

**The FY 2013  
Minneapolis**

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

**One Year Action Plan  
June 1, 2013 – May 31, 2014**

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

**Approved by HUD June 2013**



**EXECUTIVE SUMMARY .....5**

**CHAPTER 1 INTRODUCTION TO ONE-YEAR ACTION PLAN..... 17**

**A. Background..... 17**

**B. Planning Process (91.200(b))..... 17**

    1. Lead Agency ..... 17

    2. Planning Timeline ..... 18

    3. Jurisdiction Consultations ..... 18

**C. Citizen Participation Plan..... 19**

    1. Background ..... 19

    2. Schedule ..... 20

    3. Public Hearings..... 21

    4. Notification and Access to Hearings ..... 22

    5. Technical Assistance ..... 22

    6. Proposed Funding Processes ..... 23

    7. Comments/Complaints..... 23

    8. Anti-Displacement and Relocation Plan..... 23

    9. Substantial Change Process and Amendments ..... 24

    10. Access to Records..... 25

**D. Institutional Structure (91.215 (i)) ..... 25**

    1. Organizational Relationships ..... 25

    2. Organizational Relationship with Public Housing Agency ..... 26

**E. Monitoring (91.230)..... 26**

    1. Purpose..... 28

    2. Objectives..... 28

    3. Definitions ..... 28

    4. Production Monitoring ..... 29

    5. Quality Control/Compliance Monitoring..... 30

**F. Priority Needs Analysis and Strategies (91.215 (a)) ..... 31**

    1. Basis for Priority Assignments ..... 32

    2. Obstacles to Meeting Underserved Needs..... 33

**G. Lead-based Paint (91.215 (g))..... 33**

**H. General Community Demographics and Income ..... 34**

**I. Poverty and Minority Concentrations ..... 38**

**CHAPTER 2 HOUSING NEEDS..... 39**

*For this chapter, please refer to the 2010-2014 Consolidated Plan. No changes have been made in 2013 for this chapter..... 39*

**CHAPTER 3 HOMELESSNESS AND THOSE THREATENED WITH HOMELESSNESS (91.205(B)(1)(I)(I) AND (K)); (91.205 (C); 91.210 (C); AND 91.215(C) AND (D)—NEEDS ASSESSMENT; INVENTORY OF FACILITIES,**

**HOUSING AND SERVICES FOR HOMELESS PERSONS; AND STRATEGIC PLAN ..... 40**

*For this chapter, please refer to the 2012 Consolidated Plan which revised this chapter for the 2010-2014 Consolidated Plan. No changes have been made in 2013 for this chapter. 40*

**CHAPTER 4 COMMUNITY DEVELOPMENT ..... 41**

*For this chapter, please refer to the 2010-2014 Consolidated Plan. No changes have been made in 2013 for this chapter..... 41*

**CHAPTER 5 FIVE-YEAR STRATEGY (2010-2014)..... 42**

Please refer to Chapter 5 in the 2010-14 Consolidated Plan for a full discussion of the Five-Year Strategy. The 2012 Consolidated Plan Chapter 5 contains a discussion of several changes made to that Five-Year Strategy..... 42

**CHAPTER 6 2013 ONE-YEAR ACTION PLAN ..... 43**

- A. General..... 43
  - 1. Federal Resources..... 45
  - 2. Other Resources ..... 47
- B. Geographic Distribution of Consolidated Plan Assistance ..... 48
- C. Addressing Obstacles in Meeting Underserved Needs..... 49
- D. 2013 Planning Process..... 49
- E. Summary of 2013 Citizen Participation Process ..... 49
- F. 2013 Institutional Structure..... 50
- G. 2013 Monitoring Objectives ..... 51
- H. 2013 Lead-based Paint Objectives..... 51
- I. Housing ..... 52
  - 1. 2013 Housing Goals and Objectives..... 53
  - 2. 2013 Actions to Address Affordable Housing Barriers ..... 56
  - 3. 2013 HOME Single Family program ..... 57
  - 4. 2013 HOME/CDBG Multifamily Guidelines ..... 62
  - 5. 2013 Affirmatively Furthering Fair Housing..... 65
- J. 2013 Addressing Homelessness and Those Threatened with Homelessness ..... 68
- K. 2013 Community Development Objectives ..... 69
  - 1. Public Facilities..... 69
  - 2. Public Services ..... 70
  - 3. Economic Development ..... 72
- L. 2013 Anti-Poverty Objectives..... 74

<b>M.</b>	<b>Non-Homeless Special Needs Housing.....</b>	<b>75</b>
1.	2013 Non-Homeless Special Needs Objectives.....	75
2.	Housing Opportunities for Persons with AIDS (HOPWA) Objectives .....	77
<b>N.</b>	<b>CDBG Program Requirements .....</b>	<b>79</b>
<b>O.</b>	<b>Emergency Solutions Grant (ESG) Program Requirements .....</b>	<b>80</b>
1.	Summary of ESG Consultation Process .....	81
2.	Summary of Citizen Participation .....	82
3.	Proposed Activities .....	82
4.	ESG Match .....	83
5.	ESG Funding Priorities .....	83
6.	FY 2013 ESG Budget .....	89
7.	ESG Written Standards for Assistance .....	90
8.	ESG Sub-award Process.....	99
9.	Homeless Participation Requirements.....	100
10.	ESG Performance Standards.....	100
<b>P.</b>	<b>SF-424 Federal Applications for Assistance &amp; Grantee Certifications: Included in April submission to HUD .....</b>	<b>100</b>
<b>APPENDIX .....</b>		<b>117</b>
<b>2013 Minneapolis Consolidated Plan .....</b>		<b>117</b>
•	HUD Table 2A 2010-14 Priority Housing Needs.....	117
•	HUD Table 2B 2010-14 Non-Housing Community Development .....	117
•	HUD Table 3 Proposed Projects.....	117
•	Consolidated Plan Maps .....	117
•	Public Hearings and Comments .....	117

## **Executive Summary**

The 2013 Minneapolis Consolidated Plan is an update to the comprehensive 2010-2014 Five-year Consolidated Plan issued in 2010 addressing the City's housing and community development needs. The Consolidated Plan is a combination housing plan, community development and public service plan, and application for the following four U.S. Department of Housing and Urban Development (HUD) entitlement programs:

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

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

The City of Minneapolis' 2013 Consolidated Plan program year runs from June 1, 2013 through May 31, 2014. The City's lead agency responsible for the Plan's development is the Office of Grants & Special Projects, which is a part of the Intergovernmental Relations Department, in the Office of the City Coordinator.

The executive summary includes objective and outcome expectations, as well as an evaluation of past performance. The 2013 Consolidated Plan states how the City intends to utilize its HUD entitlement funds in the areas of housing and community development, public service, and administration. The Consolidated Plan ties HUD grant-funded spending to other funding initiatives in the City that benefit the City's low- and moderate-income residents.

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

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

### Summary of Objective and Outcome Expectations

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

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

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

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

Objectives:

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

Outcomes:

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

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

### **Minneapolis 2013 HUD Program Outlay and Performance Projections (Chart A)**

<i><b>Framework for Public Service and Capital Projects</b></i>	<b>Outcome #1: “Availability / Accessibility”</b>	<b>Outcome #2: “Affordability”</b>	<b>Outcome #3: “Sustainability”</b>
<b>Objective #1: “Suitable Living Environment”</b>	<b>\$960,033</b> Beneficiaries: 2,710	-	<b>\$1,041,800</b> Beneficiaries: 227,918
<b>Objective #2: “Decent Housing”</b>	<b>\$475,722</b> Beneficiaries: 55	<b>\$8,486,420</b> Beneficiaries: 440	-

<b>Objective #3: “Economic Activity”</b>	-	-	<b>\$1,729,226</b> *Beneficiaries: 1,026
--	---	---	--

*(Beneficiaries are low- and moderate-income residents; \* Outcome for “Economic activity” beneficiaries includes persons, jobs and businesses)*

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

### Beneficiary Outputs Compared to Outcomes and Objectives (Chart B)

Outcome / Objective →	Suitable Living Environment - Improved/New Accessibility	Suitable Living Environment - Improved/New Affordability	Suitable Living Environment - Improved/New Sustainability	Decent Housing - Improved/New Sustainability	Decent Housing - Improved/New Affordability	Decent Housing - Improved/New Availability	Economic Opportunity - Improved/New Accessibility	Economic Opportunity - Improved/New Affordability	Economic Opportunity - Improved/New Sustainability
Type of Benefit ↓									
Number that will have new access to this service or benefit	1,790				261				825
Number that will have improved access to this service or benefit	720				58				90
Number that will receive a service or benefit that is no longer substandard			227,603		151	55			
Number that will have new access to this type of public facility or infrastructure improvement									
Number that will have improved access to this type of public facility or infrastructure improvement									
Number that will be served by public facility or infrastructure that is no longer substandard									

As indicated in Chart A, the City will create decent housing with improved/new affordability, for 440 low- and moderate-income beneficiaries, by leveraging \$8.4 million through its capital programs. Of those, as noted in Chart B, 261 beneficiaries will have new access to affordable housing, 55 will have improved access to housing, and 151 will have housing that is no longer substandard. From appendix Table 3, this programming includes support for the development of housing units, homebuyer assistance for low-income households, and tenant-based rental assistance for persons with HIV/AIDS.

