents indicated this as a high need with the next most relevant need being rehabilitation of domestic violence shelters at 53 percent youth centers at 50 percent.

How were these needs determined?

These needs were identified in both the electronic needs survey and meetings with the public and stakeholders.

Describe the jurisdiction's need for Public Improvements:

Respondents to the survey and participants in the focus groups noted the need for street improvement as the highest need followed by sidewalk improvements and bicycle and walking paths. In the meeting, one participant was especially vocal about the need for support for water system improvements are these are most needed and expensive for small towns and cities.

How were these needs determined?

These needs were identified in both the electronic needs survey and meetings with the public and stakeholders.

Describe the jurisdiction's need for Public Services:

The greatest need indicated in the survey and discussed in meetings was for childcare services. Over 75 percent of survey respondents' rates childcare services as high need followed by mental health services (71.6%) and youth services (64%).

How were these needs determined?

These needs were identified in both the electronic needs survey and meetings with the public and stakeholders.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The following narrative provides information about the housing market, the supply and demand for housing over time, building permit data and related price information for both rental properties and homeownership opportunities in Minnesota.

In 2010, Minnesota had 2,348,242 total housing units. Since that time, the total housing stock increased each year, reaching 2,477,515 units in 2019. According to the American Community Survey in 2020, Minnesota's housing stock included 74.4 percent single family units, and 18.2 percent rental apartment units. Of the 2,485,558 housing units counted in Minnesota in the 2020 census, 90.6 percent of units were occupied, where in 2010 only 88.9 percent of the total housing units were occupied. The vacancy rate for the state was 11.1 percent in 2010, and down to 9.4 percent by 2020 for the state overall, however, it is lower than 9.4 percent in many areas of the state putting increase pressure on the availability of safe, decent, and affordable housing. Vacancy rates for rental units is lower yet. According to the Census Bureau's Quarterly Housing Vacancies and Homeownership Report, the rental vacancy rate in 2021 statewide fell to less than 5 percent.

MA-10 Number of Housing Units – 91.310(a)

Introduction

In 2010, the American Community Survey reported that Minnesota had 2,348,242 total housing units. Since that time, the ACS has continued to release estimates of the total number of housing units in the state. The annual estimates of housing stock are presented in Table III.1. By 2019, there were estimated to be 2,477,51 5 housing units in Minnesota. Housing units were added at a rate around 0.2 percent from 2010 to 2013 but had increased to around 0.75 percent between 2014 and 2019.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	1,617,366	67%
1-unit, attached structure	177,362	7%
2-4 units	103,868	4%
5-19 units	135,526	6%
20 or more units	288,815	12%
Mobile Home, boat, RV, van, etc	81,687	3%
Total	***2,404,624***	***100%***

Table 24 – Residential Properties by Unit Number

Data Source: 2013-2017 ACS

Housing

According to Table III.1, the state added around 129,000 households between 2010 and 2019. As shown in Table III.2, over forty percent of the units in which those households were living in 2016-2020 were built in 1980 or later. However, more than one unit in six was built prior to 1940.

The majority of housing units in the state were single-family units between 2016-2020, as shown in Table III.3. Nearly three-quarters of housing units were single-family units in 2016-2020, up only .1 percent from 2010. Apartments also grew as a share of total housing units by about .7 percent from 2010, accounting for 18.2 percent of housing units in 2016-2020. No other type of housing unit represented greater than five percent of housing units at any point in time, and all other types of housing units declined as a share of the state's housing stock.

Permits

The amount of single and multi-family permits continued to gradually increase from 2012 to 2017. Permits had a larger increase between 2017 and 2019 with the total number of units permitted going from 21,941 to 28,579. The number of units permitted began a gradual decline in 2020 and 2021, with the total number of permitted units in 2021 being 27, 473. The proportion of multi-family units has increased during this time period, accounting for about 50 percent of units in 2021, compared to about 37 percent in 2014.

Table III.1
Housing Units Estimates
State of Minnesota
ACS Data, 2010-2019

Year	Housing Units
2019	2,477,515
2018	2,455,637
2017	2,437,726
2016	2,409,701
2015	2,397,081
2014	2,385,261
2013	2,368,754
2012	2,361,074
2011	2,354,075
2010	2,348,242

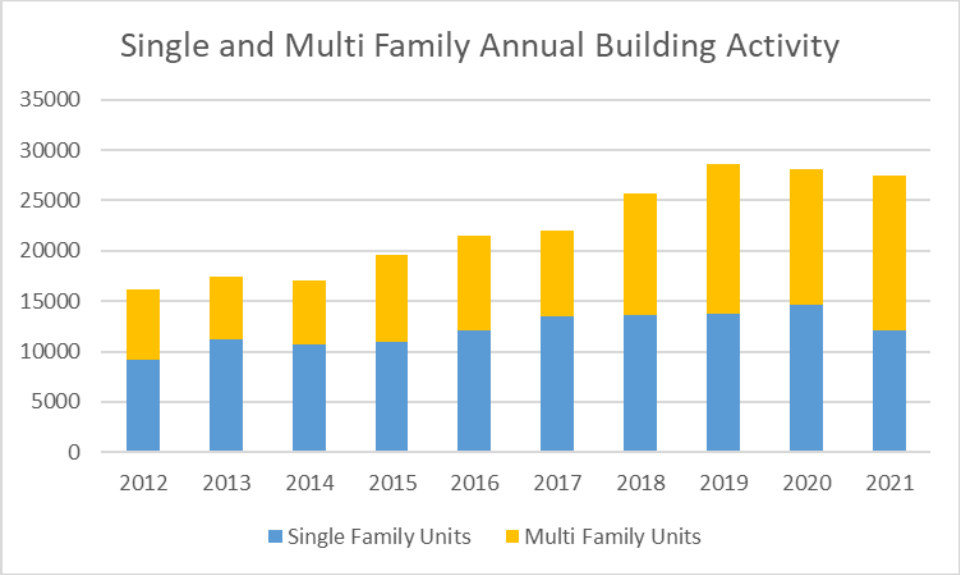
Table III.2
Households by Year Home Built
State of Minnesota
2020 Five-Year ACS Data

Year Built	Number of Households	% of Total
Total	2,458,030	100%
2014 or later	80,061	3.3%
2010 to 2013	59,615	2.4%
2000 to 2009	337,656	13.7%
1990 to 1999	332,007	13.5%
1980 to 1989	310,237	12.6%
1970 to 1979	363,567	14.8%
1960 to 1969	232,148	9.4%
1950 to 1959	237,705	9.7%
1940 to 1949	109,577	4.5%
1939 or earlier	395,457	16.1%

Table III.3
Housing Units by Type
State of Minnesota
2010 1-Year ACS Data & 2020 Five-Year ACS Data

	2010 1-Year ACS Data		2020 Five-Year ACS Data	
Unit Type	**Number of Units**	**% of Total**	**Number of Units**	**% of Total**
Single-Family	1,745,218	74.3%	1,829,989	74.4%
Duplex	59,019	2.5%	51,706	2.1%
Tri- or Four-Plex	46,769	2.0%	50,283	2.0%
Apartment	410,399	17.5%	446,673	18.2%
Mobile Home	86,560	3.7%	78,558	3.2%
Boat, RV, Van, Etc.	277	0%	821	0%
Total	**2348242**	**100%**	**2,458,030**	**100%**

Diagram III.2
Single Family and Multi Family Annual Building Activity
State of Minnesota
U.S. Census Bureau, Building Permits Survey



Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	3,334	0%	34,486	6%
1 bedroom	38,578	3%	199,125	33%
2 bedrooms	306,953	20%	228,907	37%
3 or more bedrooms	1,193,176	77%	148,643	24%
Total	***1,542,041***	***100%***	***611,161***	***100%***

Table 25 – Unit Size by Tenure

Data Source: 2013-2017 ACS

Table III.4
Please rate the need for the following Housing activities
State of Minnesota
2021 Housing and Community Development Survey

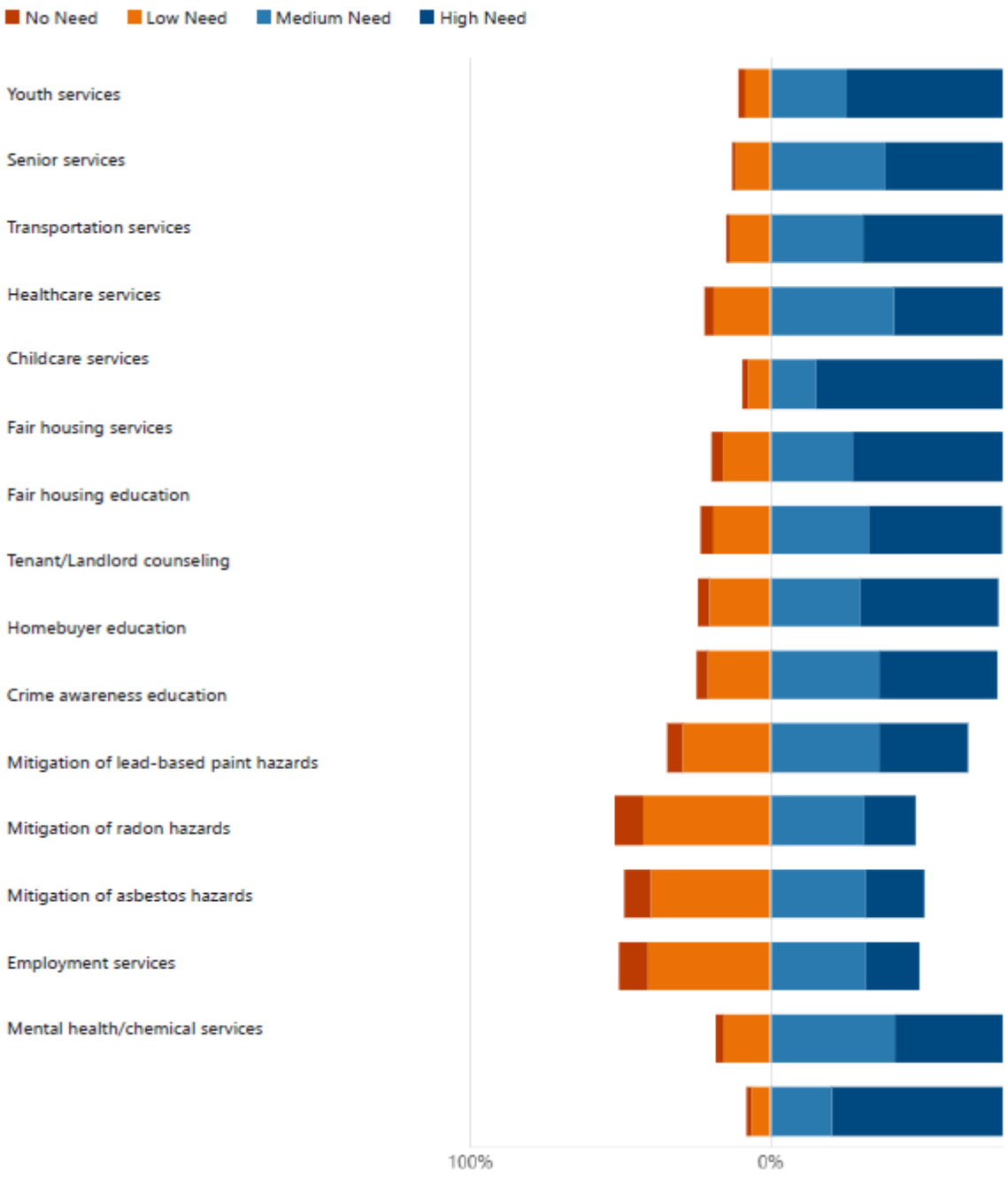


Table III.5
Households by Income and Housing Problems
State of Minnesota
2014-2018 HUD CHAS Data

Income	Households
Housing Problems	
30% HAMFI or less	193,195
30.1-50% HAMFI	155,865
50.1-80% HAMFI	121,905
80.1 HAMFI or more	102,005
Total	572,970
No Housing Problems	
30% HAMFI or less	54,850
30.1-50% HAMFI	89,070
50.1-80% HAMFI	220,530
80.1 HAMFI or more	1,230,380
Total	1,594,830
Total	
30% HAMFI or less	248,055
30.1-50% HAMFI	244,935
50.1-80% HAMFI	342,435
80.1 HAMFI or more	1,332,380
TOTAL	2,167,800

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

The Community Development Block Grant (CDBG) funds will be used for , economic development, housing rehabilitation, community revitalization, infrastructure and public facility improvements designated to benefit people of low and moderate-income (households earning up to 80% of AMI) and may be used for social services

The Emergency Solutions Grant (ESG) funds will be used to renovate and improve existing homeless shelters and transitional housing facilities. In addition, the funds will provide temporary rental assistance and stabilization services to assist homeless households earning 30% or less of AMI obtain permanent housing.

The HOME Investment Partnership Program (HOME) funds will be used to develop and rehabilitate rental units affordable to low-income families (those earning 80% or less of AMI). Activities that target these resources to provide deeply affordable housing for households earning less than 30% of AMI are prioritized through scoring in applications for this funding.

The Housing Opportunities for Persons With AIDs (HOPWA) funds will be used to provide short term rental and mortgage assistance to low-income households living with HIV/AIDS who earn 80% or less of AMI.

The Housing Trust Funds (HTF) will be used to increase the supply of affordable rental housing for extremely low-income individuals and families with special needs (those earning 30% or less of AMI).

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

According to the HUD list of Section 8 Contracts (current as of 5/31/2020), there are 689 Section 8 or multifamily contracts in Minnesota. These contracts account for approximately 45,001 affordable units in the State.

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

The available housing units do not currently meet the needs of low-income residents. As shown in Table III.5, about 26.4 percent of households have housing problems in Minnesota. Households at or below 50 percent of the median family income are disproportionately affected by housing problems and make up 60.9 percent of the total households with housing problems. This demonstrates that the current housing stock does not meet the needs of the population, particularly lower income households.

Describe the need for specific types of housing:

Affordability is the primary issue facing households in Minnesota. Overall stakeholder in meetings reported that there are not enough affordable units to house those in need and the problem is

intensifying as rent prices continue to rise. For individuals and families with special needs, the greatest housing need is permanent supportive housing.

Discussion

While the number of housing units has grown since 2010, there is a continued need for new affordable housing units. The need is especially acute for extremely low-income households.

MA-15 Cost of Housing – 91.310(a)

Introduction

The increase in cost-burdening came amidst an overall rise in housing costs between 2010 and 2020. As shown in Table III.6, the median contract rent for a housing unit in 2010 was $764, meaning that half of the rental population was paying more, and half was paying less than that figure. As shown in the 2013-2017 ACS data, by 2017 the median contract rent was $816 and as shown in Table III.5, by 2020 the median rent was $1,010. Similarly, the median value of owner-occupied homes was $194,300 in 2010, $199,700 in 2017, and $235,700 in 2020.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2017	% Change
Median Home Value	207,000	199,700	(4%)
Median Contract Rent	672	816	21%

Table 26 – Cost of Housing

Data Source: 2000 Census (Base Year), 2013-2017 ACS (Most Recent Year)

Rent Paid	Number	%
Less than $500	138,036	22.6%
$500-999	286,853	46.9%
$1,000-1,499	134,522	22.0%
$1,500-1,999	35,367	5.8%
$2,000 or more	16,383	2.7%
Total	***611,161***	***100.0%***

Table 27 - Rent Paid

Data Source: 2013-2017 ACS

Housing Costs

The cost of housing has risen significantly throughout Minnesota since 2011-2015. According to Table III.6, in 2016-2020 there has been a decrease in housing units valued at $199,999 and below, while there has been an increase in homes valued at $200,000 and above. In 2011-2015, 17.2 percent of homes were valued between $100,000-149,999; in 2016-2020, the value of homes valued between $100,000 and $149,999 dropped to 10.9 percent. In comparison, in 2011-2015 15.2 percent of homes were valued between $300,000-499,000, while in 2016-2020 housing units valued between $300,000-499,000 rose to 23.6 percent.

Rental costs have also risen since 2011-2015. Table III.8 shows that in 2011-2015, 44 percent of renters were paying between $500-999 monthly, while in 2016-2020 only 37 percent of renters are paying between $500-999 monthly. In comparison, in 2016-2020 10.1 percent of renters were paying $1500-1999 monthly, while there has been an increase to 13.6 percent of renters paying $1500-1999 monthly.

Single Family Units

The valuation of single-family units has risen steadily since 1980, experiencing only a slight dip during periods of recession. In 2020, the average value of a single-family home in the State was $235,700, an increase of more than $41,000 since 2010.

