



U.S. Department of Housing and Urban Development

Minneapolis Field Office
920 Second Avenue South, Suite 1300
Minneapolis, Minnesota 55402

NOV 21 2012

Paul Aasen, City Coordinator
City of Minneapolis
350 South 5th Street, Room 301M
Minneapolis, MN 55415-1393

Dear Mr. Aasen:

Subject: Consolidated Plan End-of-Year Review – Program Year 2011

HUD is required to conduct an annual review of performance by grant recipients. This is to report to you the results of our review. Additionally, the Secretary must determine that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

Report

This review is based upon the information we received concerning the City's 2011 program year of June 1, 2011 through May 31, 2012. We congratulate you on your many accomplishments during this past year on the achievement of Departmental Objectives. Some specific accomplishments during the year included:

- * the City's funds were committed and expended in a timely manner;
- * thirty-five owner-occupied units and 90 rental units were rehabilitated or preserved using CDBG and HOME funds;
- * 815 nuisance properties were addressed;
- * Over 370 low- and moderate-income persons received job training and placement assistance;
- * Fifteen activities assisted in excess of 4,000 people through public service activities including senior services, child care, employment training, health, housing counseling and mortgage assistance;
- * Seven organizations received ESG funding, which assisted over 470 shelter beds;
- * two organizations received HOPWA funding assisting over 150 people, and
- * lead-based paint screening and reduction continued to be done on properties assisted resulting in 220 units being made lead safe.

I would also like to remind the City of the remaining time frames relating to spending funds in the Neighborhood Stabilization Programs (NSP) 1, 2 and 3. The deadline and amount of funds remaining to be expended for each program is:

NSP 1 expenditure deadline March 20, 2013: \$158,817.24

NSP 2 expenditure deadline March February 11, 2013: \$3,194,210.80

NSP 3 50% expenditure deadline March 14, 2013: \$1,074,438.03

Background Information

HUD's Office of Community Planning and Development has sought to establish partnerships with State and local governments. The focus of our partnership has been to work with communities to ensure that our joint efforts result in housing and community development programs and policies that benefit and serve low and moderate-income persons. These efforts occur within the framework of the statutes we administer and the regulations and policies that are designed to improve program performance.

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary, that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

With the implementation of the Consolidated Planning Regulations of January 5, 1995, the Department began making comprehensive performance reviews of grantees overall progress at least annually, as required by the statutes and section 91.525 of the regulations. The review consists of analyzing the consolidated planning process; reviewing management of funds; determining the progress made in carrying out policies and programs; determining the compliance of funded activities with statutory and regulatory requirements; determining the accuracy of required performance reports; as well as evaluating accomplishments in meeting key Departmental objectives.

This assessment not only meets the mandates of the statutes, but it also provides a basis for working together collaboratively to help grantees achieve housing and community development goals. One critical outcome of this collaboration should be the development of a more comprehensive, effective, and concise Consolidated Plan and improved performance in achieving specific goals that correspond to the activities outlined in your forthcoming Action Plan.

Public Access

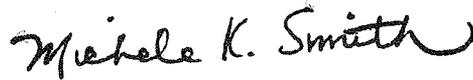
This Report must be made readily available to the public within 30 days of receipt of your comments. There are several ways the report can be made available to the public. You can assist us in this regard by sharing HUD's report with the media; with members of your advisory committee; or with those who attended hearings or meetings, placing it on your web site or distributing it through a LISTSERV. HUD will make this information available to the public upon request and may provide copies of future reports to interested citizens and groups.

Conclusion

As a result of our analysis, we have determined that your overall progress is satisfactory and that the City has the continuing capacity to implement these programs.

If there are any questions please do not hesitate to contact Cindy Behnke, Sr. CPD Representative at (612) 370-3019, ext. 2101

Sincerely,

A handwritten signature in black ink that reads "Michele K. Smith". The signature is written in a cursive, flowing style.

Michele K. Smith, Director
Office of Community Planning and Development

cc: Matt Bower, Project Coordinator
307M City Hall
350 South 5th Street
Minneapolis, MN 55415