The City will invest of \$1.7 million in CDBG funding will provide economic opportunity through improved/new sustainability for 1,026 beneficiaries. This includes developing strategies for small business development, linking low-income residents with job openings, public service funding for youth employment training, through community-based organizations and school programs.

The City will direct \$1.0 million to enhance suitable living environments for low-income beneficiaries, with over 227,000 residents in targeted areas across the City of Minneapolis benefiting from CDBG-funded crime prevention programming, together with strategies to abate lead hazards, and reduce or eliminate over 81 blighted properties. Public Service programs, identified in Appendix Table 3, provide opportunities for low income persons gain new or improved access to a range of solutions focused on domestic abuse, curfew truancy, youth violence prevention, childhood development, school readiness, and multi-cultural access & outreach services.

**Table 3A Summary of Specific Annual Objectives**  
(2012 accomplishments to be compiled in Summer 2013 for the 2012 annual performance report)

Grantee Name: Minneapolis, MN

Availability/Accessibility of Decent Housing (DH-1)							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
DH1.1	Finance and administer programs for development of affordable and mixed-income rental housing	HOME CDBG	2010	Housing Units	242	124	51%
			2011		242	194	80%
			2012		242		%
			2013		242		%
			2014		242		%
			<b>MULTI-YEAR GOAL</b>				<b>1,210</b>
DH 1.2	Finance and administer programs for development of affordable and mixed-income ownership housing	HOME CDBG	2010	Housing Units	52	1	2%
			2011		52	26	50%
			2012		52		%
			2013		52		%
			2014		52		%
			<b>MULTI-YEAR GOAL</b>				<b>260</b>

DH 1.4	Finance development of housing opportunities for persons with special needs	CDBG HOME HOPWA	2010	Housing Units	42	61	145%
			2011		42		197%
			2012		42		%
			2013		42		%
			2014		42		%
			<b>MULTI-YEAR GOAL</b>				<b>210</b>
DH1.5	Develop shelter and supportive housing options for those persons experiencing homelessness	CDBG HOME	2010		310	85	27%
			2011		310		15%
			2012		310		%
			2013		310		%
			2014		310		%
			<b>MULTI-YEAR GOAL</b>				<b>1,550</b>
DH 1.6	Develop new affordable senior housing	CDBG HOME	2010	Housing Units	68	0	0%
			2011		68		97%
			2012		68		%
			2013		68		%
			2014		68		%
			<b>MULTI-YEAR GOAL</b>				<b>340</b>
<b>Affordability of Decent Housing (DH-2)</b>							
DH2.1	Support homeownership opportunities for underserved populations	CDBG	2010	Housing Units	17	20	118%
			2011		17		152%
			2012		17		%
			2013		17		%
			2014		17		%
			<b>MULTI-YEAR GOAL</b>				<b>85</b>
DH2.11	Acquisition and slum blight removal and reuse to support affordable housing development	CDBG	2010	Housing Units	25	15	60%
			2011		25		12%
			2012		25		%
			2013		25		%
			2014		25		%
			<b>MULTI-YEAR GOAL</b>				<b>125</b>
DH2.2	Support multi-family housing grants to non-profit developers for predevelopment assistance	CDBG	2010	Organizations	10	6	60%
			2011		10		%
			2012		10		%
			2013		10		%
			2014		10		%
			<b>MULTI-YEAR GOAL</b>				<b>50</b>
DH 2.3	Provide housing assistance to HOPWA eligible households	HOPWA	2010	Households	125	148	118%
			2011		125		122%
			2012		125		%
			2013		125		%
			2014		125		%
			<b>MULTI-YEAR GOAL</b>				<b>625</b>
<b>Sustainability of Decent Housing (DH-3)</b>							
DH3.1	Finance and administer programs for rehabilitation of affordable and mixed-income rental housing	CDBG HOME	2010	Housing Units	330	281	85%
			2011		330		32%
			2012		330		%
			2013		330		%
			2014		330		%
			<b>MULTI-YEAR GOAL</b>				<b>1,650</b>

DH 3.2	Finance preservation of housing opportunities for persons with special needs	CDBG HOME ESG	2010	Housing Units	36	13	36%
			2011		36		0
			2012		36		%
			2013		36		%
			2014		36		%
			<b>MULTI-YEAR GOAL</b>		<b>180</b>	<b>13</b>	<b>7%</b>
DH 3.3	Contribute capital resources to the rehabilitation of supportive housing and shelter units consistent with Continuum of Care	ESG HOME CDBG	2010	Housing/Bed Units (3 SRO = 1 unit)	55	63	115%
			2011		60		37
			2012		62		%
			2013		65		%
			2014		68		%
			<b>MULTI-YEAR GOAL</b>		<b>310</b>	<b>100</b>	<b>32%</b>
DH 3.4	Finance owner-occupied housing rehabilitation	CDBG, NSP	2010	Housing Units	18	20	111%
			2011		18		28
			2012		18		%
			2013		18		%
			2014		18		%
			<b>MULTI-YEAR GOAL</b>		<b>90</b>	<b>48</b>	<b>53%</b>
DH 3.6	Support rehabilitation needs of public housing supply	CDBG	2010	Housing Units	0	55	n/a
			2011		50		0
			2012		50		%
			2013		50		%
			2014		50		%
			<b>MULTI-YEAR GOAL</b>		<b>200</b>	<b>55</b>	<b>28%</b>
<b>Availability/Accessibility of Suitable Living Environment (SL-1)</b>							
SL 1.2	Support programs that allow seniors to be self-sufficient	CDBG	2010	Persons	450	661	147%
			2011		150		794
			2012		400		%
			2013		400		%
			2014		400		%
			<b>MULTI-YEAR GOAL</b>		<b>2,100</b>	<b>1455</b>	<b>69%</b>
SL 1.3	Promote healthy well-being of residents through public and private service providers	CDBG	2010	Persons	99	232	234%
			2011		95		398
			2012		87		%
			2013		81		%
			2014		76		%
			<b>MULTI-YEAR GOAL</b>		<b>438</b>	<b>630</b>	<b>144%</b>
SL 1.4	Provide public service resources to vulnerable homeless elder citizens	CDBG	2010	Persons	20	50	250%
			2011		20		0
			2012		18		%
			2013		16		%
			2014		14		%
			<b>MULTI-YEAR GOAL</b>		<b>88</b>	<b>50</b>	<b>57%</b>
SL 1.5	Promote resources for city youth programming	CDBG	2010	Persons	1,125	1,298	115%
			2011		1,085		2,108
			2012		1,041		%
			2013		997		%
			2014		953		%
			<b>MULTI-YEAR GOAL</b>		<b>5,205</b>	<b>3,406</b>	<b>65%</b>

SL 1.6	Provide for school readiness initiatives	CDBG	2010	Persons	750	861	115%	
			2011		740		113%	
			2012		730		%	
			2013		720		%	
			2014		710		%	
			<b>MULTI-YEAR GOAL</b>				<b>3,350</b>	<b>1,702</b>
SL 1.7	Provide for housing advocacy services	CDBG, HPRP	2010	Persons	10,000	10,981	109%	
			2011		10,000		0	%
			2012		10,000		%	
			2013		10,000		%	
			2014		10,000		%	
			<b>MULTI-YEAR GOAL</b>				<b>50,000</b>	<b>10,981</b>
SL 1.8	Public service provision and assistance for immigrant and Native American populations	CDBG	2010	Persons	6,453	1,463	23%	
			2011		6,453		740	11%
			2012		6,453		%	
			2013		6,453		%	
			2014		6,453		%	
			<b>MULTI-YEAR GOAL</b>				<b>32,265</b>	<b>2,203</b>
<b>Affordability of Suitable Living Environment (SL-2)</b>								
SL2.1	Provide mortgage foreclosure assistance to low-income homeowners	CDBG /NSP Private	2010	Households	100	330	330 %	
			2011		100		0	0 %
			2012		100		%	
			2013		100		%	
			2014		100		%	
			<b>MULTI-YEAR GOAL</b>				<b>500</b>	<b>330</b>
<b>Sustainability of Suitable Living Environment (SL-3)</b>								
SL3.1	Mitigate housing conditions that present life and safety issues	CDBG	2010	Housing Units	750	853	114%	
			2011		750		1,630	217%
			2012		750		%	
			2013		750		%	
			2014		750		%	
			<b>MULTI-YEAR GOAL</b>				<b>3,750</b>	<b>2,483</b>
SL 3.2	Evaluate and remove lead-based paint hazards in city affordable housing supply	CDBG HUD State	2010	Housing Units	100	207	207%	
			2011		100		220	220%
			2012		50		%	
			2013		50		%	
			2014		50		%	
			<b>MULTI-YEAR GOAL</b>				<b>350</b>	<b>427</b>
SL 3.21	Enhance and sustain fire protection capacity serving low/mod income areas	CDBG	2010	Persons	113,005	113,005		
			2011		113,005		113,005	
			2012		113,005			
			2013		113,005			
			2014		113,005			
							<b>113,005</b>	<b>113,005</b>
SL 3.3	Provide crime prevention and restorative justice programs to Low/mod income targeted city neighborhoods	CDBG	2010	Persons	227,472	227,472		
			2011		227,472		227,472	
			2012		227,472			
			2013		227,472			
			2014		227,472			
			<b>MULTI-YEAR GOAL</b>				<b>227,472</b>	<b>227,472</b>