Table III.6
Median Housing Costs
State of Minnesota
2010 1-Year & 2020 Five-Year ACS Data

	2010 1-Year ACS	2020 5-Year ACS
Median Contract Rent	$764	$1,010
Median Home Value	$194,300	$235,700

Table III.7
Housing Values
State of Minnesota
2020 Five-Year ACS Data

	2016-2020 Estimates	2011-2015 Estimates
Owner-occupied units	1,588,611	1,522,618
Less than $50,000	4.3%	6.2%
$50,000 to $99,999	7.0%	10.6%
$100,000 to $149,999	10.9%	17.2%
$150,000 to $199,999	16.6%	20.8%
$200,000 to $299,999	28.8%	24.2%
$300,000 to $499,999	23.6%	15.2%
$500,000 to $999,999	7.6%	4.8%
$1,000,000 or more	1.2%	0.9%

Table III.8
Monthly Rental Costs

State of Minnesota
2020 Five-Year ACS Data

	2016-2020 Estimates	2011-2015 Estimates
Occupied units paying rent	594,099	574,221
Less than $500	12.3%	13.7%
$500 to $999	37.0%	44.0%
$1,000 to $1,499	31.2%	28.0%
$1,500 to $1,999	13.6%	10.1%
$2,000 to $2,499	3.6%	2.8%
$2,500 to $2,999	1.1%	0.7%
$3,000 or more	1.1%	0.6%

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	64,245	No Data
50% HAMFI	216,115	120,225
80% HAMFI	406,985	364,510
100% HAMFI	No Data	562,655
Total	***687,345***	***1,047,390***

Table 28 – Housing Affordability

Data Source: 2013-2017 CHAS

Monthly Rent

Monthly Rent ($)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent					
High HOME Rent					
Low HOME Rent					

Table 29 – Monthly Rent

Data Source: HUD FMR and HOME Rents

Is there sufficient housing for households at all income levels?

As seen in the Cost burden section of this document, as well as demonstrated by data presented in this section, there is not sufficient housing for households at lower income levels. This is demonstrated by the high percentage of households facing cost burdens, especially those at lower income levels.

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

As shown above, the price of housing has continued to rise and as shown in other sections, cost burdens have risen as well. As this trend continues, the state expects that housing will continue to remain unaffordable for many households.

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

No statewide FMR.

Discussion

Housing prices have continued to rise since 2010. As the cost of housing continues to rise, more households face the potential of cost burdens and other housing problems.

MA-20 Condition of Housing – 91.310(a)

Introduction:

The following section describes the condition of housing throughout Minnesota. This includes the number of housing units with risks of lead-based paint exposure, the age of the housing stock and the increase in vacant units.

Definitions

Units that are classified as standard condition meet all state and local codes. Units that are classified to be in "substandard condition but suitable for rehabilitation" are both structurally and financially feasible to rehabilitate to a condition that meet all state and local codes.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	291,600	19%	257,951	42%
With two selected Conditions	5,632	0%	19,232	3%
With three selected Conditions	871	0%	1,319	0%
With four selected Conditions	56	0%	14	0%
No selected Conditions	1,243,882	81%	332,645	54%
Total	***1,542,041***	***100%***	***611,161***	***99%***

Table 30 - Condition of Units

Data Source: 2013-2017 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	282,969	18%	93,327	15%
1980-1999	419,391	27%	157,457	26%
1950-1979	516,657	34%	235,118	38%
Before 1950	323,024	21%	125,259	21%
Total	***1,542,041***	***100%***	***611,161***	***100%***

Table 31 – Year Unit Built

Data Source: 2013-2017 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	839,681	54%	360,377	59%
Housing Units build before 1980 with children present	158,255	10%	116,095	19%

Table 32 – Risk of Lead-Based Paint

Data Source: 2013-2017 ACS (Total Units) 2013-2017 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

Table 33 - Vacant Units

Almost 89 percent of housing units in the state were occupied in 2010. According to Table III.9, this number rose to just over 90 percent in 2020 tightening the availability of units and causing housing costs to increase. As shown in Table III.10, most of these units were occupied by the people who owned them.

Table III.9
Housing Units by Tenure
State of Minnesota
2010 & 2020 Census Bureau Data

	2020 Census		2010 Census	
	Units	% Total	Units	% Total
Total:	2,485,558		2347201	
Occupied	2,253,990	90.60%	2087227	88.90%
Vacant	231,568	9.40%	259974	11.10%

Table III.10
Housing Units by Tenure
State of Minnesota
2015 5-Year & 2020 Five-Year ACS Data

	2020 5-Year ACS		2015 5-year ACS		2010 5-year ACS	
Occupied housing units	**Units**	**% of Total**	**Units**	**% of Total**	**Units**	**% of Total**
Total	5,469,548		5,284,150		5,106,168	
Owner-occupied	4,137,955	75.6%	3,949,763	74.80%	3,989,233	78.10%
Renter-occupied	1,331,593	24.4%	1,334,387	25.20%	1,116,935	21.90%

Need for Owner and Rental Rehabilitation

About 49 percent of respondents to the 2021 Community Needs Survey noted rehabilitation of owner and rental rehabilitation as a high need. This was voted as high need by fewer respondents than new construction of owner and rental units at 69 and 72 percent respectively. As costs of materials for new builds continue to rise, however, rehabilitation assistance for low-income families and those on fixed incomes such as seniors and those with disabilities will be an important tool in allowing them to maintain their housing and lessen the risks of homelessness.

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

Housing units built prior to 1980 may contain lead-based paint in portions of the home (window and door frames, walls, ceilings, etc.) or in some cases throughout the entire home. Thus, it is generally accepted that these homes at least have a risk of lead-based paint hazards and should be tested in accordance with HUD standards. As indicated in the data above, throughout Minnesota, over 1,200,000 homes have an LBP Hazard. If an estimated sixty percent (40%) of these units are occupied by LMI families then there are over 480,000 with LBP Hazards.

This increase in risk as the age of housing increases is exacerbated when that housing is not maintained or properly abated.

Discussion:

As shown above, the housing stock in Minnesota has a variety of challenges including a large number of units with risks of lead-based paint exposure, as well as a need for unit rehabilitation.

MA-25 Public and Assisted Housing – (Optional)

Introduction:

Not required section for statewide Consolidated Plan.

Describe the supply of public housing developments:

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

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

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

Discussion:

MA-30 Homeless Facilities – 91.310(b)

Introduction

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	2,378		1,538	9,139	
Households with Only Adults	3,265		805	10,013	
Chronically Homeless Households	N/A		N/A	2,514	
Veterans	115		131	1,075	
Unaccompanied Youth	312		475	1,016	

Table 34 - Facilities Targeted to Homeless Persons

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

Health, mental health, and employment services are critical to the success of homeless service providers in meeting the needs of homeless individuals and families. In some cases, homeless providers can directly access mainstream funding streams such as Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T), Projects for Assistance in Transition from Homelessness (PATH), or Medicaid-reimbursement for certain health-related supports they may provide in settings such as permanent supportive housing. However, targeting of mainstream resources for homeless persons most often occurs through partnerships between mainstream providers and homeless-serving agencies, needs of homeless persons are met. Examples include but are not limited to on-site mental health providers, faith-based nurses or drop-in health care services, shelter or drop-in centers offering employment or job search assistance through SNAP or WIA-funded Employment Agencies.

In addition, in 2018 the Minnesota Legislature appropriated new funding for the Shelter-Linked Mental Health Grant program, to support the coordination and delivery of culturally and developmentally appropriate Shelter-Linked or shelter-based mental health services to youth staying in a Safe Harbor or Homeless Youth Act shelter or housing program. The target-population includes youth in those settings who are uninsured or underinsured and are delivered in a partnership between a homeless youth shelter or housing program and a community-based mental health provider.

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

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	0
PH in facilities	0
STRMU	200
ST or TH facilities	0
PH placement	0

Table 35 – HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Elderly and Frail Elderly Persons

In Minnesota, support for the elderly population is provided by the State's Aging and Adult Services Division, within the Department of Human Services. The Division provides a variety of services, including health services, protective care, nutrition programs and other essential care for the elderly.

People with Disabilities (Mental, Physical, Developmental)

The Minnesota Department of Human Services also provides services for people with disabilities. In addition to economic assistance and health care, additional services, such as personal care assistance, relocation services and home care services are provided.

The Housing Supports program pays for room and board for seniors and adults with disabilities who have low incomes. The program aims to reduce and prevent people from living in institutions or becoming homeless. Over 20,000 Minnesotans receive Housing Support assistance each month to help pay for rent and food. About 27% of program recipients also receive Housing Support supplemental service funding to provide other services, including but not limited to: medication reminders, assistance with transportation, arranging for meetings and appointments, and arranging for medical and social services.
Housing Support can be used in property licensed group settings like board and lodge or adult foster care locations OR in community settings like a person's apartment that they rent from a landlord.

Approximately 23 percent of Housing Support recipients reside in their own leased apartment. Using Housing Support in a community setting (such as an apartment) requires a lease and a habitability inspection for each unit.

People with Alcohol or other Drug Addictions

The Alcohol and Drug Abuse Division works with partners and providers to ensure that detoxification services and treatment services for addiction are available throughout the state. Treatment programs include outpatient and residential services, which vary in length and intensity. Detoxification services are available for those individuals suffering from acute intoxication and/or withdrawal symptoms. In Minnesota, persons with alcohol or drug addictions may qualify for Housing Supports (described above) or other state funding for people with disabilities, such as General Assistance.

Victims of Domestic Violence

In Minnesota, victims of domestic violence are primarily served through a network of domestic violence service providers, including but not limited to shelters, transitional housing, legal advocacy, and services funded through State and Federal crime victims services funding. The Department of Public Safety, Office of Justice Programs administers most State and Federal domestic violence and crime victims services funding and implementation, including portions of the Violence Against Women Act (VAWA). Emergency Shelter and crisis services for victims of domestic violence and sexual assault is coordinated through the State's Day One hotline and website.

People with HIV/AIDS and Their Families

A combination of private non-profit providers and the Minnesota Department of Health provide HIV/AIDS services in Minnesota. The Departments HIV/AIDS Program links people to services for disease prevention and control, including healthcare services for HIV. HIV testing and services are provided by numerous public health clinics throughout the state.

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

Discharge planning for persons residing in mental and physical health institutions initially occurs through the services provided by that institution, many of whom are legally required to provide discharge planning to residents leaving their facilities. In addition, the State's 10 Continuum of Care planning groups have developed Plans to End Homelessness which address coordination with discharge planning processes, including the development Coordinated Entry systems. As a result, local housing providers provide outreach and assessment to persons who may need supportive housing when leaving an institution. Unfortunately, many persons leaving these institutions are not initially eligible for HUD-funded programs administered through the Continuum of Care if they were not literally homeless upon

entry, or residing in the institution for 90 days or less. In these cases, discharge referrals are made to other types of supportive housing for which the household may qualify.

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

As noted in SP-45 Goal 5, the State plans to provide services for 1,100 individuals through the Housing Opportunities for Persons with AIDS (HOPWA) program. The State's Housing Supports Program is also focused on providing housing and supplemental services to persons with special needs and this population is identified as a funding priority for HOME, NHTF, CDBG and HOPWA funds that are allocated throughout the upcoming program year.

The State of Minnesota is also in the process of implementing its Olmstead Plan in response to the landmark Olmstead ruling by the Supreme Court. As part of this plan, the State's housing programs are implementing a comprehensive strategy to ensure people with disabilities have choices about where they live, with whom, and in what type of housing. They can choose to have a lease or own their own home and live in integrated settings appropriate for their needs. Supports and services will allow flexibility to support individuals' choices on where they live and how they live in their communities. These principles are in the process of being integrated in the State's housing programs which serve many persons with disabilities to the maximum extent possible, with a focus on trauma-informed care and positive supports and practices.

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

Not Applicable

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Public policies are meant to address the overall needs of citizens in the State. Yet, there are times where they may have a negative effect on certain aspects of the community, specifically affordable housing and residential investment. Affordable housing and public and private residential investments are key components in furthering fair housing in any community. The primary tool communities have for identifying contributing factors for these barriers to housing is an assessment of fair housing and fair housing choice. In the 2022 Housing and Community Development Survey, respondents were asked if they knew of any barriers to the development or preservation of housing in their communities.

- A limited supply of affordable housing and extensive cost burden**,** especially for extremely low- and very low- income renters, causing those renters to face significant affordability "gaps." These barriers are intensifying as rents continue to rise and the number of available units decreases while competition for them rises; and
- Fair housing education is lacking and must be better understood by community residents and property owners.

The State plans corresponding actions designed to strengthen the supply of affordable housing and narrow the affordability "gaps." Elements of those actions appear within this Consolidated Plan and beyond.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

This section provides insight into the economic development landscape of Minnesota. The table below details the extent of business sector employment throughout the State. Unemployment, commuting times, and education are also analyzed in this section.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	20,118	19,837	2	3	1
Arts, Entertainment, Accommodations	95,705	77,267	10	11	1
Construction	58,756	44,891	6	6	0
Education and Health Care Services	191,293	127,683	20	18	-2
Finance, Insurance, and Real Estate	50,501	28,450	5	4	-1
Information	14,472	9,162	2	1	0
Manufacturing	163,999	145,605	17	21	3
Other Services	34,103	26,431	4	4	0
Professional, Scientific, Management Services	62,244	26,759	7	4	-3
Public Administration	0	0	0	0	0
Retail Trade	124,088	100,242	13	14	1
Transportation and Warehousing	33,546	28,632	4	4	1
Wholesale Trade	54,617	38,777	6	6	0
Total	903,442	673,736	--	--	--

Table 36- Business Activity

Data Source: 2013-2017 ACS (Workers), 2017 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	1,201,528
Civilian Employed Population 16 years and over	1,143,272
Unemployment Rate	4.30
Unemployment Rate for Ages 16-24	12.75
Unemployment Rate for Ages 25-65	3.05

Table 37 - Labor Force

Data Source: 2013-2017 ACS

Occupations by Sector	Number of People
Management, business and financial	245,719
Farming, fisheries and forestry occupations	40,260
Service	126,239
Sales and office	249,207
Construction, extraction, maintenance and repair	126,622
Production, transportation and material moving	80,515

Table 38 – Occupations by Sector

Data Source: 2013-2017 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	735,109	69%
30-59 Minutes	252,254	24%
60 or More Minutes	75,983	7%
Total	***1,063,346***	***100%***

Table 39 - Travel Time

Data Source: 2013-2017 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		
	Civilian Employed	Unemployed	Not in Labor Force
Less than high school graduate	42,073	4,204	22,829
High school graduate (includes equivalency)	244,802	12,117	64,897
Some college or Associate's degree	370,610	11,898	64,617
Bachelor's degree or higher	263,309	4,647	32,988

Table 40 - Educational Attainment by Employment Status

Data Source: 2013-2017 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	2,265	5,137	5,751	10,756	25,892
9th to 12th grade, no diploma	24,785	13,844	11,507	25,393	27,514
High school graduate, GED, or alternative	57,861	64,221	60,529	198,244	157,186
Some college, no degree	67,781	60,732	63,497	152,777	74,797
Associate's degree	17,474	46,382	45,356	83,135	21,972
Bachelor's degree	16,011	56,353	58,627	105,188	48,008
Graduate or professional degree	496	16,033	25,690	45,880	27,549

Table 41 - Educational Attainment by Age

Data Source: 2013-2017 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	
High school graduate (includes equivalency)	
Some college or Associate's degree	
Bachelor's degree	
Graduate or professional degree	

Table 42 – Median Earnings in the Past 12 Months

Data Source: 2013-2017 ACS

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

The major employment sectors in the state are education and healthcare, manufacturing, and retail trades.

Describe the workforce and infrastructure needs of business in the state.

As found in the 2022 community survey, fostering businesses with higher paying jobs and retention of existing businesses ranked as the highest needs. During community meetings, participants also placed importance on continued job training, commercial revitalization, and assistance to small business through technical assistance.

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

The Workforce Investment Act (WIA) of 1998 is a federal law that provides the framework for a workforce preparation and employment system to help businesses and job seekers in the U.S.

With WIA as the overarching plan, DEED coordinates a joint planning process that includes public and private entities, and members of the general public, to develop a state unified plan that meets WIA requirements while focusing on Minnesota-specific needs and goals. Local

workforce investment boards (WIBs) in Minnesota in turn submit unified plans that describe how the local workforce investment systems under their guidance, via Workforce Service Area (WSA) providers, will respond to the needs of regional labor markets.

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

According to Minnesota's Combined State Plan for Workforce Innovation and Opportunity Act Plans, Employers also report high levels of competition for employees and often find that they are competing with other firms based on wages and benefits. Companies located outside of the Metropolitan area find this issue to be especially acute in not only experiencing relatively small additions to the local labor market but also pressure to raise wages in fiercely competitive markets. Often, workers are applying for jobs without the requisite skill sets required forcing employers to make difficult choices of either going without needed workers or hiring individuals and providing significant levels of on-the-job training. The strength of the growing economy has pushed the conversation past a "skills gap" to a "body gap."

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

The Workforce Innovation and Opportunity Act (WIOA) is the foundation of our workforce development initiatives and job-training programs for adults and youth.

WIOA gives government, nonprofit, education, and industry partners greater flexibility to work together. The result is career training programs that give workers the skills they need to get good jobs at family-sustaining wages and give employers the qualified workers they need to stay competitive.

Describe any other state efforts to support economic growth.

The State plans to utilize CDBG funds for economic development. Refer to the goals laid out in the Strategic Plan to see allocation and outcome measures.

Discussion

MA-50 Needs and Market Analysis Discussion

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

Housing problems (incomplete kitchen facilities, incomplete plumbing facilities, overcrowding or cost burden greater than 30%) tend to be concentrated in areas with high rates of poverty. As shown previously, some 78 percent of households at or below 30 percent MFI have housing problems and black, indigenous, and people of color are more likely to fall into the 30 percent MFI income range. Refer to the following question for areas with high concentrations of poverty. Concentration is defined as having a disproportionate share or ten percentage points higher than the population overall. The following section describes disproportionate share.

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

The Black population of Minnesota is largely concentrated in the Twin Cities Metropolitan Area. The Asian population also tended to be concentrated in the Twin Cities Metropolitan area.

Native American households were largely concentrated in and adjacent to Tribal Reservation lands. In many of these areas, the Native American population compromises a majority of residents.

Those that identify as having Hispanic Ethnicity were seen in the Minneapolis-St. Paul, Richfield, and Shakopee areas of the state.

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

The characteristics of the markets in these areas vary across the State. Those areas that have high rates of poverty are also very likely to have high rates of cost burdens and households with housing problems.

Are there any community assets in these areas/neighborhoods?

Each area and community contain a variety of assets, which vary across the state.

Are there other strategic opportunities in any of these areas?

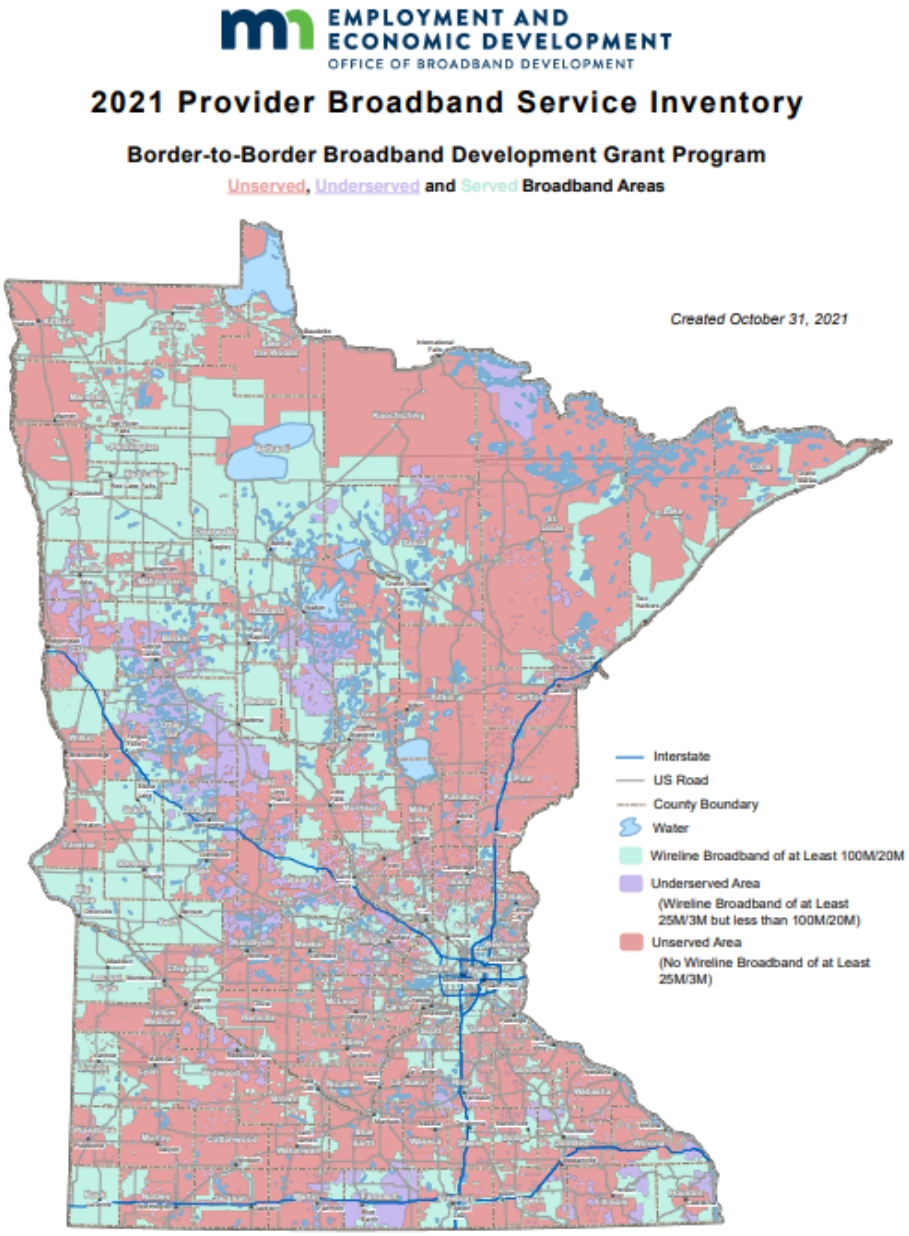
Not required.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Internet is an essential communications and information platform that allows users to take advantage of the increased interconnectedness of business, education, commerce, and day to day utility. Reliable access to the internet is becoming a necessity to thrive in the modern economic environment. Communities that lack broadband access struggle to keep pace with the country. Locations without broadband access impedes its population's ability to take advantage of the educational and entrepreneurial opportunities available online. This is particularly problematic for LMI areas where economic opportunities are often already lacking. Studies suggest a strong correlation between increased high-speed internet access and increased education and employment opportunities, especially in small cities and rural areas.

Broadband service in Minnesota is delivered through the fiber and coaxial networks of cable providers; DSL service over the telephone network; optical fiber to the home or business; mobile and fixed wireless systems; and satellite connections. The Walz-Flanagan Administration created a Governor's Task Force on Broadband in Executive Order 19-10. The Task Force is a multi-stakeholder body that advises the executive and legislative branches on broadband policies, including strategies for achieving the state broadband goals, comprehensive assessment of digital inclusion issues and gaps, and strategies for unlocked the benefits of universal access to broadband for all communities in Minnesota. It is a state goal that (1) no later than 2022, all Minnesota businesses and homes have access to high-speed broadband that provides minimum download speeds of at least 25 megabits per second and minimum upload speeds of at least three megabits per second; and (2) no later than 2026, all Minnesota businesses and homes have access to at least one provider of broadband with download speeds of at least 100 megabits per second and upload speeds of at least 20 megabits per second. The attached map identified areas of the state that are considered underserved as they have no wireless broadband of at least 25 megabits per second and minimum upload speeds of at least three megabits per second.



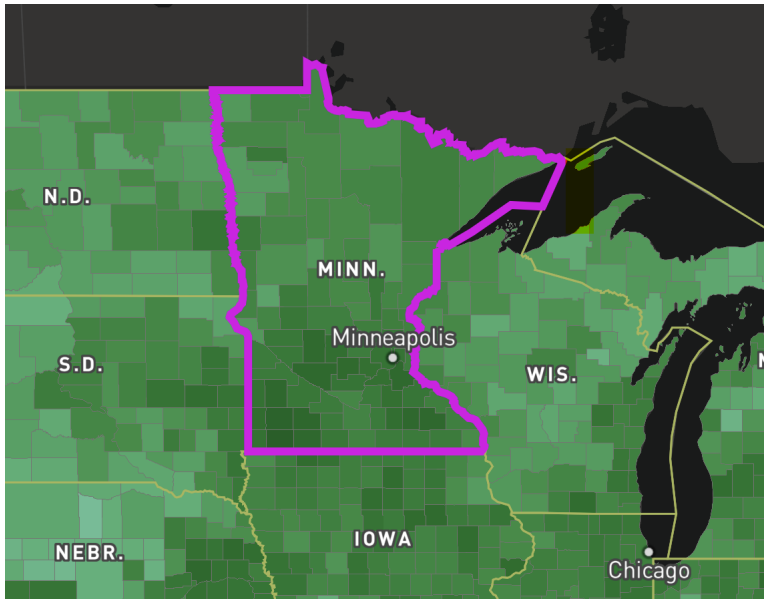
Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

Once broadband access has been obtained, it is important to ensure there is competition among service providers. Any resource that has a de facto monopoly on an area may not be incentivized to provide standard and consistent services. The map below indicates the volume of services providers across the state. Further, the State has collected information on broadband providers by county, which can be reviewed here: https://mn.gov/deed/assets/providers-incorporated-city_tcm1045-480061.pdf All areas

of the state have access to broadband, but, as noted, the quality and speed of the service varies and can be lacking, especially in rural areas.

Number of Fixed Broadband Providers

2020 FCC Data



All Providers Reporting Service

Number of Fixed Residential Broadband Providers

0 1 2 3 4 6 12 or more

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

The state has warmed one to three degrees (F) in the last century. Floods are becoming more frequent, and ice cover on lakes is forming later and melting sooner. In the coming decades, these trends are likely to continue. Rising temperatures may interfere with winter recreation, extend the growing season, change the composition of trees in the North Woods, and increase water pollution problems in lakes and rivers. The state will have more extremely hot days, which may harm public health in urban areas and corn harvests in rural areas.

Heavy Precipitation and Flooding

Changing the climate is likely to increase the frequency of floods in Minnesota. Over the last half century, average annual precipitation in most of the Midwest has increased by 5 to 10 percent. But rainfall during the four wettest days of the year has increased about 35 percent. During the next century, spring rainfall and annual precipitation are likely to increase, and severe rainstorms are likely to intensify. Each of these factors will tend to further increase the risk of flooding.

Lakes and Rivers

Flooding is occasionally a problem for both navigation and riverfront communities, and greater river flows could make these problems worse. In the Red River watershed, river flows during the worst flood of the year have been increasing about 10 percent per decade since the 1920s. Floods are also becoming more severe in the upper Mississippi watershed.

Higher temperatures and heavier storms could harm water quality in Minnesota's lakes and rivers. Warmer water tends to cause more algal blooms, which can be unsightly, harm fish, and degrade water quality. Severe storms increase the amount of pollutants that run off from land to water, so the risk of algal blooms will be greater if storms become more severe. Increasingly severe storms could also cause sewers to overflow into lakes or rivers more often, threatening beach safety and drinking water supplies.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Low and moderate-income residents are at particular risk due to having less available resources to combat the impacts of natural disasters. A dramatic rise in electricity or housing costs could put them at imminent risk of homelessness or living in substandard conditions. Residents in rural communities will have less access to public support in case of emergencies and will have fewer resources to repair or prevent damage to their homes.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The 2022-2026 Consolidated Plan has the following goals for the 5-year planning period. These goals will use HOME, ESG, HOPWA, NHTF and CDBG funds.

- Address Housing Rehabilitation Needs - DEED

  Fund housing rehabilitation activities for low to moderate income homeowner and rental households through CDBG funds, DEED

- Increase Affordable Housing Opportunities - Minnesota Housing

  Fund housing activities for low-to-moderate income rental households, including renovation and new construction

- Support Economic Development and Workforce Needs- DEED

  Encourage robust economic growth through commercial building rehabilitation activities. the development and retention of businesses and jobs throughout the State

- Facilitate Housing and Services for the Homeless - Minnesota Housing and Department of Human Services

  Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota

- Provide Funds for Special-Needs Housing and Services – Minnesota Housing

  Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS

- Improve Public Facilities and Infrastructure– DEED

  Address community needs through improvements to public facilities and infrastructure

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 43 - Geographic Priority Areas

1	**Area Name:**	Non-Entitlement
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
2	**Area Name:**	Statewide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	

	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

General Allocation Priorities

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

Formula grant funds from the CDBG, HOME, NHTF, HOPWA, and ESG programs may be directed to their highest and best use and anticipated to be successful first, within each set of program guidelines, given the funding of all housing and community development programs throughout Minnesota. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. Minnesota's experience with these programs shows that these resources are indeed distributed throughout the state. Properties throughout the state will be eligible to apply for HOME and NHTF, non-entitlement areas will be served by CDBG, and HOPWA funds are available outside the metropolitan area, as required by HOPWA regulations.

The HOME and NHTF funds will be part of a deferred pool of resources, through Minnesota Housing, which are targeted to address specific and critical needs in rental housing markets, including multiple geographic priority areas: transit and walkability, areas with strong job markets or job growth, areas with a need for more affordable housing options, and rural or tribal areas.

For ESG Shelter funding, the application is open to all areas of the state, but priority is given to applications from the balance of state areas (non-ESG entitlement areas). Within ESG entitlement areas, priority is given to those jurisdictions which have chosen to use their ESG resources for emergency shelter but still demonstrate significant unmet need. For ESG Prevention and Rapid Re-Housing funding, priority is given to applications from non-ESG entitlement areas of the state.

Distributions of all State homeless programs dollars (within and outside non-entitlement area) is guided by an analysis of economic and housing needs, including but not limited to unemployment, rent-burdened households, recipients of public assistance and other variables. In addition, applicants for competitive funding provide detailed information on the level and types of needs in their services areas.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 44 – Priority Needs Summary

1	**Priority Need Name**	Homelessness
	Priority Level	High
	Population	Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	Statewide
	Associated Goals	Facilitate Housing and Service for the Homeless
	Description	Homelessness continues to be a high priority throughout the State
	Basis for Relative Priority	This priority was established using the Needs Assessment, survey, public and stakeholder input.
2	**Priority Need Name**	Retain Decent Housing for Low-Moderate Income Renter/Owner
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents

	Geographic Areas Affected	Non-Entitlement
	Associated Goals	Address Housing Rehabilitation Needs-DEED
	Description	Fund housing rehabilitation activities for Low-Moderate income renter and owner households are a high priority in the state due to the level of cost burdens and other housing needs for these households. DEED.
	Basis for Relative Priority	This priority needs was established through the Needs Assessment, survey, public and stakeholder input.
3	**Priority Need Name**	Economic Opportunities
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	Statewide
	Associated Goals	Support Economic Development and Workforce Needs
	Description	Economic Opportunities continue to be a high priority for the State to encourage continued economic growth.
	Basis for Relative Priority	This priority was established using the Market Analysis, surveys, public and stakeholder input.
4	**Priority Need Name**	Public Facilities and Infrastructure
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	Statewide
	Associated Goals	Improve Public Facilities and Infrastructure - DEED

	Description	There are many community needs throughout the State that can be met through public facilities and infrastructure. This continues to be a high level need for the State.
	Basis for Relative Priority	This priority was established through the Needs Assessment, Market Analysis , surveys, and public and stakeholder input.
5	**Priority Need Name**	Community Services for LMI and vulnerable populations
	Priority Level	High
	Population	Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	Statewide
	Associated Goals	Provide Funds for Special-Needs Housing & Services
	Description	Special Needs populations continue to have a variety of unmet needs. Human services continue to be a high priority in the State.
	Basis for Relative Priority	This priority was established through the Needs Assessment, surveys, and public and stakeholder input.
6	**Priority Need Name**	Unit Production for LMI Renter Households
	Priority Level	High

	Population	Extremely Low Low Moderate Chronic Homelessness Homeless Individuals Homeless Families with Children Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions
	Geographic Areas Affected	Statewide
	Associated Goals	Increase Affordable Housing Opportunities - MH
	Description	Extremely Low, Low and Moderate income renter households are a high priority in the state due to the level of cost burdens and other housing needs for these households. As rents continue to rise and renters lose their housing in the wake of the expiration of eviction moratoriums, the availability of affordable rental units will decrease while the need increases. Minnesota Housing funds such housing activities for low to moderate income rental households, including renovation and new construction. Within the income priority, Minnesota Housing also considers special needs populations as a priority in the state, and will allow, when appropriate, a limitation or preference to those populations. Two special needs populations allowed with regards to HOME and National Housing Trust Fund funding are permanent supportive housing for "High Priority Homeless" and people with disabilities. High Priority Homeless means (i) households experiencing long-term homeless; (ii) households at significant risk of experiencing long-term homelessness; or (iii) households prioritized for permanent supportive housing by the Coordinated Entry System adopted by the local continuums of care. For persons with disabilities, the limitation or preference will be limited to the population of families (including individuals) that significantly interfere with their ability to obtain and maintain housing. In accordance with regulatory requirements of HOME and the National Housing Trust Fund, any limitation or preference will not violate nondiscrimination requirements.

	Basis for Relative Priority	This priority need was established through the Needs Assessment, survey, public and stakeholder input.

Narrative (Optional)

#2 need is to be used for DEED priorities. #6 is to be used for MHFA priorities.

Affirmatively Furthering Fair Housing

The State of Minnesota continues to operate under an Analysis of Impediments to Fair Housing (AI) framework, and it will transition to the Assessment of Fair Housing (AFH) framework in the next consolidated planning cycle as required. The State is engaging in an update to its 2017 AI as part of this Consolidated Planning process.