<b>Availability/Accessibility of Economic Opportunity (EO-1)</b>							
Specific Annual Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
EO 1.2	Redevelop Brownfield sites	Met Council, MN DEED, Hennepin County	2010	Public Facilities	5	17	340%
			2011		5	21	420%
			2012		5		%
			2013		5		%
			2014		5		%
<b>MULTI-YEAR GOAL</b>					<b>25</b>	<b>38</b>	<b>152%</b>
<b>Sustainability of Economic Opportunity (EO-3)</b>							
EO3.1	Rehabilitate neighborhood commercial properties to retain their marketability and job creation	CDBG Local	2010	Businesses Assisted	4	12	300%
			2011		6	0	0%
			2012		4		%
			2013		6		%
			2014		4		%
<b>MULTI-YEAR GOAL</b>					<b>24</b>	<b>12</b>	<b>50%</b>
EO 3.2	Link low income residents to permanent jobs	CDBG Federal State	2010	Jobs	190	242	127%
			2011		200	377	189%
			2012		200		%
			2013		200		%
			2014		200		%
<b>MULTI-YEAR GOAL</b>					<b>990</b>	<b>619</b>	<b>63%</b>
EO 3.3	Prepare low-income youth for future workforce participation through summer employment training programs	CDBG State	2010	Persons	600	353	59%
			2011		600	569	95%
			2012		600		%
			2013		600		%
			2014		600		%
<b>MULTI-YEAR GOAL</b>					<b>3,000</b>	<b>922</b>	<b>31%</b>

**Minneapolis 2012 HUD Program Projected Outputs  
Type of Benefit  
(Chart C)**

2,876	Number that will have new access to service or benefit
868	Number that will have improved access to service or benefit
227,809	Number that will receive a service or benefit that is no longer substandard
-	Number that will have new access to public facility or infrastructure improvement
-	Number that will have improved access to public facility or infrastructure improvement

-	Number that will be served by public facility or infrastructure that is no longer substandard
---	---

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

**Relative Allocation of Priorities**

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

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

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

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

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

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

ESG (Emergency Solutions Grant)	100%		
HOPWA	100%		

### **Consolidated Plan Past Performance Summary**

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

HUD conducts an annual Consolidated Plan end-of-year review of the most recent year-end performance by the City of Minneapolis, and provides a report with the results for each review. Additionally, the HUD Secretary determines that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received. HUD has summarized the City of Minneapolis' accomplishments and achievements for the City's 2011 program year of June 1, 2011 through May 31, 2012, the most recent year-end report, based on Consolidated Plan objectives, as follows:

- the City's funds were committed and expended in a timely manner;
- 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.

The City has much to show for its efforts, however, great need still exists in the community, especially for those at the lowest of incomes. Rental vacancies have fluctuated between high and low rates since the end of the 90s. Housing units that are priced at the most affordable levels and exhibiting quality still incur great demand. Variations in the housing market and factors such as accelerated

mortgage foreclosure rates have not translated positively for those at the lowest income levels trying to find affordable housing.

The Plan asserts the City's commitment to working with local partners to achieve ambitious goals, such as eliminating chronic homelessness and lead-based paint hazards in the City, achieving a sustainable balance in the placing of affordable housing, and providing new economic opportunities. Cuts in funding, at both the federal and state levels of government, have put a squeeze on the ability of the City of Minneapolis to meet the demand for public service programs. The vulnerability of low- and moderate income residents is especially great and the ability to meet community needs with federal funds is limited by shrinking federal budgets. The 2013 Consolidated Plan total funding is currently based on the 2013 City Council Adopted budget estimated at the prior-year 2012 level of \$14.9 million, which is a decline from \$19.8 million in 2008. When the FY13 HUD budget is passed and HUD provides the City its actual FY13 Consolidated Plan award amount numbers, staff will return to the City Council for approval of a final budget. The approval option to be presented will be an across the board cut to all programs. Though, if steeper cuts to CDBG are realized, the City Council may want to consider specific programmatic reductions on an individual basis to reflect program priorities and the need to stay within the required CDBG program spending caps (maximum of 15 percent for public service programming including public safety, and 20 percent for administration). The City is concerned about the impact that budget cuts will have on the CDBG program, and on the City's vulnerable residents, principally low- and moderate-income persons. Because of cuts to the programs and projects funded by CDBG, the number of residents served by these activities is reduced. Reductions affect the City's business plan and strategic outlook for community and business development, public service, and affordable housing for the poorest and most vulnerable citizens of Minneapolis.

### **Citizen Participation Plan**

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

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

## **Chapter 1 Introduction to One-Year Action Plan**

### **A. Background**

The Minneapolis 2013 Consolidated Plan is an application and strategy statement to the U.S. Department of Housing and Urban Development (HUD) addressing the City's housing and community development needs. This document updates the 2010-2014 Five-Year Strategy, and it serves as the 2013 Action Plan. The Consolidated Plan is a combination housing plan, community development plan and application for the following five U.S. Department of Housing and Urban Development entitlement programs:

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

The 2013 Action Plan is a statement of how the City intends to spend its HUD entitlement funds in the areas of housing and community development. It seeks to tie that spending to other funding initiatives in the City that affect the City's low- and moderate-income residents. Priorities are set in accordance with HUD directives. The City's annual program year for Consolidated Plan purposes runs from June 1 - May 31.

### **B. Planning Process (91.200(b))**

#### **1. Lead Agency**

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

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

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

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

## **2. Planning Timeline**

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

## **3. Jurisdiction Consultations**

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

### **Internal**

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

### **External**

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

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

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

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

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

## **C. Citizen Participation Plan**

### **1. Background**

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

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

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

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

City departments directly engage partner agencies and create program strategies that culminate with the Mayor's business planning process and annual budget in coordination with City Council input and deliberation. Additionally, the City informs the Consolidated Plan and its development, ongoing, through the collection of performance data through Subrecipient relationships, which provide the necessary feedback for planning and budget-setting priorities. Nothing in the Consolidated Plan, however, shall be construed to restrict the City's responsibility and authority for the development of its application to the HUD and the execution of its Community Development Plan.

A Citizen Participation Schedule is developed for each year's Consolidated Plan at the beginning of the Citizen Participation process and is continually updated.

## **2. Schedule**

<b>City of Minneapolis Citizen Participation Plan FY 2013 Consolidated Plan</b>	
August 13-28, 2012	Public Comment period for 2011 Consolidated Annual Performance and Evaluation Report (CAPER)
August 21, 2012	Public Hearing on 2011 CAPER
August 29, 2012	2011 CAPER submitted to HUD
August 15, 2012	Mayor's Proposed 2013 Budget
November 28, 2012	Public Hearing on 2013 Proposed Budget and Taxation Review including Consolidated Plan
December 12, 2012	2013 Council Adopted Budget & Public Hearing
March 14, 2013	Notice of Public Hearing and Comment Period to Consolidated Plan mailing list
March 15 - April 15, 2013	Public Comment period on Draft 2013 Consolidated Plan
March 19, 2013	Set Public Hearing for April 2, 2013 CD meeting
April 2, 2013	Public Hearing on 2013 Consolidated Plan and Council Authority to submit Plan to HUD
April 17, 2013	City submission of 2013 Consolidated Plan to HUD
June 1, 2013-May 31, 2014	Year 39 CDBG Program Year, FY 2013 Consolidated Plan Year
June 2013	2013 Consolidated Plan Budget Approval based on HUD official grant notification
August 13-28, 2013	Public Hearing on FY 2012 CAPER
August 29, 2013	Submission of FY 2012 CAPER to HUD

### **3. Public Hearings**

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

The City submits the 2013 update to the five-year Consolidated Plan and one-year action plan to HUD on April 17, 2013. A draft copy of the 2013 Consolidated Plan is made available March 15, 2013 for a thirty-day public comment period. The City Council will hold a public hearing on the draft 2013 Consolidated Plan on April 2, 2013. The City's Community Development

Committee holds the public hearings for the Consolidated Plan and the Consolidated Annual Performance Report (CAPER), and the full City Council holds the public hearing and receives comments on the proposed budget during the annual Truth-in-Taxation hearing.

#### **4. Notification and Access to Hearings**

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

Printed notices list locations where copies of the Consolidated Plan are available and invite persons to speak at the public meetings and hearings and/or submit written comments. Public meetings and hearings are accessible and sign language interpretation is available for public hearings and meetings. To have a name placed on a speakers list for a public hearing, call (612) 673-2219, or for sign language interpreting, TTY (612) 673-2626.

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

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

#### **5. Technical Assistance**

A wide range of assistance is available to all groups needing help in understanding the Consolidated Plan application process and development of proposals. This service, as well as referrals to appropriate community agencies, is available from the Office of Grants and Special Projects in City Hall. For technical assistance, call (612) 673-2188.