Meanwhile, for FY 22, the state continues to work on a series of actions associated with the AI developed in conjunction with the AI developed in 2017 and will report on these actions in the 2022 CAPER, as has been done in the CAPER's associated with the 2017-2021 Consolidated Plan.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	As shown by the pervious sections, the demand for rental has increased and is expected to continue to increase throughout the course of this Plan. The state expects to see a need for TBRA as the number of cost-burdened families continues to grow, and the 2022 Housing and Community Development Survey indicated a high need for more units available that accept TBRA
Housing for Non-Homeless Special Needs	The Non-Homeless Special Needs populations within the state have a variety of housing needs. The increase in demand for rentals and the increase in the price of rentals will place a high need for special need populations within the state, including people with disabilities and people experiencing homelessness. These increases make rentals unaffordable to many special needs populations.
New Unit Production	As shown by this Market Analysis section, housing production has not been keeping pace with demand, resulting in an increase in price. New unit production will increase the number of affordable units available to Minnesota households. The 2022 Housing and Community Development Survey results indicated a high level of need for new unit production, especially for rental, and especially for populations at or below 30% AMI.
Rehabilitation	The state of Minnesota has seen a growth in the need for housing, and an increase in cost burdens. This combination calls for rehabilitation of existing units in order to meet the needs of households throughout the state. The results of the 2022 Housing and Community Development Survey also indicated a high level of need for both homeowner and rental unit rehabilitation.
Acquisition, including preservation	As shown previously in this Plan, there are a number of subsidized units at risk of expiring. As the demand for affordable rental units continues to increase, the loss of these units will place additional households in need. This, in addition to survey results, has indicated a high level of need for preservation of affordable units.

Table 45 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The following section describes the annual allocation the State of Minnesota expects to receive over the next five years based on the allocation amounts for program years 2022-2026.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	**$18,925,609**	37,407	4,998,772.66	23,961,788.66	75,702,436	Department of Employment and Economic Development(DEED)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	**$9,442,511**	1,000,000			37,770,044	Minnesota Housing(MH)(acquisition, multifamily rental new construction and rehab only)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	**$386,643**				1,546,572	MH

OMB Control No: 2506-0117 (exp. 09/30/2021)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	**$2,219,254**				8,877,016	MN Dept. of Human Services(DHS)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	**$10,497,206**				41,988,824	MH(acquisition, multifamily rental new construction and rehab only)

Table 46 - Anticipated Resources

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

The HOME match requirement is met through tenant-based rental assistance from Minnesota Housing's Bridges program, which provides a rent subsidy for up to five years to persons with mental illness until they can obtain a permanent rent subsidy; and the State Housing Trust Fund program. The CDBG match will be a mix of private, local, and state resources such as loans from local banks, weatherization funds, Minnesota Housing rehabilitation loans. United States Department of Agriculture Rural Development (USDA RD), Public Facilities Authority (PFA), Minnesota Department of Health (MDH), CDBG-Economic Development match is through local initiatives, local banks, owner equity.

ESG match requirements are met two ways depending on the funded activity. For Emergency Shelter programs, DHS has required its sub-recipients to provide eligible matching funds at the sub-recipient level for each dollar requested in ESG funding. To ensure compliance with the requirement, DHS has required identification of matching funds in all sub-recipient contracts as well as a separate ESG Matching certification form that follows requirements outlined in the ESG Regulations. Because of the diverse nature of local homelessness program funding, it is not possible to summarize at the State level the exact types and amounts of each funding source, but the most common sources of matching funds include state Family Homelessness Prevention and Assistance Funds (FHPAP), state and HUD Transitional Housing Program funds (for scattered-site programs), Minnesota Community Action Grants, Private Foundations and Individual Donations.

For the ESG Prevention and Rapid Re-Housing providers, DHS has chosen to match ESG funding with state-appropriated Emergency Services Program (ESP), which is entirely used to fund emergency shelter (an eligible activity under ESG match regulations) Providers receiving these ESP funds certify they will be used in compliance with the ESG Regulations and are aware they cannot be used to meet any other match requirements.

Minnesota Housing's HOME and NHTF programs leverage other agency, state funded, and low-income housing tax credit investment.

CDBG prior year resources include the 15% set-aside for the federal Minnesota Investment Fund program from the previous allocation, which is roughly $2.5 million. The additional funds include reverted grant funds from other small cities grant awards.

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

The State will not use state-owned land to address the needs identified in the plan, though CDBG recipients may use locally-owned land.

Discussion

SP-40 Institutional Delivery Structure – 91.315(k)

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

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
MN DEED	Government	Economic Development Non-homeless special needs Ownership Public Housing Rental neighborhood improvements public facilities	State
DEPT OF HUMAN SERVICES		Non-homeless special needs public services	State
Minnesota Housing	Government	Rental Non-homeless special needs	State

Table 47 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

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

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	
Utilities Assistance	X	X	
Street Outreach Services			
Law Enforcement	X	X	

Street Outreach Services			
Mobile Clinics	X		
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X	X	
Other			

Table 48 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

There is a large array of services available to the persons with HIV and the homeless throughout the State. These include health, employment, and life skills services, along with others. Services are targeted to homeless households through the coordinated efforts of service providers throughout the state and the utilization of HMIS. Many programs integrate services into coordinated programs to ensure access and availability.

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

Service provider coordination and networks of care work to ensure that every person in need of assistance can receive care. Through the coordination of local service providers, and a statewide strategy, efforts to address needs are done in a strategic way to help address both individual and system wide needs. The State will continue to fund efforts throughout the state to meet the needs of special needs populations and the homeless. These efforts are constrained by the amount of need and the lack of funds available.

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

Recognizing the need to increase both the accessibility and effectiveness of assistance programs for low- and very low-income people, Minnesota Housing has worked to increase the participation of local nonprofits and other nontraditional lenders in delivering its programs, particularly for Black, Indigenous or people of color. These nontraditional participants provide a greater opportunity to coordinate the delivery of assistance and to better target funds to people with the greatest need.

The State does not have any plans for developing new institutional structures but will continue to participate in the various structures currently in place, supporting the Minnesota Chapter of the National Association of Housing and Redevelopment Officials (NAHRO)'s conferences and the Working Together conference. Minnesota Housing coordinates its RFP selections with other funding partners, including DEED. DEED's CDBG grantees coordinate CDBG funding with Minnesota Housing, Greater Minnesota Housing Fund, DHS, Rural Development, Department of Health, and Weatherization funding. DHS will continue to participate in the various structures currently in place. The State hosts the Minnesota Interagency Council on Homelessness (MICH), through which all state agencies involved in the provision of services to homeless persons meets monthly. Members of the MICH are assigned to all Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota Preservation Work Group and the Stewardship Council to ensure coordination of funding resources.

The State participates in several standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services.

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Address Housing Rehabilitation Needs - DEED	2022	2026	Affordable Housing	Non-Entitlement	Retain Decent Housing for Low-Moderate Income Renter/Owner	CDBG: $ $49,429,884	Rental units rehabilitated: 500 Household Housing Unit Homeowner Housing Rehabilitated: 1500 Household Housing Unit
2	Increase Affordable Housing Opportunities-MH	2022	2026	Affordable Housing	Statewide	Unit Production for LMI Renter Households	HOME: $ $ 48,212,555 HTF: $ $52,486,030	Rental units constructed: 450 Household Housing Unit Rental units rehabilitated: 125 Household Housing Unit
3	Support Economic Development and Workforce Needs	2022	2026	Non-Housing Community Development	Non-Entitlement	Economic Opportunities	CDBG: $6,562,500	Facade treatment/business building rehabilitation: 400 Business Jobs created/retained: 100 Jobs Businesses assisted: 20 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Facilitate Housing and Service for the Homeless	2022	2026	Homeless	Statewide	Homelessness	ESG: $ $11,096,270	Tenant-based rental assistance / Rapid Rehousing: 750 Households Assisted Homeless Person Overnight Shelter: 46,500 Persons Assisted Homelessness Prevention: 1,075 Persons Assisted:
5	Provide Funds for Special-Needs Housing & Services	2022	2026	Non-Homeless Special Needs	Non-Entitlement	Community Services for LMI and vulnerable populations	HOPWA: $ $1,933,215	Homelessness Prevention: 1100 Persons Assisted
6	Improve Public Facilities and Infrastructure - DEED	2022	2026	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: $ $99,657,025	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 4750 Persons Assisted

Table 49 – Goals Summary

Goal Descriptions

1	**Goal Name**	Address Housing Rehabilitation Needs-DEED
	Goal Description	Fund housing rehabilitation activities for low to moderate income homeowner and rental households through CDBG funds, DEED.
2	**Goal Name**	Increase Affordable Housing Opportunities-MH
	Goal Description	*Fund housing activities for low-to-moderate income rental households, including renovation and new construction, and operating subsidy.*
3	**Goal Name**	Support Economic Development and Workforce Needs
	Goal Description	*Encourage robust economic growth through commercial building rehabilitation activities, the development and retention of businesses and jobs throughout the State*
4	**Goal Name**	Facilitate Housing and Service for the Homeless
	Goal Description	*Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota*
5	**Goal Name**	Enhance Special-Needs Housing & Services
	Goal Description	*Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS*
6	**Goal Name**	Improve Public Facilities and - Infrastructure -DEED
	Goal Description	*Address community needs through improvements to public facilities and infrastructure*

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

Minnesota Housing anticipates serving 575 households through rental housing rehabilitation or new construction. All National Housing Trust Fund activities must serve households who are extremely low income (ELI - 30% AMI), and all households assisted with HOME funds have incomes at or below 80% AMI. In addition, all households assisted with HOPWA funds must be at or below 80% AMI. Given past performance, Minnesota Housing anticipates that 43% of all activities will serve ELI households (250 households), with the remaining 57% of the units (325 households) serving low-income households primarily households with incomes less than 50% AMI.

DEED anticipates serving 2,000 households through housing owner and rental rehabilitation. All of these households must have incomes no greater than 80 percent AMI. Based on historical data as submitted in the Consolidated Action Plan and Evaluation Report, DEED anticipates that about 1/3 of these households will fall into each of the following HUD Section 8 income categories: extra low income, very low income, and low income.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

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

The state does not administer Public Housing funds.

Activities to Increase Resident Involvements

Not applicable.

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

N/A

Plan to remove the 'troubled' designation

Not applicable.

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

In the 2022 Housing and Community Development Survey, respondents were then asked if they knew of any barriers to the development or preservation of housing in their communities. Respondents most commonly identified community opposition, or “not in my backyard” mentality, as a barrier to the development or preservation of housing. Cost was also a commonly perceived impediment as building materials, fuel, and services continue to become more expensive in the market, with the costs of land, materials, or labor ranking as the highest barriers to the development or preservation of housing. Those who provided additional narrative commentary in response to this question tended to highlight these same concerns, with many calling for outreach and education to address NIMBYism and a range of strategies designed to decrease the costs of providing affordable housing, including redevelopment, updates to zoning codes, and additional funding.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

Containing the cost of developing affordable housing is a critical issue in Minnesota. In order to address the growing need for affordable housing, Minnesota Housing strives to build and preserve as many affordable units as possible with limited resources, prioritizing those at lowest incomes. The costs of land, materials, labor and higher interest rates are outside of what Minnesota Housing can control ; however, cost containment is a goal at Minnesota Housing. Costs are evaluated for each project and overall costs of production are also monitored and evaluated over time. Part of the award process includes incentives for projects with lower total development costs. At the same time, Minnesota Housing balances cost containment objectives with other policy goals, such as long-term operating costs, serving underserved regions of the state and targeting those at lowest incomes.

Here are some additional examples of how Minnesota Housing reduces other barriers through our process.:

Our multifamily funding selections generally encourage developments that: 1) use land efficiently and minimize the loss of agricultural land and green space,

2) address the needs of the underserved populations of households who are Black, Indigenous or people of color, single-headed households with minor children, or persons with disabilities; 3) are located in areas with a need for more affordable housing opportunities and 4) have costs reduced or avoided by regulatory changes, incentives, or waivers by the local governing body, including fast-track permitting and approvals, flexibility in site development standards and zoning requirements, and waiver of permit or impact fees.

In addition, the State fully supports efforts to reduce NIMBYism, prejudice, and negative attitudes toward affordable and multifamily housing, and will encourage planning decisions by CDBG sub-recipient communities that work to decrease segregation and increase integration of populations. The State will also fully support civic leaders and developers who undertake education in communities statewide. Such education could be targeted, timely, and, in the context of a possible development, relevant to potentially affected citizens.

SP-60 Homelessness Strategy – 91.315(d)

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

The State of Minnesota provides funding to street outreach, emergency shelters and transitional housing programs across the state with a combination of state and federally appropriated funding. In recent years, the amount of state-appropriated funding (such as the Emergency Services Program) has significantly increased, making state funding a significant source of funding for programs that provide outreach to the unsheltered homeless population. Unfortunately, because of persistent homelessness, rising costs and increasingly service needs among this population, the amount of resources available through these state and federal programs is not sufficient to meet the needs of all homeless persons in Minnesota. The State of Minnesota continues to collaborate with the Continuum of Care Committees to further develop and refine Coordinated Entry systems in all areas of the state so these systems can serve as an effective focal point for assessing the individual needs of both unsheltered and sheltered persons.

Addressing the emergency and transitional housing needs of homeless persons

The Minnesota Department of Human Services is one of the largest funders of emergency shelter and transitional housing in the State and will continue to use the maximum amount of ESG, state Emergency Services Program, and State Transitional Housing resources available to provide funding to shelters and transitional housing programs. According to the 2018 Wilder Homeless study, there were approximately 4,689 persons are staying in emergency shelters or transitional housing in Minnesota. Assuming no new resources become available, the State intends to continue supporting this current capacity of emergency shelter and transitional housing.

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

Since the creation of the Prevention and Rehousing component of the Emergency Solutions Grant Program in FFY 2011, the State of Minnesota has had another tool to assist homeless persons to move from homelessness to permanent housing. Emergency Solutions Grant Program funds will be targeted to provide prevention and rehousing assistance and services to families, individuals, and youth, many of whom are veterans and some of which are chronically homeless, to move these households from homelessness to housing.

By encouraging sub-recipients to target these funds to persons that currently reside in shelters, the length of time these households are homeless will be reduced. With the provision of supportive services

to the rapid rehousing participants, it is expected that permanent housing retention will be improved. The State has prioritized Chronic and Long-Term Homeless persons for additional state and federally funded assistance since the inception of the State's Plan to End Long-Term Homelessness in 2004.

Because the State's Housing Trust Fund dollars, Infrastructure Bonds, and DHS-funded Long-Term Supportive Services dollars are focused on serving the long-term homeless population, this population, and because of the length of stay limitations of ESG funding, the State has chosen not to prioritize ESG funds for this group.

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

Since the creation of the Prevention and Rehousing component of the Emergency Solutions Grant Program in FFY 2011, the State of Minnesota has had another tool to assist homeless persons to move from homelessness to permanent housing. Emergency Solutions Grant Program funds will be targeted to provide prevention and rehousing assistance and services to families, individuals, and youth, many of whom are veterans and some of which are chronically homeless, to move these households from homelessness to housing.

By targeting these funds to persons that currently reside in shelters (or who would be not for this assistance), the length of time these households are homeless will be reduced. With the provision of supportive services to the rapid rehousing participants, it is expected that permanent housing retention will be improved. The State has prioritized Chronic Homeless persons for additional state and federally funded assistance since the inception of the State's Plan to End Long-Term Homelessness in 2004.

Because the State's Housing Trust Fund dollars, Infrastructure Bonds, and DHS-funded Long-Term Supportive Services dollars are focused on serving this population, and the length of stay limitations of ESG funding, the State has chosen not to prioritize ESG funds for this group.

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

In Minnesota, the state legislature appropriates funds each year under the Family Homeless Prevention and Assistance Program, which is used mostly for homelessness prevention activities. These funds are available in all 87 Minnesota counties. The Minnesota Department of Corrections hosts Transitional Fairs at all of the state-run correctional facilities. CoC coordinators and state homeless program staff have been active in attending these resource fairs during which they provide information and referrals to inmates who are being released into the community.

The Department of Corrections also has a small pilot program through which they can provide transitional housing to persons leaving state run correctional facilities. This program will assist approximately 200 persons leaving state run correctional facilities. In addition, the state's Housing Finance Agency recently developed a pilot rental assistance program designed to help persons who are formerly incarcerated to re-integrate into communities through rental assistance funding, the outcomes of which are still being evaluated.

At the Department of Human Services, the state’s Homeless Youth Act (HYA) and Health Transitions to Adulthood programs work to support target youth at-risk of homelessness, including those leaving foster care. Through a network of community-based providers and tribal governments providing outreach, drop-in services, shelter and housing, youth at-risk of, or experiencing homeless receive assistance to prevent and end homelessness. These including but are not limited to basic needs and crisis intervention services, family connection, counseling and reunification, case management, Individual and group counseling, mental health services, substance abuse treatment/counseling, medical and dental health care, transportation, housing resources, education and employment opportunities, recreational activities, advocacy, food/hot meals, assistance navigating systems, and after-care and follow-up services

SP-65 Lead based paint Hazards – 91.315(i)

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

Exposure to lead-based paint is one of the most significant environmental and public health threats posed to homeowners and renters. Housing units built before 1960 are most likely to contain lead-based paint or coatings. Units built between 1960 and 1978 have a lesser risk in comparison to homes built before 1960. Lead was banned for use in household paint in 1978. In some cases, older units may have few if any lead hazards depending on construction methods, past renovation work, and other factors (HUD grants).

The Environmental Health Division of MDH oversees a comprehensive lead program that includes testing, state-wide medical monitoring, health care, elevated blood investigations, compliance assistance, compliance assurance, and environmental remediation of identified lead hazards. The program is largely funded by federal dollars (HUD and EPA), with additional funding provided by the state's general fund. For more information see: www.health.state.mn.us/lead.

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

The evaluation and reduction of lead-based paint hazards in federally funded programs is mandated by the Residential Lead-Based Paint Hazard Reduction Act.

Through Minnesota Department of Health's Environmental Health Division, these efforts have been fully implemented by the state.

The Minnesota Lead Poisoning Prevention Act was enacted to prevent and reduce lead exposure to children up to the age of 72 months and pregnant women from the adverse health effects caused by elevated blood levels. The Act authorizes the adoption of lead rules to:

- Set standards for the lead content of paint, dust, drinking water, and bare soil and establish methods for sampling and analyzing these components;

- Establish methods for lead hazard reduction;

- Establish licensing of persons who perform regulated lead work; and

- Establish permit requirements for training courses.

In addition, the Minnesota Legislature has directed that all contractors working in pre-1978 residences have the proper EPA certification before being issued a building permit. Also, the rights of tenants and landlords regarding lead in housing are outlined on the Department of Health website.

SP-70 Anti-Poverty Strategy – 91.315(j)

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

In Minnesota, there is a statewide network of Community Action Agencies (CAAs) and tribal governments with a common purpose: to fight poverty and the effects of poverty in Minnesota communities. The goals of these agencies are to better focus available local, state, private, and federal resources to assist low-income individuals and families to acquire useful skills and knowledge, gain access to new opportunities, and achieve economic self-sufficiency. Each agency assesses needs, establishes priorities, determines strategies to respond to local poverty issues, and delivers a broad range of services and activities to strengthen self-reliance.

Some of the programs delivered by the CAAs and tribal governments include:

Energy Assistance – financial assistance toward energy bills for low-income households;

Weatherization – weatherization of homes of low-income households to reduce heat loss and increase heating efficiency;

Financial Literacy Programming – includes Family Assets for Independence in Minnesota, a program that matches low-income households' income with state, federal, and private funding for the purpose of buying a home, furthering education, or starting a business. Other forms of financial literacy programming include tax preparation assistance, budget counseling, and general financial education;

Food Shelves and various nutrition programs – food for households experiencing emergencies through the network of locally-run food shelves;

Head Start – assists low-income families break the cycle of poverty by improving the health and social competence of children up to age 5 and pregnant women and by promoting economic self-sufficiency for parents;

Homeless Programs – assists households or individuals who are at risk of being homeless, currently homeless, or who were previously homeless and are receiving follow-up services;

Housing Construction, Rehabilitation, and Assistance – development of long-term, low-income housing;

Congregate Dining and Meals on Wheels – provides meals for senior citizens in congregate setting or meals that are home-delivered to senior citizens or people with disabilities;

Economic Development and Business Start-Up – subsidizes business ventures for low-income households; and

Transit and Transportation Alternatives – provides bus passes, tokens, or rides to low-income persons and vehicle donation and repair programs.

These agencies also lead and participate in local collaborative efforts involving health departments, education institutions, employment and training providers, childcare centers, governmental agencies, faith-based organizations, and others.

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

In Minnesota, the state Office of Economic Opportunity administers both Community Action anti-poverty funding, emergency food assistance funding, and numerous housing and homeless programs including the Emergency Solutions Grant (ESG) program. As a result, the affordable housing policies including in this affordable housing plan are closely coordinated with other anti-poverty programs, and the agencies delivering these programs have participated in shaping the Consolidated Plan and activities. When possible, funds are spent on activities that coordinate with other programs to maximize impact throughout the State.

SP-80 Monitoring – 91.330

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

CDBG- Monitoring of Small Cities grants

All SCDP grants will be monitored to determine if the grant activities meet a federal national objective, eligible activities, grant and financial management, activity specific requirements and grant progress.

Monitoring method include the following:

- Onsite Monitoring
- Desk Monitoring-ongoing

Onsite monitoring will be completed at least one time within the grant period. The goal is to monitor each grantee early enough to prevent problems but late enough to review grantee performance and progress. A monitoring checklist will be used at the visit with a description of a concern or a finding if applicable. Upon monitoring completion staff will input data into the monitoring spreadsheet.

Monitoring process will consist of the following:

- Notification of visit: The grantee and grant administrator will be emailed or called to set up the monitoring appointment and be provided the monitoring checklist for preparation.
- Entrance meeting: onsite meeting between the state, grantee, and grant administrator will be held to describe the monitoring process;
- State monitoring conducted using monitoring checklist: see areas reviewed in next section;
- Exit Meeting: the state representative will provide positive feedback and discuss findings/concerns;
- Cover letter and monitoring report: letter/report will be written and approved by the SCDP Manager prior to mail out;
- Notification of results to mayor and grant administrator: cover letter and report will be released;
- Follow up: if findings were found, follow up is needed to clear findings within 60 days from report date (when possible).

CDBG -Monitoring of economic development projects uses the same process as those established through the state of Minnesota's CDBG competitive program. The annual report asks for a list of the companies receiving the assistance, the nature of the assistance provided and use of funds; the cost of the assistance, the outcome of that assistance including number of people employed and jobs created,

information regarding any private financial assistance secured as part of the business start or expansion, and the Unique Entity ID (UEI) created in SAM.gov where applicable.

ESG - Bi-annually, DHS Office of Economic Opportunity (OEO) staff reviews all ESG grantees using a Grantee Assessment Tool (GAT) based on the HUD risk analysis tool. The tool has three broad areas of analysis: 1) General agency information, including such factors as Executive/Fiscal Director turnover, unresolved monitoring findings, agency systems and board function; 2) Program Operations, including compliance and reporting issues, partnerships and linkages and the quality of programming based on monitoring; and, 3) Fiscal operations, including audit findings, unresolved fiscal problems, fiscal systems and procedures, program deficits, and accurate reporting.

HOME and NHTF– Minnesota Housing monitors HOME-assisted rental properties for compliance by requiring owners to submit tenant income and rent information for annual review for compliance with HOME regulations. Minnesota Housing Multifamily Division staff physically inspect each property at least as frequently as required by 24 CFR 92.504(d) for compliance with property standard, to verify the accuracy of information owners submitted regarding tenant income and rents and to verify continued eligibility of a HOME-eligible lease form.

Like HOME, NHTF requires monitoring and reporting during underwriting, construction, and the affordability period. Minnesota Housing has a compliance monitoring system for tracking required submissions from owner, instances of non-compliance, and reporting whether compliance is achieved. The system is automated with pre-determined times for follow-up reminders to staff to complete identified tasks and jobs according to the required schedule, report to managers when internal standards for correcting non-compliance are not met and send to automatic notices to owners and property managers when non-compliance is identified.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The following section describes the annual allocation the State of Minnesota expects to receive for program years 2022-2026

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	**$18,925,609**	37,407	4,998,772.66	23,961,788.66	75,702,436	Department of Employment and Economic Development (DEED)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	**$9,442,511**	1,000,000			37,770,044	Minnesota Housing (MH) (acquisition, multifamily rental new construction, and rehab only)
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	**$386,643**				1,546,572	MH

OMB Control No: 2506-0117 (exp. 09/30/2021)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	**$2,219,254**				8,877,016	MN Dept. of Human Services (DHS)
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	**$10,497,206**				41,988,824	MH (acquisition, multifamily rental new construction and rehab only)

Table 50 - Expected Resources – Priority Table

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

The HOME match requirement is met through tenant-based rental assistance from Minnesota Housing's Bridges program, which provides a rent subsidy for up to five years to persons with mental illness until they can obtain a permanent rent subsidy; and the State Housing Trust Fund program. The CDBG match will be a mix of private, local, and state resources such as loans from local banks, weatherization funds, Minnesota Housing rehabilitation loans, United States Department of Agriculture Rural Development (USDA RD), Public Facilities Authority (PFA), Minnesota Department of Health (MDH). CDBG-Economic Development match is through local initiatives, local banks, owner equity.

ESG match requirements are met two ways depending on the funded activity. For Emergency Shelter programs, DHS has required its sub-recipients to provide eligible matching funds at the sub-recipient level for each dollar requested in ESG funding. To ensure compliance with the requirement, DHS has required identification of matching funds in all sub-recipient contracts as well as a separate ESG Matching certification form that follows requirements outlined in the ESG Regulations. Because of the diverse nature of local homelessness program funding, it is not possible to summarize at the State level the exact types and amounts of each funding source, but the most common sources of matching funds include state Family Homelessness Prevention and Assistance Funds (FHPAP), state and HUD Transitional Housing Program funds (for scattered-site programs), Minnesota Community Action Grants, Private Foundations and Individual Donations.

For the ESG Prevention and Rapid Re-Housing providers, DHS has chosen to match ESG funding with state-appropriated Emergency Services Program (ESP), which is entirely used to fund emergency shelter (an eligible activity under ESG match regulations) Providers receiving these ESP funds certify they will be used in compliance with the ESG Regulations and are aware they cannot be used to meet any other match requirements.

Minnesota Housing's HOME and NHTF programs leverage other agency, state funded, and low-income housing tax credit investment.

CDBG prior year resources include the 15% set-aside for the federal Minnesota Investment Fund program from the previous allocation, which is roughly $2.5 million. The additional funds include reverted grant funds from other small cities grant awards.

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

The State will not use state-owned land to address the needs identified in the plan, though CDBG recipients may use locally owned land.

Discussion – N/A

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Address Housing Rehabilitation Needs - DEED	2022	2026	Affordable Housing	Non-Entitlement	Retain Decent Housing for Low-Moderate Income Renter/Owner	CDBG: $14,851,845	Rental units rehabilitated: 100 Household Housing Unit Homeowner Housing Rehabilitated: 300 Household Housing Unit
2	Increase Affordable Housing Opportunities-MH	2022	2026	Affordable Housing	Statewide	Unit Production for LMI Renter Households	HOME: $ 11,442,511 HTF: $ 10,497,206	Rental units constructed: 90 Household Housing Unit Rental units rehabilitated: 25 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Support Economic Development and Workforce Needs	2022	2026	Non-Housing Community Development	Non-Entitlement	Economic Opportunities	CDBG: $2,395,459	Facade treatment/business building rehabilitation: 80 Business Jobs created/retained: 20 Jobs Businesses assisted: 4 Businesses Assisted
4	Facilitate Housing and Service for the Homeless	2022	2026	Homeless	Statewide	Homelessness	ESG: $3,219,254	Tenant-based rental assistance / Rapid Rehousing: 150 Households Assisted Homeless Person Overnight Shelter: 9300 Persons Assisted Homelessness Prevention: 215 Persons Assisted
5	Enhance Special-Needs Housing & Services	2022	2026	Non-Homeless Special Needs	Non-Entitlement	Community Services for LMI and vulnerable populations	HOPWA: $386,643	Homelessness Prevention: 220 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Improve Public Facilities and Infrastructure - DEED	2022	2026	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: $6,707,285	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 600 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 950 Persons Assisted

Table 51 – Goals Summary

Goal Descriptions

1	**Goal Name**	Address Housing Rehabilitation Needs-DEED
	Goal Description	Fund housing rehabilitation activities for low to moderate income homeowner and rental households through CDBG funds, DEED.
2	**Goal Name**	Increase Affordable Housing Opportunities-MH
	Goal Description	*Fund housing activities for low-to-moderate income rental households, including renovation and new construction, and operating subsidy.*
3	**Goal Name**	Support Economic Development and Workforce Needs
	Goal Description	*Encourage robust economic growth through commercial building rehabilitation activities, the development and retention of businesses and jobs throughout the State*

4	**Goal Name**	Facilitate Housing and Service for the Homeless
	Goal Description	*Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota*
5	**Goal Name**	Enhance Special-Needs Housing & Services
	Goal Description	*Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS*
6	**Goal Name**	Improve Public Facilities and Infrastructure -DEED
	Goal Description	*Address community needs through improvements to public facilities and infrastructure*

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The following section describes the allocation priorities for FY 2017.

Funding Allocation Priorities

	Address Housing Rehabilitation Needs-DEED (%)	Increase Affordable Housing Opportunities-MH (%)	Support Economic Development and Workforce Needs (%)	Facilitate Housing and Service for the Homeless (%)	Enhance Special-Needs Housing & Services (%)	Improve Public Facilities and Infrastructure -DEED (%)	Total (%)
CDBG	62	0	8	0	0	30	**100**
HOME	0	100	0	0	0	0	**100**
HOPWA	0	0	0	0	100	0	**100**
ESG	0	0	0	100	0	0	**100**

Table 52 – Funding Allocation Priorities

Reason for Allocation Priorities

Percentages include administration costs. Allocation priorities are based on needs in market study, needs assessment and public input.

CDBG: CDBG spending will be split between addressing housing rehabilitation needs, economic development and public facilities and infrastructure improvements. These spending priorities have been established through the planning process of where the most need is, as well as the capacity to make an impact on those in need in the State of Minnesota. The amount spent on each category is determined both by past performance and the current ability to meet housing and community development needs in the State. Economic Development funds will be utilized to support the Minnesota Investment Fund Program by providing gap financing to businesses creating jobs that benefit LMI workers.

HOPWA: Federal regulations dictate both the geography in which HOPWA funds may be used and the beneficiaries. Because only 15% of persons living with HIV/AIDS live in counties outside the seven-county Twin Cities metropolitan area and most are already housed, preventing homelessness is a more cost-effective approach than housing development or tenant-based rent assistance.

NHTF: National Housing Trust Funds will be directed towards efforts to enhance affordable housing opportunities through new construction and rehabilitation.

HOME: Many federally assisted and naturally affordable housing developments need rehabilitation to preserve their federal rent subsidy or affordability of their units. There is a growing need for affordable rental housing. All of the HOME funds will be directed toward enhancing the affordable housing opportunities for low to moderate income households throughout the State.

ESG: The total funds for ESG will be spent on services and housing, including homelessness prevention and emergency shelter, for homeless households and households at-risk of homelessness in the State.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

For CDBG, the distribution of funds address the high needs of low to moderate income households, economic opportunities, and public facilities and infrastructure improvements that can be addressed within the CDBG regulations

For HOME and NHTF, the Consolidated Plan ranks the low to moderate income households as a high need. There is a high need for rental and owner rehabilitation. Funds will be targeted to projects that will serve low to moderate income households in the State.

Minnesota uses its HOPWA resources to maintain persons with HIV/AIDS in their current housing by providing emergency assistance because that is the most pressing need identified for this population.

As outlined in the Consolidated Plan, ESG funds will be used to meet the priority needs of providing emergency shelter, prevention and rapid re-housing to persons at-risk of, and experiencing, homelessness.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

Formula grant funds from the CDBG, HOME, NHTF, HOPWA, and ESG programs may be directed to their highest and best use and anticipated to be successful first, within each set of program guidelines, given the funding of all housing and community development programs throughout Minnesota.

Still, the housing and community development needs statewide far exceed the available resources to address them. Therefore, it is necessary to consider needs by type of activity and geography in order to ensure the greatest impact with limited resources. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. Such activities are guided by selected ranking criteria. Minnesota's experience with these programs shows that these resources are indeed distributed throughout the state. The entire state will be served by HOME and ESG funds, and non-entitlement areas will be served by CDBG and HOPWA funds.