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

## 6. Proposed Funding Processes

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

<u>Fund</u>	<u>City Awards Funds to:</u>	<u>For Further Information Call:</u>
CDBG	Various Agencies	Matt Bower, Grants & Special Projects (612) 673-2188
HOME	Project Developers	Matt Goldstein, CPED (612) 673-5075
ESG	Shelter Rehabilitation Projects	Tiffany Glasper, CPED (612) 673-5221
	Homelessness Prevention and Rapid Re-housing Services	Matt Bower, Grants & Special Projects (612) 673-2188
HOPWA	Minnesota AIDS Project (MAP); Metropolitan Council HRA	Peter O'Toole, Grants & Special Projects, (612) 673-5456

## 7. Comments/Complaints

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

## 8. Anti-Displacement and Relocation Plan

The City of Minneapolis considers existing policies designed to minimize displacement in the CDBG program as the Consolidated Plan is developed. For

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

## **9. Substantial Change Process and Amendments**

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

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

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

1. A Consolidated Plan activity described in the Consolidated Plan, as amended, is cancelled;
2. A new Consolidated Plan activity not previously described in the Consolidated Plan, as amended, is added; or
3. There is a substantial change to the current Consolidated Plan, as amended. Substantial change is defined as:
  - a) A change in Consolidated Plan priorities
  - b) A change in a program/project description of such a degree that it may be reasonably concluded that a significant change in projected program purpose, scope, location, fund allocation or intended beneficiaries would ensue; or
  - c) A reprogramming of more than 25% of an original CDBG amount budgeted for a major functional Consolidated Plan budget category:

Housing, Economic Development, Community Development, Public Services, and Administration.

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

## **10. Access to Records**

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

Consolidated Plan information is also placed on the following website link for review [http://www.minneapolismn.gov/grants/grants\\_consolidated-plan](http://www.minneapolismn.gov/grants/grants_consolidated-plan). Requests for other records related to the Consolidated Plan can be made by calling the Grants & Special Projects Office. Staff of the Grants & Special Projects Office can also meet with groups or individuals to discuss the Plan. Please call (612) 673-2043 to request information, or to arrange an appointment.

Orders for copies of the Consolidated Plan, comments on the Consolidated Plan process, requests for technical assistance and additions/changes to the mailing list should be sent to Matt Bower, Office of Grants and Special Projects, Room 307M City Hall, 350 South Fifth Street, Minneapolis, MN 55415, or call (612) 673-2188 or fax (612) 673-3724.

### **D. Institutional Structure (91.215 (i))**

#### **1. Organizational Relationships**

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

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

## **2. Organizational Relationship with Public Housing Agency**

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

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

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

### **E. Monitoring (91.230)**

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

Programmatic, regulatory and contract compliance is achieved through the City's administrative structure, its offices of contract management, and through Finance/Grants and the Grants Office. Programmatic and Financial monitoring is one of the primary methods the City uses to determine whether grant funds are being spent in compliance with the City's contracting and financial framework and federal regulations. These are structured reviews conducted on-site to ensure

consistency with the contract, for determining the adequacy of program performance and to ensure that reported information is accurate. Monitoring records, and in the case of finance audit records, are maintained in an easily understandable format by the Grants Office and by the Finance department respectively. The Grants Office monitors the overall levels of program compliance and performance, provides technical assistance to grant-funded program managers, and together with Finance/Grants implements the funding draw-down process.

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

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

Program managers are responsible for sustaining contractual compliance according to the policies of HUD and of City of Minneapolis. Grants Office staff and Finance/Grants staff provide technical assistance to assure regulatory and contract compliance. Subrecipient relationships and programmatic monitoring are achieved through this contract compliance framework. Monitoring is carried out by Grants and Finance/Grants personnel, scheduled regularly and randomly, and documented in a standard format throughout the program year. Throughout their auditing and monitoring processes, the Finance and Grants office identify potential issues of non-compliance and implement a corrective action based on City policy when such issues arise. To prevent continuance of a violation and to mitigate adverse effects of violation, a monitoring letter stating the condition, criterion, effect, cause and corrective action is presented to the program manager and possibly the director for a 30-day response. Additionally, technical assistance is provided to program managers as the need is identified or requested.

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

### **1. Purpose**

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

### **2. Objectives**

The objectives of the City's monitoring system are:

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

### **3. Definitions**

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

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

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

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

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

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

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

#### **4. Production Monitoring**

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

and Finance staff review these reports before payment – also, the reports serve as one of the indicators as to whether an on-site visit is necessary.

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

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

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

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

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

## **5. Quality Control/Compliance Monitoring**

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

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

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

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

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

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

The objectives of the City's monitoring system are:

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

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

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

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

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

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

## 1. Basis for Priority Assignments

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

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

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

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

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

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

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

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

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

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

## **2. Obstacles to Meeting Underserved Needs**

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

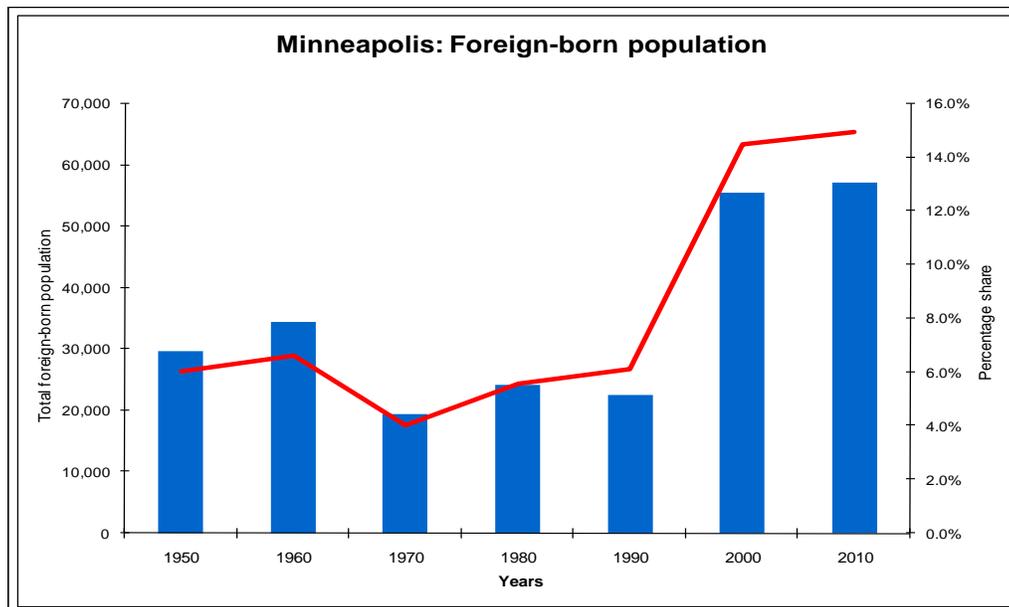
### **G. Lead-based Paint (91.215 (g))**

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

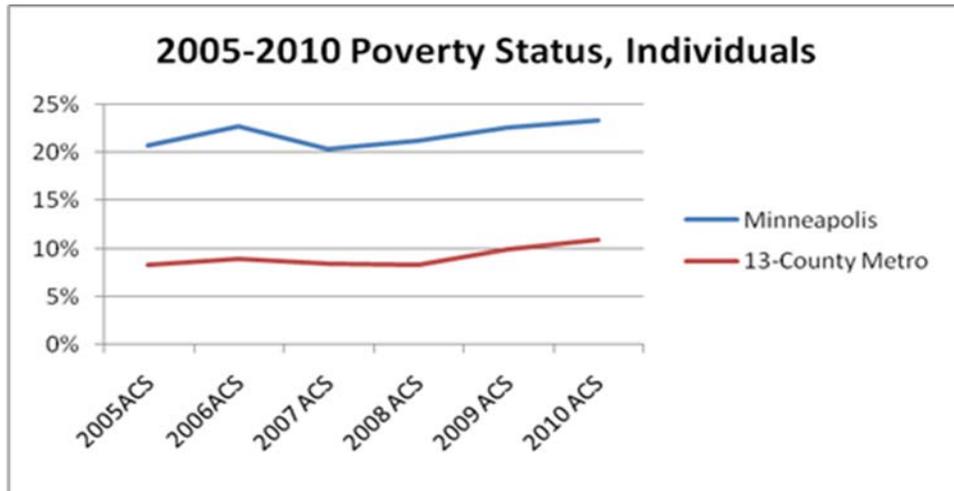
However, to summarize, the City will continue its active efforts at treating lead-based paint hazards in City housing stock through several levels. First, at the identification level- working with health providers, the state health department and local health departments to identify children with elevated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

## H. General Community Demographics and Income

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



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



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

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

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

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

Source: Census Bureau ACS data: 2005, 2008

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

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

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

The following two illustrations describe the most recent, income limits and the full-time hourly wage required to achieve income levels. The following FY2013 numbers became available from HUD December 11, 2012:

<b>FY 2013 Median Family Income – Single</b>		
<b>Minneapolis-St. Paul, MN-WI MSA</b>		<b>\$82,300</b>
Annual Income & Equivalent Full-Time Wage/Hour*		
A single person at 30% MFI would earn... **	\$17,300	\$ 8.32/hr
A single person at 50% MFI would earn... **	\$28,850	\$ 13.87/hr
A single person at 80% MFI would earn... **	\$45,100	\$ 21.68/hr
<b>FY 2013 Median Family Income – Family</b>		
<b>Minneapolis-St. Paul, MN-WI MSA</b>		<b>\$82,300</b>
Annual Income & Equivalent Full-Time Wage/Hour***		
A family of four at 30% MFI would earn... **	\$24,700	\$ 11.88/hr
A family of four at 50% MFI would earn... **	\$41,150	\$ 19.78/hr
A family of four at 80% MFI would earn... **	\$64,400	\$ 30.96/hr
* Assumption 2,080 annual hours		
** Income is adjusted for HUD formula calculations		
*** Assumption one wage earner at 2,080 annual hours		

Very low income families or households are those whose income is between 0 and 30 percent of the metropolitan area's median family or household income, subject to adjustments for smaller or larger families. In Minneapolis, for 2013 the 30 percent income measure for a family of four is \$24,700, calculated from the current metropolitan median family income of \$82,300. Examples of households in this income category include many individuals residing in licensed residential facilities; those receiving public assistance such as Temporary Assistance for Needy Families (TANF), persons who are without housing, and many of the working poor. Additionally, evidence is that many recent immigrant populations that have moved into the City over the past decade are disproportionately at this income level.

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

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

HUD defines low-income families or households as those whose income does not exceed 50 percent of the metropolitan area's median family income, subject to adjustments for smaller or larger families. For differentiation purposes, this Consolidated Plan defines low income as 31 to 50 percent of median family income. In Minneapolis, the current 50 percent limit for a family of four is \$41,150 calculated from the metropolitan median family income of \$82,300. Examples of households in this income category can include many single parent families and the working poor. Additionally, the City assumes that many recent immigrant populations that have moved into the City over the past decade are disproportionately at this income level.

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

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

area, subject to adjustments for smaller or larger families. For differentiation purposes, this Consolidated Plan defines moderate-income as those having an income that is 51 to 80 percent of median family income. In Minneapolis, the current 80 percent limit for a family of four is \$64,400, calculated from the metropolitan median family income of \$82,300. The share of households in the City at this income level has remained the same over the past decade.

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

In Chapter 2 of the 2010-14 Consolidated Plan, discussion of housing needs uses updated estimates from the Comprehensive Housing Affordability Strategy (CHAS) which has been refreshed with American Community Survey (ACS) data from the U.S. Census Bureau. Demographic data will be updated later in 2013 in preparation for the 2014 Consolidated Plan as 5-year ACS and 2010 U.S. Census count become available.

## **I. Poverty and Minority Concentrations**

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

## **Chapter 2 Housing Needs**

***For this chapter, please refer to the 2010-2014 Consolidated Plan. No changes have been made in 2013 for this chapter.***

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

*For this chapter, please refer to the 2012 Consolidated Plan which revised this chapter for the 2010-2014 Consolidated Plan. No changes have been made in 2013 for this chapter.*

## **Chapter 4 Community Development**

***For this chapter, please refer to the 2010-2014 Consolidated Plan. No changes have been made in 2013 for this chapter.***

## **Chapter 5 Five-Year Strategy (2010-2014)**

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

## Chapter 6 2013 One-Year Action Plan

### A. General

The City will undertake a variety of activities to address its priority needs that have been described in the Consolidated Plan. The HUD Table 3 – Proposed Projects describes the programs that will be funded with 2013 Consolidated Plan funds. The table provides information on the title of the initiative, the addressed priority, program description, federal program eligibility, estimated accomplishments, budget, geographic location and the proposed program’s national objective.

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

City actions for the 2013 Consolidated Plan will be in conjunction with the strategies detailed in the 2010-14 Consolidated Plan Five-Year Strategy listed in Chapter 5 of that document. In summary, the City will undertake the following:

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

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

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

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

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

## 1. Federal Resources

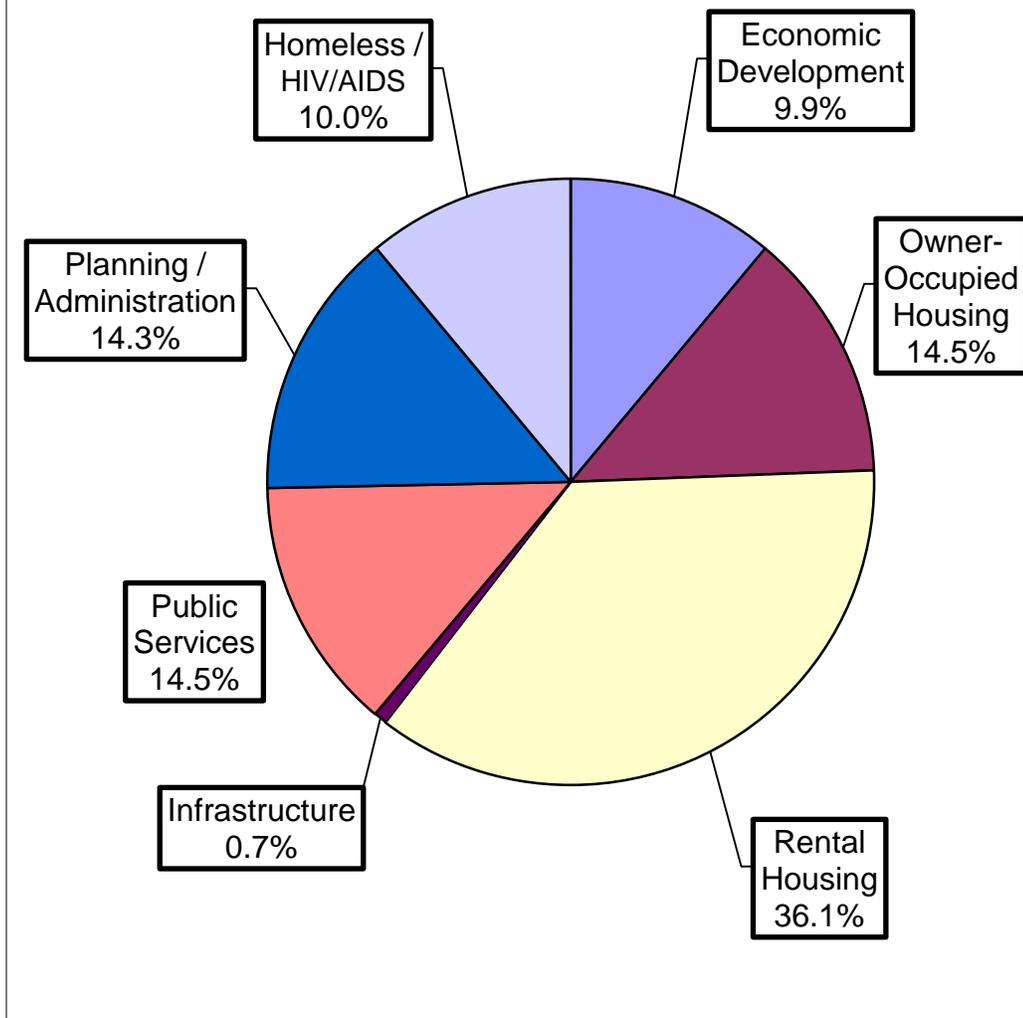
The City expects to have the following Consolidated Plan resources available to address its priority housing and community development needs over the next year. Primarily, the City will direct approximately 50% of its Consolidated Plan funds toward the stabilization and development of affordable housing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

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

The 2013 City Budget and Consolidated Plan funding available to the City consists of the following awards:

CDBG	\$ 10,667,450
HOME	\$ 2,167,961
ESG	\$ 1,042,870
HOPWA	\$ 1,019,484

## 2013 Consolidated Plan Budget



Federal funding levels for the 2013 Consolidated Plan are currently based on the 2013 City Council Adopted Annual budget at the prior-year 2012 level of \$14,897,765. This is a reduction of 31.3% since 2004 when it was \$21,689,123. It is anticipated that the actual amount of funds received will be below the FY 2012 level due to the federal budget sequester as well as pending passage of a FY 2013 HUD budget. The City is concerned about the impact of the actual and potential reduced level of funding which will affect vulnerable residents, principally low- and moderate-income persons, as well as job creation, housing development, public safety, and slum and blight abatement. These reductions affect the City's long-term business

plan and strategic outlook for community and business development, job creation, public service and affordable housing, for the poorest and most vulnerable citizens of Minneapolis. When the FY13 HUD budget is passed and HUD provides the City its actual FY13 Consolidated Plan award amount numbers, staff will return to the City Council for approval of a final budget. The approval option to be presented will be an across the board cut to all programs. Though, if steeper cuts to CDBG are realized, the City Council may want to consider specific programmatic reductions on an individual basis to reflect program priorities and the need to stay within the required CDBG program spending caps (maximum of 15 percent for public service programming including public safety, and 20 percent for administration).

## **2. Other Resources**

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

Other housing resources expected during the 2013 Consolidated Plan year will be MHFA, the State's Metropolitan Council, Family Housing Fund, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, low income housing tax credits, and the McKinney-Vento Homeless Assistance programs. The City will support any organization's application for state or federal assistance that is consistent with this Consolidated Plan.

### **Neighborhood Stabilization Program (NSP)**

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

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

These programs are substantially underway and will have their grant amounts fully expended over the next year. Additional programming activity will occur with program income received by projects assisted during the grants.

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

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

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

**B. Geographic Distribution of Consolidated Plan Assistance**

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

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

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

HOPWA will fund programs serving site-based initiatives and providing tenant rental assistance throughout the metropolitan area. Funding

priorities are determined through the Minnesota HIV/AIDS Housing Coalition and through an annual RFP process.

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

**C. Addressing Obstacles in Meeting Underserved Needs**

As stated throughout Chapter 5 of the 2010-14 Consolidated Plan Five-Year Strategy, the City will be pursuing a variety of initiatives to meet underserved needs identified in the Plan. Specific Consolidated Plan initiatives for 2013 are listed in the HUD Table 3 – Proposed Projects. The extent of the City’s ability to address underserved needs will be conditioned by the amount of funding resources it has.