Distribution Methods

Table 53 - Distribution Methods by State Program

1	**State Program Name:**	DEED: Small Cities Development Program and ED
	Funding Sources:	CDBG

	Describe the state program addressed by the Method of Distribution.	Of the amount available for awards, DEED intends to provide SCDP funds in accordance with the following approximate allocations: 30 percent for Single Purpose Applications and 55 percent for Comprehensive Applications. The remaining 15 percent allocation is designated for DEED's federal economic development set-aside. If there is not a need from the unit administering federal economic set-aside funds, these funds will go towards SCDP projects, which would be approved by the Commissioner of DEED. Allocation percentages may be modified by the Commissioner of DEED if it is determined that there is a shortage of fundable applications in any category, as allowed in State Rules. DEED does not distribute funds based on specific geographic area. Applications are competitive in nature. Grant terms are typically 36 months but may longer depending on various factors including but not limited to timing of HUD release of funds and disasters affecting the project area. Method of Distribution calculation: The State subtracts from the annual CDBG Award the amount it sets aside for State Administration ($100,000 + 3% of the CDBG Award (2% for Administration and 1% Administration for Technical Assistance which does not require a state match)) to determine the amount available for CDBG grants. The 1% Administration for Technical Assistance is to support state staff to provide technical assistance to grantees. This includes presenting at workshops on how to apply for and implement CDBG-funded activities and/or onsite technical assistance by state staff to grant recipients on improving some aspect of grant implementation. The State then allocates the amount available for CDBG grants to three categories based on State Rules. That is; 15% for Economic Development Set-Aside, 55% for SCDP Comprehensive Grants, and 30% for SCDP Single Purpose Grants. The Business Finance Unit administers the Economic Development Set-Aside Grant Program and the Community Assistance Division administers the Small Cities Development Program. No more than 20% of a CDBG allocation can be spent towards general administration. This includes general administration funds expended by DEED along with funds awarded and expended by grantees. Lastly, SCDP funds reverted from grantees who did not spend their total awarded grants in the previous fiscal years would be

		added to the current year's available funding amount. Grantees must bring forward any program income they have and spend it first before any new CDBG award funds will be released from DEED. Once DEED has determined the total CDBG allocation available to award, DEED will allocate this total to the Comprehensive and Single Purpose grant budget based on the ratio of Comprehensive funds to Single Purpose funds which is 64.7% to 35.3%. Once DEED determines the grant awards for the year, the percentage of grants awarded for comprehensive projects will be calculated. If that percentage is less than 55%, DEED staff will seek approval from the DEED Commissioner for the lesser percentage. DEED allows a maximum of 15% of project costs to administer the grant payable to grantees. In the event of a disaster, the State of Minnesota reserves the right to use funds for any eligible CDBG activity to an eligible grantee. In addition, in the event a HUD Five-Year Consolidated Plan has not yet been approved by HUD, DEED may award funding to eligible activities with reverted fund and unallocated past funding. Awarded applicants who have Program Income must expend this funding before any new CDBG funds will be disbursed. The State reserves the right to determine what activities are appropriate uses of funds based on needs of the community.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Projects are evaluated based on an assessment of need, impact and cost effectiveness of the applicant to complete the project in a timely manner. **SCDP funds**: Up to 240 of the points will be awarded based on evaluation of the proposed project to serve low- and moderate-income persons in relation to housing, public facilities, alleviate slum and blight in commercial areas, and/or address urgent need activities. Up to 180 points will be awarded based on evaluation of need, impact, and capacity for the proposed project. **Need**-Up to 90 points may be awarded for the following: benefit to low- to moderate income (LMI) persons and project addresses either substandard conditions or pose a threat to the health or safety of the occupants; an inadequate supply of affordable housing for low- to moderate income persons (LMI); or other documented condition that gives evidence of the need for improvement or additional units to the housing stock serving low-to moderate income persons. **Impact**- up to 90 points may be awarded for the following: an evaluation of the extent to which the proposed project will eliminate housing deficiencies or improve public facilities services serving low-to moderate income persons and. evaluation of administrative capacity to complete the activity in a timely manner. The application must include information documenting an applicant's history in administering prior SCDP funds and/or other programs similar in nature, to determine whether the applicant can complete the proposed activity. Prior SCDP performance will be taken into consideration for future funding. **Cost-Effectiveness**-up to 30 points may be awarded for the following: an evaluation of the extent to which the proposed project will make cost-effective use of grant funds, including consideration with, and use of, funds from other public and private sources. per household benefit is reasonable; and project benefits existing, rather than future, population, unless growth is beyond applicant's control. **State Demographics**-up to 30 points will be awarded based on: the number of poverty-persons and the percentage of persons residing in the area under the applicant's jurisdiction. The per capita assessed valuation of the area under the jurisdiction of the applicant, such that points are awarded in inverse relationship to the applicant's per capita assessed valuation. Economic Development funds: Funds disbursed via the Minnesota Investment Fund (MIF) to support economic development activities are selected based upon potential job

		creation and retention, project financial viability and community need factors. In more detail, projects are scored based upon the proposed project's ability to improve local economic stability, unemployment rate, median income ratios, projected job creation & retention, wage and tax base impact, financial feasibility, and public and private investment ratios.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Selection Criteria for the Minnesota Investment Fund is guided by Minnesota Statutes 116J.8731 which are available on the MN Office of the Revisor of Statutes web page. Application information is available on the State of Minnesota Department of Employment and Economic Development's website, www.mn.gov/deed.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable.
	Describe how resources will be allocated among funding categories.	All funds must be used for economic development related activities undertaken by a Minnesota business.

	Describe threshold factors and grant size limits.	The maximum MIF grant size is $1,000,000 and is determined by financing need, project leverage capacity and number of jobs to be created or retained.
	What are the outcome measures expected as a result of the method of distribution?	Number of LMI jobs created or retained and private leverage achieved.
2	**State Program Name:**	Minnesota Emergency Solutions Grant Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	Emergency Solutions Grant Program.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	For more detail on criteria, see "AP-30 ESG Methods of Distribution" Attachment under AP-90 Attachments.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Announcement of the Request For Proposals for the ESG program will be distributed to all Department of Human Services - Office of Economic Opportunity funded housing agencies, all Continuum of Care committees, all members of the Minnesota Interagency Council on Homelessness, the Minnesota Coalition for the Homeless, the U.S. Department of Housing and Urban Development local office. The RFP will be posted on the Minnesota Department of Human Services website and published in the State Register.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	017 ESG funds will be awarded through a two-year competitive Request For Proposals. Eligible applicants will include non-profit 501 (c) (3) organizations and local units of government. Many of non-profits are community and/or faith based. For more detail, see "AP-30 ESG Methods of Distribution" attachment under AP-90 Attachments.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not Applicable.
	Describe how resources will be allocated among funding categories.	The State of Minnesota will use the maximum amount of funding allowable for shelter activities, which in FY2017 is 60 percent of the State's estimated allocation or $1,247,246. The State of Minnesota and its sub-recipients will use the maximum allowed amount for ESG Administration. A portion of these funds are shared with sub-recipients to assist in administration of their ESG programs. Additional ESG funds above the allowable shelter and administration limits will be used exclusively for prevention and rapid re-housing activities.
	Describe threshold factors and grant size limits.	The State of Minnesota does not have grant limits in awarding ESG funds. However, because DHS attempts to achieve statewide distribution with emergency shelter and re-housing funds, sizes of grant awards may be limited by available funds and the number of requests. There are no threshold factors for funding other than those identified in "AP-30 ESG Methods of Distribution" attachment under AP-90 Attachments, which is limited to the timely and complete submission of application materials by the deadline.

	What are the outcome measures expected as a result of the method of distribution?	For the upcoming program year, we anticipate that 9,400 homeless persons will receive adequate emergency shelter and that 490 households who are either at-risk of, or currently experiencing homelessness, will be moved to permanent housing. By funding a continuum of activities with ESG, we address the needs of homeless persons for both crisis and short or medium-term housing, including emergency shelter, prevention (re-housing those at-risk of homelessness) and rapid re-housing (for those already homeless by HUD's definition). We are the only State agency providing funding for emergency shelter activities, which meets a critical needs gap in rural parts of Minnesota.
3	**State Program Name:**	Minnesota Housing National Housing Trust Fund
	Funding Sources:	
	Describe the state program addressed by the Method of Distribution.	Minnesota will not allocate funds to subgrantees for their distribution to owners/developers. Instead, NHTF funds will be distributed directly to owner/developers of affordable housing via Minnesota Housing's annual Consolidated Request for Proposals. The NHTF funds will be part of a deferred pool of resources, through Minnesota Housing, which are targeted to address specific and critical needs in rental housing markets, including multiple geographic priority areas: transit-oriented development, areas with strong job markets or job growth, economic integration areas with higher incomes, and tribal areas. Minnesota Housing retains the option to offer funds on a pipeline basis in the event qualified proposals are insufficient to use the entire NHTF grant.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Developers, owners, and the entire development team are required to meet the same eligibility criteria as for other agency programs, as specified in the Consolidated RFP. The needs of very low-income renters, those with incomes below 50% of area median income (AMI), are a high priority for the State of Minnesota, with significant priority on extremely low income renters (below 30% AMI). Applications will be evaluated in accordance with need and scoring criteria that emphasizes other State priorities. For the 2022 consolidated RFP, these strategic priorities include: 1. Preservation of developments that contain existing federal assistance or other critical affordable units at risk of loss, 2. Address specific and critical rental housing needs, for example, serving the lowest income tenants, workforce housing, senior housing, housing for persons with disabilities, increasing opportunities for affordable housing in communities, and 3. Prevent and end homelessness through permanent supportive housing. Among proposals that best satisfy strategic priorities, Minnesota Housing will give priority in awarding funding to the proposals that best meet the greatest number of selection priorities in effect at the time of the RFP. Selection priorities may be found in the "Multifamily Request for Proposal Guide." The 2022Guide is located on the Minnesota Housing website, www.mnhousing.gov. Consistent with Affirmative Fair Housing Marketing regulations, Minnesota Housing requires that each housing provider carry out an affirmative marketing program to attract prospective buyers or tenants in the housing market area regardless of race, creed, color, religion, sex, national, origin, marital status, status with regard to public assistance, disability, sexual orientation, or familial status. The plan should detail how the housing provider intends to market and attract populations that are least likely to apply to the project, including persons with disabilities and households of color.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not Applicable.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not Applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not Applicable.
	Describe how resources will be allocated among funding categories.	Minnesota Housing will allocate 10% of its grant to program planning and administration costs; up to one-third for operating cost assistance or funding operating cost assistance reserves; the balance of the grant will provide capital funding for new construction or rehabilitation of NHTF units.

	Describe threshold factors and grant size limits.	The development must be receiving federal rental assistance, be nearing the end of its tax credit compliance period or be in need of stabilization and have a stabilization plan approved by the Interagency Stabilization Group, at least one member of which had provided funding to the projects at least 15 years ago. There are no limits on assistance amounts other than those established in HOME regulations. Rental applications under the Consolidated RFP must meet the threshold requirements specified in the RFP at that time. The most recent threshold requirements were that the project had to meet the factors of project feasibility, and the applicant had to meet the factors of organizational capacity. Application processes and eligibility criteria for the 2022 Consolidated RFP may be found at MHFA's website www.mnhousing.gov.
	What are the outcome measures expected as a result of the method of distribution?	Numbers of rental units rehabilitated and preserved or constructed or provided operating assistance.
4	**State Program Name:**	Minnesota Housing-HOME
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	This is a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating qualified affordable rental housing for the purpose of preserving rental subsidies or the affordability of non-federally assisted housing. Assistance will generally be in the form of a 0 percent interest rate, 30-year deferred loan due and payable at the end of the term. Minnesota Housing provides the loans directly to the owners. While rehabilitation is a priority for Minnesota Housing, a portion of funds allocated may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	HOME is administered as a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating permanent affordable rental housing with or without long-term, project-based federal subsidies for the purpose of preserving the subsidies or the affordability of housing without federal subsidies. Properties without federal rental assistance or tax credit properties ending their compliance period must have the support of the Interagency Stabilization Group (ISG), a group of government and philanthropic organizations, at least one member of which has provided funds for the project at least 15 years ago. These “stabilization” projects are required to have a comprehensive stabilization plan approved by the ISG that stabilizes the property’s operations and physical needs for the long term. HOME funds are primarily provided through the Minnesota Housing Consolidated RFP, which awards assistance from several different sources. Applicants are not required to identify a funding source, other than tax credits. Selected applications and developers are evaluated and offered the best matched funding source. If funding is sufficient, the Agency may offer a portion of the HOME funds on a pipeline basis. Projects are evaluated for financial feasibility; developer capacity and fiscal condition are also considered, and CHDOs receive preference points. All projects are required to be selected by the Minnesota Housing Board of Directors and obtain approval from the agency's Mortgage Credit Underwriting committee before loans may be closed. While rental rehabilitation is a priority for Minnesota Housing, a portion of funds allocated to HOME may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not Applicable.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not Applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not Applicable.
	Describe how resources will be allocated among funding categories.	Ninety percent of the program funds will be directed towards programs. Up to 10 percent will be used for administration.

	Describe threshold factors and grant size limits.	There are no limits on assistance amounts other than those established in HOME regulations. Rental applications under the Consolidated RFP must meet the threshold requirements specified in the RFP at that time. The most recent threshold requirements were that the project had to meet factors of project feasibility, and the applicant had to meet factors of organizational capacity. Application processes and eligibility criteria for the 2022 Consolidated RFP may be found at MHFA's website www.mnhousing.gov.
	What are the outcome measures expected as a result of the method of distribution?	Numbers of rental units rehabilitated and preserved or constructed.
5	**State Program Name:**	Minnesota Housing-HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Grant funds are currently awarded to the Rainbow Health, which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. Rainbow Health is currently the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area and works in partnership with over 1,000 volunteers in community and outreach efforts. Rainbow Health provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with several community organizations.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	With limited funding, renewal of existing grants is a priority.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not Applicable.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Not Applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Following priorities set by the Minnesota HIV Housing Coalition, which acts as an advisory group to make recommendations for HOPWA funding, renewal funding for ongoing programs receive funding priority. There is a separate renewal process for ongoing HOPWA programs. If funds appropriated exceed the amount necessary to continue those programs at comparable levels, or if priorities change to address changing needs, those funds will be made available in the Minnesota Housing Multifamily Consolidated RFP process for application by all eligible sponsors, including eligible grassroots faith-based and other community-based organizations.
	Describe how resources will be allocated among funding categories.	There is only one funding category and all resources are allocated to it.
	Describe threshold factors and grant size limits.	With limited funding, renewal of existing grants is a priority.

	What are the outcome measures expected as a result of the method of distribution?	Assisted households remain in their homes.

Discussion:

AP-35 Projects – (Optional)

Introduction:

As allowable in State Consolidated Plan, projects will be entered after the submission of the 2017-2021 Con Plan.

#	Project Name

Table 54 – Project Information

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

AP-38 Project Summary

Project Summary Information

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State's Process and Criteria for approving local government revitalization strategies

N/A

AP-50 Geographic Distribution – 91.320(f)

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

Funds are available statewide to eligible entities. CDBG funds are available statewide to eligible non-entitlement entities

Geographic Distribution

Target Area	Percentage of Funds
Statewide	100
Non-Entitlement	100

Table 55 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

No geographic distribution - statewide eligibility to non-entitlements for CDBG. HOME and NHTF funds are available statewide.

For ESG Shelter funding, the application is open to all areas of the state, but priority is given to applications from the balance of state areas (non-ESG entitlement areas). Within ESG entitlement areas, priority is given to those jurisdictions which have chosen to use their ESG resources for emergency shelter but still demonstrate significant unmet need. For ESG Prevention and Rapid Re-Housing funding, funds will only be awarded to applications from non-ESG entitlement areas of the state.

Discussion

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The term affordable housing that is used in 24 CFR 92.252 and 92.254 includes several elements that are not requirements of ESG, HOPWA and CDBG. Therefore, the only units that receive federal assistance that can be assured of meeting the standard of "affordable housing" and are described here are HOME units.

One Year Goals for the Number of Households to be Supported	
Homeless	9665
Non-Homeless	515
Special-Needs	220
Total	11,400

Table 56 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Acquisition of Existing Units	0
Total	0

Table 57 - One Year Goals for Affordable Housing by Support Type

Discussion:

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

The State does not own or manage public housing.

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

The Publicly Owned Housing Program (POHP) is a competitive funding program that uses the proceeds of General Obligation Bonds (GO) to provide financing to public housing authorities and agencies (PHAs) PHAs used these loans to rehabilitate and preserve public housing in the state. In 2021 Minnesota Housing awarded nearly $15,000,000 of state bond proceeds to make essential repairs and energy improvements to 16 public housing developments with nearly 1,000 units. Troubled PHAs are not eligible to apply for these funds and the State has no plans to provide other financial assistance to troubled PHAs.

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

The State does not own or manage public housing and, therefore, has no opportunities to access public housing tenants and has no actions planned.

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

The State is not a PHA.

Discussion:

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

During FY 2022, the State of Minnesota plans on using ESG funds to address homeless needs throughout the State to help combat the rate of homelessness in the State. These efforts are coordinated through the Continuum of Care and strives to reduce the amount of homelessness in the State.

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

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

The State of Minnesota provides funding to several street outreach, emergency shelters and transitional housing programs across the state with the state and federal funding that has been made available to it. Some of these programs provide outreach to the unsheltered homeless population, but recordkeeping requirements of HUD and other funding sources, as well as limited staffing, make it challenging for most providers to conduct outreach to unsheltered persons. On-site community meals, support services, or community connect events are frequent sources of contact with unsheltered persons and can lead to additional services. The State of Minnesota continues to partner with regional Continuum of Care Committees to develop low barrier Coordinated Entry systems in all areas of the state which will serve as a focal point for assessing and prioritizing the individual needs of both unsheltered and sheltered persons.

Addressing the emergency shelter and transitional housing needs of homeless persons

Due to the increasingly limited Federal funds available to emergency shelter and transitional housing providers, the State of Minnesota has maximized available resources to support these activities. On a given night, approximately 4,000 persons are staying in emergency shelters in Minnesota and approximately 3,500 persons are staying in transitional housing. The goal for the 2017 year, if no new resources will become available, is to continue to support these capacities at current levels. While emergency shelter is not a stand-alone solution to homelessness, shelter facilities fill a critical safety gap for families in many communities. This is particularly true during harsh Minnesota winters and in communities where extremely low vacancies or difficult rental markets result in many families exhausting all informal housing options during long episodes waiting for permanent housing

In such communities, youth, and families in particular struggle to exit homelessness or emergency shelter quickly as poor or minimal rental histories, high rents and rental deposits, low wages and other barriers make it difficult to obtain market-rate housing. Site-based transitional housing can provide an interim option for those unable to obtain their own lease (even with rapid-rehousing assistance). For others, scattered-site transitional or rapid rehousing (funded with ESG and other sources) provides the rental assistance and supportive services that many individuals and families need to obtain and maintain

private rental housing.