**D. 2013 Planning Process**

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

**E. Summary of 2013 Citizen Participation Process**

<b>City of Minneapolis Citizen Participation Plan FY 2013 Consolidated Plan</b>	
August 13-28, 2012	Public Comment period for 2011 Consolidated Annual Performance and Evaluation Report (CAPER)
August 21, 2012	Public Hearing on 2011 CAPER
August 29, 2012	2011 CAPER submitted to HUD
August 15, 2012	Mayor’s Proposed 2013 Budget

November 28, 2012	Public Hearing on 2013 Proposed Budget and Taxation Review including Consolidated Plan
December 12, 2012	2013 Council Adopted Budget & Public Hearing
March 14, 2013	Notice of Public Hearing and Comment Period to Consolidated Plan mailing list
March 15 - April 15, 2013	Public Comment period on Draft 2013 Consolidated Plan
March 19, 2013	Set Public Hearing for April 2, 2013 CD meeting
April 2, 2013	Public Hearing on 2013 Consolidated Plan and Council Authority to submit Plan to HUD
April 17, 2013	City submission of 2013 Consolidated Plan to HUD
June 1, 2013-May 31, 2014	Year 39 CDBG Program Year, FY 2013 Consolidated Plan Year
June, 2013	2013 Consolidated Plan Budget Approval based on HUD official grant notification
August 2013	Public Hearing on FY 2012 CAPER
August 2013	Submission of FY 2012 CAPER to HUD

#### **F. 2013 Institutional Structure**

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

#### **Relationship with Local Public Housing Authority**

The organizational relationship between the MPHA and the City is an important component of the City's institutional structure for carrying out its housing and community development plan. The MPHA is governed by a

nine member Board of Commissioners; four of these members are City council-appointed, and five members, including the chairperson, are mayoral appointees. One appointee of the council and mayor respectively must be a public housing resident.

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

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

**G. 2013 Monitoring Objectives**

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

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

**H. 2013 Lead-based Paint Objectives**

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

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

- Identification and removal of lead hazards from units occupied by children with elevated blood lead levels, including offering a free lead dust cleaning to reduce lead hazards.
- The City has lowered the mandatory inspection trigger of a blood lead level of 15 micrograms per deciliter of blood (ug/dbl) to 10 ug/dbl as permitted by state law.
- Referral to grant programs and other resources for properties where children have elevated lead levels, but below the mandated response levels between 5-9.9ug/dl.
- Pursuing policies that support primary prevention without reduction in the efforts for secondary prevention response

- Education and outreach to pregnant women and families of children most impacted by lead hazards in dwellings within the City.
- Education and outreach to property owners and contractors on Lead Safe Work Practices or the Renovation, Remodeling and Painting rule as appropriate.
- Housing inspections continues to emphasize paint condition and during rental license inspections and requires property owners issued interior corrective orders on paint condition to take the Renovation, Remodeling and Painting rule.
- Continue reduction of lead hazards identified by agencies such as CPED and MPHA. The agencies have incorporated Title X (Section 1012/1013 and 1018) rules into their policies and procedures. CPED requests lead risk assessments in assisted properties and have incorporated lead safe hazard reduction practices into properties undergoing rehabilitation. MPHA is working on policies and procedures to integrate grant resources for lead hazard reduction and lead safe work practices training for properties enrolled in the non-project based Section 8 programs.

**Consolidated Plan Program**

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

**I. Housing**

The City will be addressing the following housing strategies with Consolidated Plan funding with 2013 funding. Further project level detail is found in HUD Table 3 – Proposed Projects found in the Appendix.

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

Grantee Name: Minneapolis, MN <b>Program Year: 2013</b>	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)		To be reflected in 2012 Annual Performance Report				
Homeless households (capital development/rehab only)	25 (rehab)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	N/A		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households (capital development/rehab only)	42 (new) + 36 (rehab) = 78		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)	Units may be counted multiple times among strategies					

Acquisition of existing units	25		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	310		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Rehabilitation of existing units	380		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	125		<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
<b>Total Sec. 215 Affordable Rental</b>	840		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)</b>	Units may be counted multiple times among strategies					
Acquisition of existing units	25		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Production of new units	52		<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitation of existing units	18		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	17		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Owner</b>	112		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)</b>	Units may be counted multiple times among strategies					
Acquisition of existing units	25		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	362		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Rehabilitation of existing units	398		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Homebuyer Assistance	17		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Housing</b>	802	<b>“Geographic Distribution of Consolidated Plan Assistance”</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>ANNUAL HOUSING GOALS</b>	Source: 2010-14 Consolidated Plan Table 2A					
Annual Rental Housing Goal (HUD Table 2A Section 215 goal)	518		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annual Owner Housing Goal (HUD Table 2A Section 215 goal)	28		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Annual Housing Goal</b>	546		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## 1. 2013 Housing Goals and Objectives

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

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

developments. Equally important is the need to combine supportive services with stabilized housing.

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

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

**Consolidated Plan Programs**

- *Affordable Housing Trust Fund (CDBG/HOME) – 200 Housing Units*
- *High Density Corridor Housing (CDBG) – 10 Housing Units*
- *HOME Multifamily Rental (HOME) – 80 Housing Units*

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

In order to meet these goals, the City will pursue the following strategies. The aim is to keep existing low-income homeowners in their homes with strategic home improvement investments and to allow for new low-income homeowners through creative, leveraged homeowner financing programs. An emphasis of City homeownership programs will be increasing the

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

- ◆ Preserve and improve the physical condition of existing ownership housing through home improvement offerings.
- ◆ Support in-fill development of new three or more bedroom housing for large families.
- ◆ A minimum of 20% of all City-assisted ownership projects of 10+ units be affordable at 50% MFI.
- ◆ Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- ◆ Encourage development of mixed-income ownership housing options serving a broad and continuous range of incomes.
- ◆ Promote and support first-time homeownership opportunities for traditionally underserved populations.
- ◆ Streamline City development review, permitting, and licensing to make it easier to develop property in the City of Minneapolis.
- ◆ Develop a close dialog with community participants about appropriate locations and design standards for new housing.
- ◆ Foster community dialog about housing growth in and adjacent to City neighborhoods.
- ◆ Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.
- ◆ Promote accessible housing designs to support persons with disabilities.

**Consolidated Plan Programs**

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

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

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

The City will continue to work through its inspections and CPED departments to ensure that the City’s affordable housing supply is safe. Annually, the City proposes to set aside CDBG funding to assist in this

endeavor. Over a five-year period, all rental-housing units in the City are planned for inspections.

Currently, the City has instituted a problem properties task force. This group is a cross-departmental group that works with housing properties in targeted areas that consume many City resources in the areas of inspections and public safety. The Problem Properties Unit (PPU) identifies the worst properties in the City and develops strategies to reduce or eliminate problems. Solutions can include up to securing buildings with boards or demolish buildings under the provisions of Chapter 249 of the City's code of ordinances.

**Consolidated Plan Program**

- *Problem Properties Strategy (CDBG) – 81 Housing Units*

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

The City recognizes the important role that public housing plays in the provision of affordable housing. In the past, the City has provided CDBG assistance to the MPHA to support their housing rehabilitation program as well as supporting their resident initiatives. The City funds resident participation initiatives that encourage local resident management of public housing sites. MPHA’s Resident Participation Program provides funding for resident participation councils – these councils are a means for MPHA residents to contribute to resident management. Due to reduced CDBG budgets, these activities have been curtailed. The City has supported the Heritage Park redevelopment through provision of resources for the development of housing in phases on the 145-acre site. This includes extensive infrastructure work. For example, construction on the Van White Bridge and road extension to connect the Heritage Park area with downtown started in April 2012. The City is also aware of the importance of subsidized housing in the City and stands ready to assist the local market in preserving and stabilizing subsidized housing as needed. The City will continue to partner with MPHA in joint housing developments that need project-based housing vouchers to finance low-income units.

**2. 2013 Actions to Address Affordable Housing Barriers**

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

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

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

### **3. 2013 HOME Single Family program**

HOME funds will be available for the renovation or new construction and sale of single-family dwellings, under the Home Ownership Works (HOW) program. HOME funds may be used for any of the following activities: acquisition, demolition, renovation/repairs or new construction.

#### **Home Ownership Works (HOW)**

Home Ownership Works (HOW) is designed to address the goal of providing home ownership opportunities for households who otherwise would have difficulty in attaining home ownership. It is also designed to address the problem of abandoned and foreclosed houses through either rehabilitation or demolition and new construction. The Program serves the following objectives:

- 1) Provides decent, long term affordable home ownership opportunities for households who would normally experience challenges in achieving home ownership.
- 2) Addresses the problem of vacant and deteriorated structures
- 3) Helps the City maintain a base of owner occupants and provides housing opportunities to households who find that it is increasingly difficult to qualify for a mortgage.

#### 4) Helps combat the impacts of the foreclosure crisis

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

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

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

#### **Target Buyers**

Buyers must meet HOME low/moderate income household requirements (families whose annual income does not exceed eighty percent (80%) of the median income for the area). They are residents who are either trying to purchase a home, but are having trouble qualifying for a mortgage or locating a decent home in their price range. Properties with four or more bedrooms will be sold to households of three or more people who will occupy the property. All purchasers will be required to attend homebuyer counseling and Housing Maintenance seminars prior to closing. If more than one offer is received from qualified buyers, preference will be given to first-time homebuyers or buyers who are being displaced due to public action. If there are equal offers after applying the preference described above, a lottery will be held.

#### **Target Houses**

It is anticipated that a large number of properties will be FHA foreclosures or REO properties in need of moderate to substantial rehabilitation. Moderate

rehab properties selected would be single family or duplex homes. Duplexes will be converted to single-family dwellings, where appropriate. The program will operate Citywide.

## **Development Assistance**

### Recapture

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

### Resale

The only instances where the City will use a resale provision will be when properties are sold through a developer who already has mechanisms in place to ensure long term affordability for target buyers as part of their program i.e. City of Lakes Community Land Trust. The Land Trust has as their missions, the conveyance of decent housing at affordable prices to low and moderate income families. The resale of any eligible property will not exceed 95 percent of the area median purchase price or after-rehabilitation price for single family housing, as determined by the HUD Secretary.

The proposed resale restriction will comply with federal requirements, ensuring the initial purchaser with a fair return on their initial investment and ongoing affordability of the home. Under the land trust model, the homebuyer only purchases the improvements. The land trust retains fee title to the land. The homeowner can recover its purchase price for the improvements and its share of market value appreciation. At resale, the home is made affordable to substitute income qualified homebuyers because the new homebuyer only has to finance the improvements and the sale price is restricted by the terms of the ground lease. These requirements are spelled out in a Declaration of Restrictive Covenants and all necessary documents related to the developer's program (i.e. land trust Ground Lease and Housing Subsidy Covenant.) In consideration for the title of the land, the Land Trust provides an affordability investment that makes the home affordable for low-moderate income households in perpetuity. In most cases they provide anywhere from 2-3 times the value of the land (for example, land value may only be \$15,000, but they are providing \$50,000 in affordability assistance to the home). They are using the land as the mechanism to ensure the long-term affordability.

All purchasers will be required to maintain the property as their principal residence for the period of affordability as shown below. If the purchaser does not owner occupy the property for the required time period the entire amount of

the HOME funds invested in the property will be due and payable to the City of Minneapolis.

The actual affordability period(s) will be required based on the amount of HOME funding in the project.

<b>Per unit amount of HOME funds</b>	<b>Minimum Period of Affordability</b>
Under \$15,000	5 Years
\$15,000 - \$40,000	10 Years
Over \$40,000	15 Years

## **Buyer Financing**

### First Mortgage Lending

Under the Home Ownership Works program, eligible households may be able to apply for a mortgage loan through one of the City's participating lenders, where interest rates are typically below market rates for a 30-year mortgage. If needed, down payment and closing cost loans will be available through various lenders and non-profit organizations. Purchasers will need a minimum of a 1% down payment, plus an estimated 3% for closing costs and pre-pays.

### Affordability – Direct Buyer Assistance

Most of the Home Ownership Works buyers are only able to purchase with direct buyer assistance in the form of a second mortgage provided by the City using HOME funds. The use of these HOW second mortgages will continue and are needed to keep the properties affordable to low and moderate-income households. A deferred second mortgage up to a maximum amount of \$14,999 may be available to households, through this HOME funded program, on an as-needed basis. The recapture provision will be enforced through a second mortgage. The term of the second mortgage is tied to the term of the first mortgage. The entire amount of the direct buyer assistance will be repaid from the net sales proceeds, if any, at the time of sale or refinance. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs. Any repayments received upon sale will be placed into the Minneapolis HOME account for future production or as direct buyer assistance for affordability. Failure to occupy the property as the principal residence would require an immediate repayment of the full amount of HOME funds invested in the property

## **Non-profit Participation**

The developer or their agent will perform property selection, buyer outreach, marketing, rehabilitation, construction and counseling. However, in instances

where the properties will be owned by City during the development process, the City will contract with a local non-profit entity to perform construction management services and marketing. The non-profit entity will also be required to provide homebuyer counseling.

### **Property Selection and Purchase**

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

### **Citizen Participation**

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

### **Council Approval**

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

### **Rehabilitation**

Rehabilitation standards would include the housing maintenance standards, HOW Renovation Standards, energy efficiency, lead abatement, and ease of maintenance and long term maintenance issues. While the homes will be rehabilitated to be an asset to the neighborhood and to avoid high maintenance costs, some economies will be made to avoid excessive rehabilitation costs. For example, newer roofs, furnaces, water heaters, etc., which are functioning properly and with an expected 7 to 10 year usable life expectancy, may not be replaced. The general rule will be to ensure that the owner does not experience major replacement costs for a minimum of the first seven years of ownership, and that the home will be eligible for FHA financing.

### **New Construction**

Due to the increased costs of acquiring and renovating sub-standard housing, new construction is allowed in the HOW Program. Provided homeowners do the required general and annual maintenance, these newly constructed homes should assure homeowners minimal mechanical and structural problems for over twenty years. Homeowner occupancy requirements for new construction will be 15 years. Any sale or transfer of the property from its original owner within the affordability period will comply with the affordability requirements specified above under "Program Mechanics." Any repayments received will be placed into the

Minneapolis HOME account for future production or as buyer affordability assistance.

## **Marketing**

HOW properties will be marketed and advertised after renovation/construction through newspapers and MLS. Marketing will be established on a pay per performance basis and will be performed by realtors' active in and familiar with the Minneapolis market. The marketing for resale of any eligible property will be affordable to households at or below 80% of AMI and will not exceed 95 percent of the area median purchase price or after-rehabilitation price for single family housing, as determined by the HUD Secretary.

## **4. 2013 HOME/CDBG Multifamily Guidelines**

### **Affordable Housing Trust Fund Administrative Guidelines**

In 1982, the City of Minneapolis began a new housing program called the Multi-Family Rental and Cooperative Housing Program to finance the production of new or rehabilitated affordable rental units. In 2002, the City Council changed the name of this program to the Affordable Housing Trust Fund. The primary sources of funds for this program are HOME and CDBG monies. This program provides funds to affordable rental projects that need gap financing assistance to cover the difference between total development costs and the amount that can be secured from other sources. Applications for program funds will be solicited through a Request for Proposals scheduled to be advertised beginning June 2013. CPED staff evaluates the projects, based upon the selection criteria outlined below, and further described in the Request for Proposals, and make recommendations for funding commitments to the City Council.

### **Program Goals**

The primary purpose of the Affordable Housing Trust Fund Program is to assist in the financing of the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. The Affordable Housing Trust Fund Program is designed to assist with the implementation of the Unified City of Minneapolis Housing Policy, previously referred to as the Affordable Housing Policy (City Council Resolution 2004R-260). Program funds are available on a competitive basis to projects that need gap financing to cover the difference between total development costs and the amount that can be secured from other sources. All rental housing projects of 10 units or more funded by the Affordable Housing Trust Fund Program shall have at least 20% of the

units affordable to households at or below 50% of Metropolitan Area Median Income (AMI) for the term of the loan.

Affordability Periods are as follows:

<b>Per unit dollar-amount of HOME funds for Rehab or Acquisition of Existing Housing</b>	<b>Minimum Period of Affordability</b>
Under \$15,000	5 Years
\$15,000 - \$40,000	10 Years
Over \$40,000	15 Years
New Construction or Acquisition or newly constructed housing	20 Years

### **Compliance with Policies and Regulations**

Further details can be found at <http://www.minneapolismn.gov/ahtf> on how the program complies with federal policies and regulations as well as project selection criteria used by CPED (as evidenced by the 2012 solicitation), or can be obtained through request to CPED. For more information, please contact Matt Goldstein at 612-673-5075.

### **Eligible Uses of Funds**

CDBG funds may be used for the following eligible activities: acquisition, clearance, site improvements, rehabilitation, and related soft costs, if necessary and if done in conjunction with rehabilitation. Typically, CDBG funds may not be used for new construction, however, in certain instances CDBG regulations permit funds to be used for new construction (for example, if the activity is undertaken by a neighborhood-based non-profit entity meeting HUD definitions).

HOME funds may be used for new construction in geographic areas that are not minority concentrated, and for rehabilitation of existing units provided no bedrooms are added to those units. Proposed sites for new construction must be approved by CPED for meeting HUD regulations relative to site and neighborhood standards (including the City's definition of minority concentration areas). HOME funds may be used for the following eligible project activities: development hard costs, acquisition costs, related soft costs and relocation costs. No disbursement of funds under this program is made until total project financing is in place and project closing has occurred. HOME funds may be used for new construction in certain instances. Proposed sites for new construction must be approved by CPED for meeting HUD regulations relative to site and neighborhood standards.

## **Administration**

The administration of the Affordable Housing Trust Fund Program is the responsibility of CPED's Residential Finance Division following established policies and procedures that are publicly advertised along with the annual Request for Proposals public application solicitation.

## **Procedure**

CPED annually allocates funding from the Affordable Housing Trust Fund. Reallocated funds from prior proposals that were unable to demonstrate project viability are also advertised. Staff reviews proposals against the established program goals, objectives, underwriting criteria, and related performance standards and present recommendations for funding to the City Council. Developers are required to submit their proposals to the appropriate neighborhood group for review and comment prior to the City Council approving a funding award.

## **Repayment of Program Funds**

The repayment of program funds will be structured on a project-by-project basis. Repayment may take the form of an amortized loan, distribution from annual project cash flows, repayment at time of sale, refinancing or conversion, or other acceptable forms of repayment such as a shared loan. Repayment of program funds is required of all developers, both profit and non-profit, who use the Affordable Housing Trust Fund, however, if later in a project's history the affordability of units becomes an issue, the payback of the program funds may be restructured to maintain that affordability.