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

Emergency Solutions Grant Program funds will be targeted to provide prevention and rehousing assistance and services to families, individuals, and youth, many of whom are veterans and some of which are chronically homeless, to move these households from homelessness to housing. By targeting these funds to persons that currently reside in shelters (or who would be not for this assistance), the length of time these households are homeless will be reduced. With the provision of supportive services to the rapid rehousing participants, it is expected that permanent housing retention will be improved.

In addition to efforts with ESG funding, the State provides over $8.5 million dollars per year in Family Homelessness Prevention and Assistance Program (FHPAP), a funding stream which is dedicated to transitioning homeless persons to stable housing and preventing persons who are at greatest risk from becoming homeless. The FHPAP program has asked its sub-recipients to develop plans for targeting prevention to those households most likely to become literally homeless. Other efforts spearheaded by the State's Office to Prevent, and End Homelessness are focused on these populations and goals, including a committee of state and local stakeholders who are developing and piloting a comprehensive homeless youth response system that includes child welfare systems and improves outcomes for homeless youth.

Similar efforts are well underway among state, county and nonprofit providers seeking to end veteran homelessness as part of the State's Heading Home plan, including the creation of a statewide veteran registry. These efforts have shown results as the numbers of homeless veterans have decreased by 57 percent since 2010.

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

Discharge planning for persons residing in institutions initially occurs through the services provided by that institution, many of whom are legally required to provide discharge planning to residents leaving their facilities. In addition, the State's 10 Continuum of Care planning groups have developed Plans to

End Homelessness which address coordination with discharge planning processes, including the development Coordinated Entry systems. As a result, local housing providers provide outreach and assessment to persons who may need supportive housing when leaving an institution. Unfortunately, many persons leaving these institutions are not initially eligible for HUD-funded programs administered through the Continuum of Care if they were not literally homeless upon entry, or residing in the institution for 90 days or less. In these cases, discharge referrals are made to other types of supportive housing for which the household may qualify.

As noted earlier, in Minnesota the Family Homeless Prevention and Assistance Program (FHPAP) program is funded at over $8.5 million and a significant amount is used for homelessness prevention activities. These funds are available in all 87 Minnesota counties. These resources, as well as the State's Healthy Transitions for Homelessness Prevention (HTHP) funding and Homeless Youth Act funding all assist unaccompanied youth leaving foster care and young parents to become stably housed and avoid homelessness.

For persons or families receiving assistance from state and county mainstream systems, the state's Office to Prevent and End Homelessness has developed and begun implementing Foundational Service Practices (across state agencies) to improve the effectiveness of outcomes for persons experiencing homelessness. These practices adopted by state agencies and programs include but are not limited to knowing the housing status of the people the program is serving, actively reaching out to people experiencing homelessness, limiting requirements for in-person appointments at a particular location or office, assisting with the process of gathering required verifications or documentation, and allowing for multiple methods to communicate about benefits and services.

Discussion

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	220
Tenant-based rental assistance	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	220

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

In the 2022 Housing and Community Development Survey, respondents were then asked if they knew of any barriers to the development or preservation of housing in their communities. Respondents most identified community opposition, or “not in my backyard” mentality, as a barrier to the development or preservation of housing. Cost was also a commonly perceived impediment as building materials, fuel, and services continue to become more expensive in the market, with the costs of land, materials, or labor ranking as the highest barriers to the development or preservation of housing. Those who provided additional narrative commentary in response to this question tended to highlight these same concerns, with many calling for outreach and education to address NIMBYism and a range of strategies designed to decrease the costs of providing affordable housing, including redevelopment, updates to zoning codes, and additional funding.

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

Containing the cost of developing affordable housing is a critical issue in Minnesota. To address the growing need for affordable housing, Minnesota Housing must build and preserve as many affordable units as possible with limited resources. Costs of land, materials and labor are outside of what Minnesota Housing can control; however, cost containment is a goal at Minnesota Housing. Costs are evaluated for each project and overall costs of production are also monitored and evaluated over time. Part of our award process includes incentives for projects with lower total development costs. At the same time, Minnesota Housing balances cost containment objectives with other policy goals, such as long-term operating costs.

Here are some additional examples of how Minnesota Housing reduces other barriers through our process.:

We reduce the barrier of local land use and development policies by prioritizing developments that use land efficiently and minimize the loss of agricultural land and green space,

We reduce barriers of zoning by prioritizing developments that address the needs of the underserved populations of households of color, single-headed households with minor children, and people with disabilities; developments that are in opportunity areas.

We reduce barriers of local application and permit processes by prioritizing developments for which costs are reduced or avoided by regulatory changes, incentives, or waivers by the local governing body, including fast-track permitting and approvals, flexibility in site development standards and zoning

requirements, and waiver of permit or impact fees.

In addition, the State fully supports efforts to reduce NIMBYism, prejudice, and negative attitudes toward affordable and multifamily housing, and will encourage planning decisions by CDBG sub-recipient communities that work to decrease segregation and increase integration of populations. The State will also fully support civic leaders and developers who undertake education in communities statewide. Such education could be targeted, timely, and, in the context of a possible development, relevant to potentially affected citizens.

Discussion:

AP-85 Other Actions – 91.320(j)

Introduction:

The following sections discuss other actions the state will undertake in FY 2017.

Actions planned to address obstacles to meeting underserved needs

The State has found that the largest obstacle in meeting underserved needs is a lack of funding. The State will continue to fund projects within its scope of funding to serve residents in need in Minnesota and will continue to seek other funding sources to address additional needs in the State.

Actions planned to foster and maintain affordable housing

Minnesota Housing will continue to give preference points in its RFPs to projects for which considerations are given by local units of government to enhance the affordability of the project. However, Minnesota Housing does not require local consent.

The Low-Income Housing Tax Credit Program (LIHTC) and additional state deferred financing are available to owners and investors of affordable rental housing for low-income households to help finance development. The State will mitigate the effects of zoning, land use, and impact fee barriers by giving preference points in its selection process to LIHTC projects that rehabilitate existing housing and to new construction projects that use existing sewer and water lines without substantial extensions. Preference points are also awarded for projects for which development-specific assessments or infrastructure costs are donated or waived or that have been approved for reduced setbacks, reduced parking requirements, decreased road widths, flexibility in site development standards and zoning code and other requirements, preservation of affordable housing, WAC/SAC reductions or fast-track permitting and approvals.

Actions planned to reduce lead-based paint hazards

Exposure to lead-based paint is one of the most significant environmental and public health threats posed to homeowners and renters. Housing units built before 1940 are most likely to contain lead-based paint or coatings. Units built between 1960 and 1978 have a lesser risk in comparison to homes built before 1960. Lead was banned for use in household paint in 1978. In some cases, older units may have few if any lead hazards depending on construction methods, past renovation work, and other factors (HUD grants). CDBG housing rehabilitation activities require conformance with the Lead Safe Housing Rule – 24 CFR35.1330.

The Environmental Health Division of MDH oversees a comprehensive lead program that includes state-wide medical monitoring, health care, elevated blood investigations, compliance assistance, compliance assurance, and environmental remediation of identified lead hazards. The program is largely funded by federal dollars (HUD and EPA), with additional funding provided by the state's general fund. For more

information see: www.health.state.mn.us/lead

Actions planned to reduce the number of poverty-level families

In Minnesota, there is a statewide network of Community Action Agencies (CAAs) and tribal governments with a common purpose: fighting poverty and its effects in Minnesota communities. The goals of these agencies are to better focus available local, state, private, and federal resources to assist low-income individuals and families to acquire useful skills and knowledge, gain access to new opportunities, and achieve economic self-sufficiency. Each agency assesses needs, establishes priorities, determines strategies to respond to local poverty issues, and delivers a broad range of services and activities to strengthen self-reliance.

The specific programs delivered by the CAAs and tribal governments include:
• Energy Assistance: Provides financial assistance toward energy bills for low-income households;
• Weatherization: Offers weatherization of homes of low-income households to reduce heat loss and increase heating efficiency;
• Financial Literacy programming: Includes Family Assets for Independence in Minnesota, a program which matches low-income households' income with state, federal, and private funding for the purpose of buying a home, furthering education, or starting a business. Other forms of financial literacy programming include tax preparation assistance, budget counseling, and general financial education;
• Food Shelves and various nutrition programs: Provides food for households experiencing emergencies through the network of locally run food shelves;
• Head Start: Assists low-income families break the cycle of poverty by improving the health and social competence of children up to age 5 and pregnant women and by promoting economic self-sufficiency for parents;
• Homeless Programs: Provides assistance to households or individuals who are at-risk of being homeless, who are currently homeless, or who were previously homeless and are receiving follow-up services;
• Housing Construction, Rehabilitation, and Assistance: Develops long-term low-income housing, including the rehabilitation of unoccupied housing and the provision of rental housing assistance.

Actions planned to develop institutional structure

The delivery of affordable housing programs authorized by the federal government and Minnesota state legislature is centralized in Minnesota Housing. DEED is the primary administrator and provider of CDBG funds in non-entitlement areas of the state. Minnesota Housing and DHS share the delivery of supportive housing programs for persons experiencing homelessness. DHS is primarily responsible for the delivery of supportive services for persons with special needs because many persons DHS serves are homeless.

Affordable housing assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit and faith-based organizations, homeowner educators

and counselors, and local governments throughout the state. The State relies on these entities to administer a number of affordable and supportive housing programs, to identify housing needs at the local level, and to encourage the development of affordable housing.

Recognizing the need to increase both the accessibility and effectiveness of assistance programs for low- and very low-income people, Minnesota Housing has worked to increase the participation of local nonprofits and other nontraditional lenders in delivering its programs, including those led by black, indigenous, or people of color. These nontraditional participants provide a greater opportunity to coordinate the delivery of assistance and to better target funds to people with the greatest need.

The State does not have any plans for developing new institutional structures but will continue to participate in the various structures currently in place, supporting the Minnesota Chapter of the National Association of Housing and Redevelopment Officials (NAHRO)'s conferences and the Working Together conference. Minnesota Housing coordinates its RFP selections with other funding partners, including DEED. DEED's CDBG grantees coordinate CDBG funding with Minnesota Housing, Greater Minnesota Housing Fund, DHS, Rural Development, Department of Health, and Weatherization funding. DHS will continue to participate in the various structures currently in place. The State hosts the Minnesota Interagency Council on Homelessness (MICH), through which all state agencies involved in the provision of services to homeless persons meets monthly. Members of the MICH are assigned to all Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota Preservation Work Group and the Stewardship Council to ensure coordination of funding resources.

The State participates in several standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services.

For economic development CDBG activities, the state does not have any plans to develop new institutional structures but will continue to utilize collaborations already in place. DEED partners with communities, counties, non-profit agencies, the Economic Development Association of Minnesota, Minnesota Bankers Association, and the Council of Development Finance Agencies to ensure that funds are accessible to businesses throughout the state. Working with these partner organizations enables the State of Minnesota to better access underserved communities and address financing needs for local companies throughout the region. Administration of Minnesota Investment Funds dollars is passed through to local government entities with oversight conducted by the state to ensure regulatory compliance.

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

The delivery of affordable housing programs authorized by the federal government and Minnesota state legislature is centralized in Minnesota Housing. DEED is the primary administrator and provider of

CDBG funds in non-entitlement areas of the state. Minnesota Housing and DHS share the delivery of supportive housing programs for persons experiencing homelessness. DHS is primarily responsible for the delivery of supportive services for persons with special needs because many persons DHS serves are homeless. Coordination between public and private housing and social services primarily occurs at the local or regional level and is supported by the Continuum of Care committees and other regional planning bodies funded, in part, by the State of Minnesota.

Affordable housing assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit and faith-based organizations, homeowner educators and counselors, and local governments throughout the state. The State relies on these entities to administer several affordable and supportive housing programs, to identify housing needs at the local level, and to encourage the development of affordable housing.

Recognizing the need to increase both the accessibility and effectiveness of assistance programs for low- and very low-income people, Minnesota Housing has worked to increase the participation of local nonprofits and other nontraditional lenders in delivering its programs including those led by black, indigenous, or people of color. These nontraditional participants provide a greater opportunity to coordinate the delivery of assistance and to better target funds to people with the greatest need.

The State does not have any plans for developing new institutional structures but will continue to participate in the various structures currently in place, supporting the Minnesota Chapter of the National Association of Housing and Redevelopment Officials (NAHRO)'s conferences and the Working Together conference. Minnesota Housing coordinates its RFP selections with other funding partners, including DEED. DEED's CDBG grantees coordinate CDBG funding with Minnesota Housing, Greater Minnesota Housing Fund, DHS, Rural Development, Department of Health, and Weatherization funding. DHS will continue to participate in the various structures currently in place. The State hosts the Minnesota Interagency Council on Homelessness (MICH), through which all state agencies involved in the provision of services to homeless persons meets monthly. Members of the MICH are assigned to all Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota Preservation Work Group and the Stewardship Council to ensure coordination of funding resources.

The State participates in several standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services.

The state does not have plans to provide financial assistance to troubled PHAs. Troubled and other PHAs are invited to participate in the "Working Together" conference to receive training on topics relevant to their operations, Because the state is not a public housing owner, it does not have plans to encourage residents to become more involved in management of public housing or have a specific outreach plan to public housing residents to encourage homeownership. Public housing residents are eligible to apply for

homeownership assistance and receive the same outreach as other potential first-time homebuyers.

Discussion:

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	$37,407
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**$37,407**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

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

as follows:

None

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

   Not applicable because Minnesota will not use HOME for homebuyer assistance.

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

   Not applicable because Minnesota will not use HOME for homebuyer assistance.

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

   There are no plans for using HOME to refinance existing debt.

Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)

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

   All sub-recipients of ESG funding have been required by DHS to establish written standards for the provision of emergency shelter, homelessness prevention and rapid rehousing assistance to homeless persons. The State will not be developing statewide written standards due to the complex needs and characteristics of the 87 counties in which ESG assistance is provided.

   DHS has developed a monitoring tool based on the requirements found in 576.400(e)(3) and is conducting reviews of each sub-recipient's Written Standards during the annual monitoring cycle to ensure that they adequately include the elements broadly outlined in 576.400(e)(3). During the monitoring visit, DHS staff will also ensure that the ESG sub-recipients Written Standards are in

accordance with the local Continuum of Care's plans for Coordinated Assessment.

DHS has provided guidance on required standards for prevention and rapid re-housing providers (evaluating eligibility, prioritizing assistance, determining type, amount and length of assistance) in the 2015 Application Package.

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

DHS funds ESG projects in all ten Minnesota CoCs Each Continuum of Care region is in a different phase of planning and implementation of Coordinated Assessment, and it is therefore impossible to summarize the characteristics or status of each CoC. Two CoCs (West Central and Ramsey) have chosen to pilot a coordinated assessment system, and ESG sub-recipients in the area are actively participating in this system.

In addition, with the recent release of CoC regulations, the MN Interagency Council on Homelessness (MICH) has convened a working group to advise and assist in the consistent and timely development of coordinated assessment systems throughout the State. ESG sub-recipients are participating in these planning sessions, and DHS has informed them that they are required to participate in any coordinated system developed for their CoC.

The State continues to play an active role in ensuring these systems meet both the requirements and intent of the new HUD regulations and will describe these assessment system(s) in future ESG Action Plans. The State will also ensure that ESG sub-recipients are involved in this coordinated assessment to the maximum extent practicable, and that such participation requirements do not unintentionally prevent or discourage the most vulnerable homeless populations from receiving the outreach and emergency shelter they urgently need.

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

ESG funds are awarded as part of a funding allocation process that combined the grant with available money from four state-funded programs: the Emergency Services Program (ESP), the Homeless Youth Act (HYA), the Transitional Housing Program (THP) and Safe Harbor Shelter and Housing.

The application process for ESG funding is open to programs from all areas of the state. Priority will be given to shelter applications from the balance of State areas (non-entitlement areas), and funds for homelessness prevention and rapid re-housing activities will only be awarded to balance of state areas who do not receive their own ESG allocation.

The allocation of funding to specific programs is based on the overall quality of responses to the evaluation criteria and in accordance with regional and local priorities, as established by each

Continuum of Care (CoC) committee. Eligible organizations include local government, nonprofit, community, and faith-based organizations such as shelters, transitional housing programs, and emergency service providers.

Requests For Proposals (RFPs) are sent to all current Office of Economic Opportunity homeless programs grantees, all Continuum of Care Committees throughout the state, and all other interested parties who have contacted OEO during the year and expressed interest in the homeless program funding. DHS also publishes the RFP in the State Register and posts the RFP on the DHS website.

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

The recipient is a State and therefore not required to meet the homeless participation requirement in 24 CFR 576.405. However, all sub-recipients are expected to actively work to consult and involve homeless or formerly homeless individuals in their policy development and program operations and are monitored regularly on this topic. In addition, State staff recently conducted an extensive semi-structured interview process with over 100 persons residing in emergency shelter to increase opportunities for input and learning from persons experiencing homelessness.

5. Describe performance standards for evaluating ESG.

The existing performance standards for ESG were developed in recent years during meetings with CoC representatives from around the state, and reflect the basic purpose of ESG shelter, prevention, and rapid re-housing funds to a) keep people safely sheltered, b) re-house persons who are homeless, and c) ensure persons are stably housed at program exit. ESG sub-recipient performance reports are sent to each CoC Coordinator and include information on these goals and sub-recipient performance. This set of outcomes, as well as specific annual goals for these ESG-funded activities, are included in the Outcomes Measures and Performance Standards section of this Plan.

For the current Action Plan Year, the following performance standards will be used for evaluating each FY2017 ESG-funded activity:

Emergency Shelter:
# of individuals in households receiving safe, adequate emergency shelter.
Prevention (Re-Housing)/Rapid Re-Housing;
# of individuals in households who are stably re-housed.
# of individuals in households who remain stably housed at program exit.

In addition to these performance standards, on-going evaluation of ESG sub-recipient performance occurs through DHS Grantee Assessment Tool (Risk Analysis) and its bi-annual monitoring process. This monitoring process places a heavy emphasis on program performance and effectiveness as well as ensuring sub-recipients have the technical assistance, they need to be successful.

ESG Monitoring is described in more detail in the following attachment uploaded below: ESG Monitoring. The State will continue to share the outcomes of its monitoring visits with Continuum of Care Coordinators when there are relevant performance issues identified and seek mutual problem-solving and assistance from CoC committees when appropriate.

HOPWA Project Sponsor Selection

Grant funds are currently awarded to Rainbow Health, which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. Rainbow Health is the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area, and works in partnership with over 1,000 volunteers in community and outreach efforts. Rainbow Health provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with several community organizations.

With limited funding, renewal of existing grants is a priority.

Following priorities set by the Minnesota HIV Housing Coalition, which acts as an advisory group to make recommendations for HOPWA funding, renewal funding for ongoing programs receive funding priority. There is a separate renewal process for ongoing HOPWA programs. If funds appropriated exceed the amount necessary to continue those programs at comparable levels, or if priorities change to address changing needs, those funds will be made available in the Minnesota Housing Multifamily Consolidated RFP process for application by all eligible sponsors, including eligible grassroots faith-based and other community-based organizations.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state

agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter “N/A”.

NA

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Eligible entities for NHTF include owners or developers that must satisfy the definition of recipient and be either:

- A for profit entity,
- A 501(C)(3) nonprofit entity (including Community Housing Development Organizations, or CHDO),
- A government unit (excluding the federal government), or
- A religious organization

The owner must provide evidence of a qualifying interest in the property. Such interest must be recorded and appear in county records. The minimum qualifying interest in 100 percent fee simple interest that may also be subject to a mortgage.

The owners and development team must not be debarred or excluded from receiving federal assistance prior to selection or entering into a Written Agreement or closing the loan.

Applicants and their development team must undergo an evaluation by Minnesota Housing of their capacity and pass Minnesota Housing underwriting before the applicant qualifies as an eligible recipient. Applicants must have demonstrated experience and capacity to conduct and eligible NHTF activity as evidenced by its ability to own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development.

Minnesota Housing underwriting standards require that at least one sponsor must demonstrate acceptable performance (multifamily housing experience) and financial capacity for the scale for the proposed project regardless of guaranty provisions, if any. All loans require a full sponsor credit review for final approval.

Eligible recipients will certify that housing units assisted with the NHTF will comply with NHTF program requirements during the entire period that begins upon selection and ending upon the conclusion of all NHTF funded activities. Recipients must demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity. Recipients must also demonstrate familiarity with requirements of other Federal, State or local housing programs that may be used in conjunction with NHTF funds to ensure compliance with all applicable requirements and regulations of such programs.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The Consolidated RFP provides a comprehensive system to evaluate a project against eligibility criteria, selection priorities, and capacity of developers and owners. Selections are made after careful and thorough consideration of the project.

The RFP application process begins with the announcement of the Consolidated RFP and includes outreach and technical assistance to interested applicants. Once applications are submitted to the agency, they undergo application and eligibility review to determine if they pass basic application requirements and selection criteria. The applications then undergo feasibility review by staff underwriters, including detailed analysis of applicant and organizational capacity and priority housing needs. Next, all applications are reviewed together in consistency meetings with staff to ensure consistency in evaluation by individual underwriters. When applications pass this level of review, they undergo a second application review for feasibility, including site visits, if applicable. Once applications are considered feasible, they move on to a selection meeting, which is run through the agency's Mortgage Credit Committee and includes underwriters, managers, and senior leadership. The Mortgage Credit Committee deliberates on feasible applications compared with funding resources available, weighing appropriate uses of those funds and the agency's Strategic Priorities, feasibility, and organizational capacity, and recommends a package of developments for selection. This recommendation is then brought before Minnesota Housing's Board of Directors for final review and approval.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

There are three main components of the RFP review process that are captured in the attached RFP Application Instructions.

- Initial Eligibility and Feasibility: Applicants must satisfy project feasibility and financial and organizational capacity requirements to be considered for funding. Once applications are submitted to the agency, they undergo application and eligibility review to determine if they meet the basic eligibility requirements. The applications then undergo feasibility review by staff underwriters, including detailed analysis of applicant and organization capacity and priority housing need.
- Strategic Priorities: Seven strategic priorities reflect the Agency's policy goals for funding priorities. Every proposal must satisfy at least one strategic priority to be eligible for funding

through the RFP. Minnesota Housing gives priority to proposals that best meet the greatest number of strategic priorities.

- Selection Priorities: Among proposals that satisfy the Agency's strategic priorities, the Agency gives priority in awarding funding to those proposals that best meet the greatest number of selection priorities.
- Deferred Loan Funding Priorities: For deferred funding, including the NHTF, Minnesota Housing will evaluate proposals for best available funding source based on specific requirements for programs.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Minnesota Housing will accept and consider proposals for NHTF from across the state consistent with the state's certification to affirmatively further fair housing. The needs of very low income and extremely low income tenants across Minnesota are a high priority in the Consolidated Plan; however, geographic location of a project may be considered in the context of the project's proximity to certain community features whose presence is a priority for Minnesota Housing.

Of 18 Selection Priorities, several relate specifically to the geographic location of projects, including communities with a need for housing opportunities, workforce housing communities, transit and walkability,, and community revitalization areas such as rural and tribal areas, qualified census tracts, and opportunity zones. In sum, these geographic priority areas support a balanced and diverse distribution of resources across the state.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants must be capable of undertaking and completing NHTF funded activities in a timely manner, consistent with regulatory requirements to meet the two-year commitment and five year expenditure deadlines. Minnesota Housing expects all project funds to be secured within approximately six months of selection, and the project must close within 18 months from the date of selection. This capability is evaluated during the Consolidated RFP process. Capacity of the entire development team is evaluated, taking into consideration experience with similar projects, financial and staff capacity, status of other projects in the team's development pipeline, and other factors relevant to the role of the entity.

As described in the agency's RFP Application Instructions, the following factors will be considered in determining whether an organization has demonstrated sufficient organizational capacity:

- The applicant's purpose and mission;
- The applicant's related housing experience;
- Whether the applicant has successfully completed similar projects or is partnering with other organizations that have successfully completed similar projects;
- Whether the applicant has strong current and expected ongoing capacity to complete the proposed housing as well as other proposals being developed by the organization; and
- Whether the applicant has the capacity to maintain the rental housing long term.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Developments that provide fully executed commitments for project based rental assistance (standard or in conjunction with Long Term Homeless units) at the time of application are given selection priority

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

New Construction, rehabilitation, and rehabilitation and acquisition rental projects with NHTF have a required affordability period of thirty years. Additional preference will be given to projects that have commit to affordability for 35 or 40 years. Operating cost assistance reserves may be funded for the amount estimated to be necessary for up to fifteen years from the start of the affordability period.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Minnesota's Consolidated Plan identifies priority housing needs among extremely low income renters for all renter household types. NHTF resources will be used exclusively to support units affordable to extremely low-income renters (at or below 30% of area median income), and will prioritize new construction activities to expand the housing stock for this population.

In addition to helping to meet the substantial unmet need of extremely low-income renters, Minnesota Housing has defined the following Strategic and Selection priorities. As described in the previous section,

the Strategic Priority policies describe the main strategic focus and driving policy goals of Minnesota Housing in the current funding round and will be of primary importance in the evaluation of applications. The Selection Priorities capture other elements that are beneficial to a project. These priorities, described below, are communicated to potential applications through the "Strategic and Selections Priorities."

- Access to Transit or Walkability
- Greater Minnesota Workforce Housing
- Rural or Tribal
- Planned Community Development
- Preservation (including federally assisted housing)
- Supportive Housing

Among proposals that best satisfy these Strategic Priorities, Minnesota Housing will give priority in awarding funding to the proposals that best meet the greatest number of selection priorities in effect at the time of the RFP. These are given less weight in evaluation than the Strategic Priorities.

Selection priorities include:

- Greatest Need Tenant Targeting
    - Large Family Housing
    - Senior Housing
    - Permanent Supportive Housing for High Priority Homeless (HPH), consistent with Local Continuum of Care Priorities
    - People with Disabilities
- Serves Lowest Income for Long Durations
    - Preservation
    - Rental Assistance
    - Serves Lowest Income Tenants/Rent Reduction
    - Long Term Affordability
- Increasing Geographic Choice
    - Need for More Affordable Housing Options
    - Workforce Housing Communities
- Transit and Walkability
- Supporting Community and Economic Development
    - Community Development Initiative
    - Equitable Development
    - Rural/Tribal
    - QCT/Community Revitalization and Opportunity Zones
    - Black, Indigenous and People of Color-owned/Women-owned Business Enterprise
- Efficient Use of Scare Resources and Leverage
- Building Characteristics
    - Universal Design

- Smoke Free Buildings
- Enhanced Sustainability

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Minnesota Housing's NHTF funds will leverage other agency, private, and low-income housing tax credit investment. The NHTF funds will be made available through the agency's Consolidated RFP, which consolidates and coordinates multiple housing resources into one application process. Funding partners include the Metropolitan Council, Department and Employment and Economic Development, Family Housing Fund and Greater Minnesota Housing Fund. Financing opportunities that could be leveraged with NHTF funds include several nonfederal sources through the State of Minnesota:

- Amortizing first mortgages through the State of Minnesota's Low- and Moderate-Income Rental Program
- Deferred loans through State of Minnesota funded Economic Development and Housing Challenge program
- Deferred loans through the State of Minnesota funded Preservation Affordable Rental Investment Fund
- Housing Investment Bonds through the State of Minnesota

Two of the agency's selection priorities incorporate a projects ability to leverage other resources. These include federal, local, philanthropic, and employer contributions; and financial readiness to proceed.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. **Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

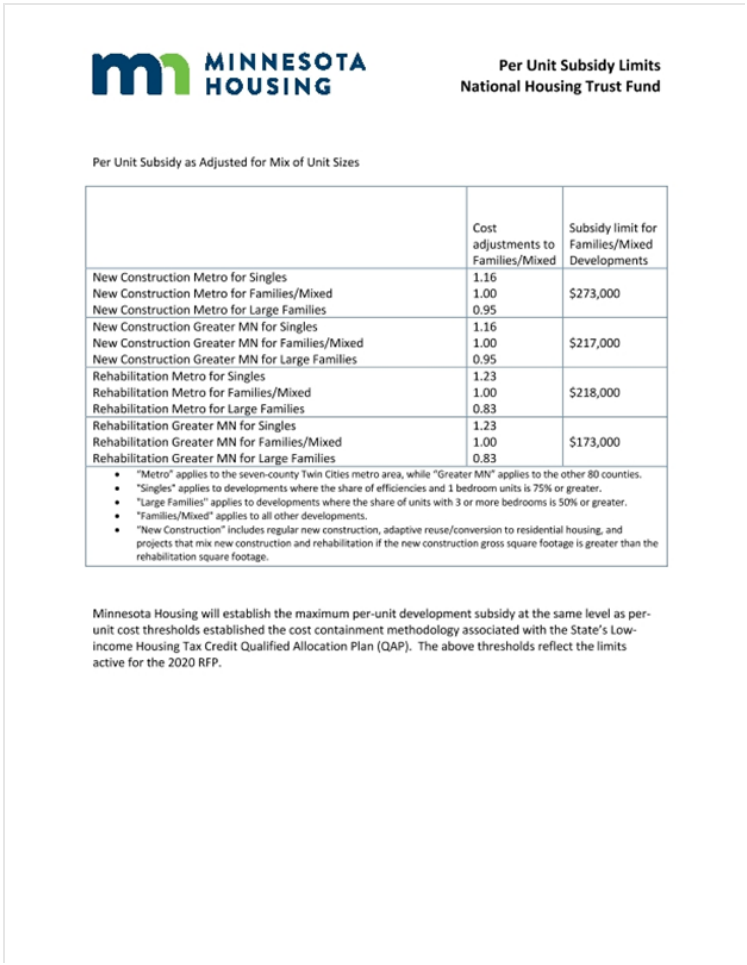
7. **Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.** Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the NHTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for NHTF meet the HTF requirements specified above.

Minnesota will establish the maximum per-unit development subsidy at the same level as per unit cost thresholds established the cost containment methodology associated with the State's Low Income Housing Tax Credit Qualified Allocation Plan (QAP). The thresholds, based upon total actual development costs for developments funded by Minnesota Housing since 2002, are adjusted for number of bedrooms and geographic location of the project. Despite the per unit subsidy limits, subsidies may be further limited on individual projects based on the result of subsidy layering reviews and the financing needs of the project.

Per unit subsidy limits are set forth in the table attached but are subject to change whenever a new QAP is adopted or modified. Adjustments are made in response to cost trends. Any changes will continue to be reasonable, based on actual costs, and adjusted for the number of bedrooms and geographic location of the program.



MINNESOTA HOUSING

Per Unit Subsidy Limits
National Housing Trust Fund

Per Unit Subsidy as Adjusted for Mix of Unit Sizes

	Cost adjustments to Families/Mixed	Subsidy limit for Families/Mixed Developments
New Construction Metro for Singles	1.16	
New Construction Metro for Families/Mixed	1.00	$273,000
New Construction Metro for Large Families	0.95	
New Construction Greater MN for Singles	1.16	
New Construction Greater MN for Families/Mixed	1.00	$217,000
New Construction Greater MN for Large Families	0.95	
Rehabilitation Metro for Singles	1.23	
Rehabilitation Metro for Families/Mixed	1.00	$218,000
Rehabilitation Metro for Large Families	0.83	
Rehabilitation Greater MN for Singles	1.23	
Rehabilitation Greater MN for Families/Mixed	1.00	$173,000
Rehabilitation Greater MN for Large Families	0.83	

- "Metro" applies to the seven-county Twin Cities metro area, while "Greater MN" applies to the other 80 counties.
- "Singles" applies to developments where the share of efficiencies and 1 bedroom units is 75% or greater.
- "Large Families" applies to developments where the share of units with 3 or more bedrooms is 50% or greater.
- "Families/Mixed" applies to all other developments.
- "New Construction" includes regular new construction, adaptive reuse/conversion to residential housing, and projects that mix new construction and rehabilitation if the new construction gross square footage is greater than the rehabilitation square footage.

Minnesota Housing will establish the maximum per-unit development subsidy at the same level as per-unit cost thresholds established the cost containment methodology associated with the State's Low-income Housing Tax Credit Qualified Allocation Plan (QAP). The above thresholds reflect the limits active for the 2020 RFP.

8. **Rehabilitation Standards.** The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

All NHTF units must comply with Minnesota Housing's Multifamily Rental Housing Design/Construction Standards, including Chapter 9, Design, Construction, and Property Standards for Federally Funded Projects. These standards are attached and found on the agency's website. Chapter 9 provides federal program requirements, while projects must achieve all requirements detailed in the guide.

9. **Resale or Recapture Guidelines.** Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

NA

10. **HTF Affordable Homeownership Limits.** If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

NA

11. **Grantee Limited Beneficiaries or Preferences.** Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

Minnesota Housing does not limit to segments of the NHTF eligible population. Minnesota Housing makes an effort to integrate units targeted to households experiencing homelessness or those at risk of homelessness across a variety of developments. In the appropriate situation, Minnesota Housing may utilize NHTF funds in units that are targeted to High Priority Homeless households or whose eligibility is limited to High Priority Homeless households. In the interest of furthering economic integration, High Priority Homeless units typically make up a small number of units in each development.

12. **Refinancing of Existing Debt.** Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

Minnesota Housing will not use NHTF to refinance existing debt.

Discussion:

Appendix - Alternate/Local Data Sources