## **HOME Other Forms of Assistance (Match)**

There are no other forms of investment in the City's HOME Program as described in 24 CFR92.205 (b.). Matches to the program include, but are not limited to the following:

- ◆ Cash contributions (e.g. housing trust funds, foundation grants, and private donations)
- ◆ Proceeds from Affordable Housing Bonds
- ◆ Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

Based on previous years' performance, HOME program income for 2013 is estimated to be \$220,000.

**HOME Affirmative Marketing Program plus Minority and Women Business Outreach**

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

**5. 2013 Affirmatively Furthering Fair Housing**

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

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

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

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

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

<b>Impediment (s)</b>	<b>Action</b>	<b>Organization</b>	<b>Resources</b>
<ul style="list-style-type: none"> <li>• Discriminatory terms and conditions for racial and ethnic minorities in rentals</li> <li>• Discrimination and harassment in the rental markets</li> </ul>	Services including complaint intake, investigation, advocacy and litigation	Mid-Minnesota Legal Aid-Housing Discrimination Law Project	CDBG
<ul style="list-style-type: none"> <li>• Poor documentation of fair housing activities, especially enforcement activities, such as housing complaint responses</li> </ul>	Enforcement of City fair housing ordinance; case investigation	Minneapolis Civil Rights Department	CDBG
<ul style="list-style-type: none"> <li>• Insufficient system capacity</li> <li>• Discriminatory terms and conditions for racial and ethnic minorities in rentals</li> <li>• Discrimination and harassment in the rental markets</li> <li>• Discrimination of Section 8 voucher holders</li> </ul>	Advice and representation with special emphasis on housing and shelter-related issues	Mid-Minnesota Legal Aid	CDBG
<ul style="list-style-type: none"> <li>• Lack of sufficient outreach and education</li> </ul>	Pending request for proposal to work with cultural and ethnic affinity groups to deliver fair housing education	TBD	FHIC

Additional affirmative steps in addressing fair housing impediments:

<b>Impediment (s)</b>	<b>Action</b>	<b>Organization</b>
Policies and practices that have contributed to concentrations of protected classes in selected areas of the community	Relocation plans required of any developer who plans to demolish existing housing, as well as the HUD one-for-one replacement requirement.	CPED
Lack of sufficient outreach and education	Citizen information number (311) refers callers to First Call for Help and Housing Link that provide information about housing programs throughout the City of Minneapolis in other languages. The City of Minneapolis Neighborhood and Community Relations Department provides Spanish, Hmong and Somali interpretive services for CPED housing programs.	CPED, NCR
Insufficient system capacity; Disproportionately high home purchase denial rates for racial and ethnic minorities	Homeownership Center provides training and counseling services to individuals purchasing homes. These services are offered in several languages and provide the necessary information needed to navigate the home buying process.	CPED, Homeownership Center
Disproportionate shares of racial and ethnic minorities in selected areas	CPED requires as part of affirmative marketing agreements, the advertisement of developed units in community newspapers.	CPED
Lack of sufficient outreach and education	Minneapolis Public Housing Authority use of marketing position to recruit new Section 8 landlords. The recruitment has taken on various concerns, one of which is larger family units.	MPHA
Policies and practices that have contributed to concentrations of protected classes in selected areas of the community	All city-assisted development projects are required to provide Section 8 acceptance.	CPED
Discriminatory terms and conditions for racial and ethnic minorities in rentals	The City has instituted a tenant screening ordinance which applies to all rental licensees	City of Minneapolis

### **Consolidated Plan Programs**

- *Metro Fair Housing Actions through FHIC (CDBG) – 1 Organization*

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

**J. 2013 Addressing Homelessness and Those Threatened with Homelessness**

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

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

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

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

**2013 Actions to Address Homelessness**

The City intends to pursue the following strategies with its Consolidated Plan funds to meet the needs of the homeless. The strategies encompass a variety of approaches to address needs of the homeless and those threatened with homelessness. The City will continue to fund a City/County Coordinator of Homelessness with its Consolidated Plan funds. This position will staff the development and implementation of the

Heading Home Hennepin strategic plan (HUD Continuum of Care Strategy).

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

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

**ESG:** The city will budget ESG resources to the rehabilitation/renovation of shelters in the city, street outreach, and provide funding for homelessness prevention and rapid re-housing services. Between rapid re-housing and homelessness prevention services preference is given to rapid re-housing services.

Under ESG, the City will seek to budget the greater of its Hold Harmless amount (\$558,377) or 60 percent of the grant annually to shelter rehabilitation and street outreach activities. Funds outside of this amount will be budgeted to administrative activities (7.5% of grant amount) and to homelessness prevention and rapid re-housing activities.

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

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

New:	166
Rehab:	446

## **K. 2013 Community Development Objectives**

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

### **1. Public Facilities**

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

Medium Priority Strategies

**Public Facilities (General)**

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

**Neighborhood Facilities**

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

**Child Care Centers**

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

**Senior Centers**

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

**Youth Centers/Handicapped Centers**

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

**Park and Recreational Facilities**

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

**2. Public Services**

<b>Goal CD-2</b>	<b>Support the Community Safety Net</b>
Objective CD-2a	Provide support to City’s senior citizens

Medium Priority Strategies

**Senior Services**

Support programs that allow seniors to be self-sufficient

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

Medium Priority Strategies

**Health Services**

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

Medium Priority Strategies

**Child Care Services**

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

<b>Goal CD-2</b>	<b>Support the Community Safety Net</b>
Objective CD-2c	Provide resources to vulnerable citizens

Medium Priority Strategies

**Public Services (General)**

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

**Consolidated Plan Programs**

- *Access and Outreach Multicultural Services (CDBG) – 1,100 People*
- *Domestic Abuse Project – 160 People*

**Substance Abuse Services**

Coordinate with county to promote culturally sensitive substance abuse programming

**Mental Health Services**

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

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

Medium Priority Strategies

**Youth Services**

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

**Consolidated Plan Programs**

- *Youth Employment and Training (CDBG) – 463 People*
- *Way to Grow (CDBG) – 500 People*
- *Juvenile Supervision Center (CDBG) – 750 People*
- *Youth Coordinating Board (CDBG) – 1 Organization*

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

Medium Priority Strategies

**Public Services (General)**

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

**Consolidated Plan Programs**

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

**3. Economic Development**

The City community and neighborhood development programs, through CPED, engage with businesses directly, as well as through business associations, neighborhood associations, and community development corporations. As part of its outreach, program staff engages in business consultation services in collaboration with SCORE through the Minneapolis Public Library. The economic development staff works closely with the development community through various forums, planning

processes, and development solicitations. The City Council established the Great Streets Business District program in 2007 to sustain vibrant commercial districts and economic activity throughout the City of Minneapolis. The program includes business and commercial real estate development loans, grants for business technical assistance and district-wide marketing and recruitment efforts, and façade improvement matching grants to business and property owners. CPED’s Industry Cluster programs work directly with the Minneapolis Private Industry/Workforce Council, made up of 19 Mayoral appointments, to provide strategic guidance for the broad partnerships that make up the local workforce development, service delivery system for area jobseekers and employers. Workforce Council members are leaders and key decision-makers within their organizations and/or the community, including business owners and executives as well as agency and program directors.

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

High Priority Strategy

**Economic Development Direct Financial Assistance to For-Profits**

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

**Consolidated Plan Program**

- *Adult Training Placement and Retention (CDBG) – 450 Jobs*

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

-

High Priority Strategies

**Rehab, Publicly or Privately-Owned Commercial**

Rehabilitate commercial properties to keep them marketable

**Consolidated Plan Program**

- *Great Streets: Community Economic Development (CDBG)*  
– 2 Businesses

### Medium Priority Strategies

#### **Commercial Industrial Land Acquisition/Disposition**

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

#### **Commercial Industrial Infrastructure Development**

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

#### **Other Commercial Industrial Improvements**

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

#### **Economic Development Technical Assistance**

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

#### **Micro-Enterprise Assistance**

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

### **L. 2013 Anti-Poverty Objectives**

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

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

The Department of Community Planning and Economic Development (CPED) works to assist local businesses in navigating financing and regulatory issues that they may encounter in either seeking or expanding a site in the City. CPED pursues Brownfield redevelopment initiatives to clean up old industrial sites to make them “green” again and attractive for

business investment. These efforts seek to broaden the availability of business opportunities providing jobs to the City’s low and moderate-income residents.

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

Minneapolis continues to review issues of concentrated poverty, housing choice and the needs of its low and moderate-income residents when designing its housing and economic development programs. The City is actively working to deconcentrate poverty, increase the variety of housing options and support residential displacement and relocation policies. As a HUD recipient, the City offers Section 3 assistance through project notification procedures, bid requirements, and monitoring applicable projects. This expands economic opportunities to the City’s very low- and low-income residents. The Section 3 promotion and enforcement monitoring is delivered through the Civil Rights Department.

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

**M. Non-Homeless Special Needs Housing**

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

**1. 2013 Non-Homeless Special Needs Objectives**

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

**Consolidated Plan Program**

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

The City supports the creation of housing units for special needs populations. When possible these units should be in the form of supportive housing. The City anticipates the following 2010-14 goals for special needs housing. Annual goals will depend on developer response

to annual Affordable Housing Trust Fund solicitations, but are projected to be:

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

The City can support these goals through the following strategies:

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

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

**Elderly/Frail Elderly**

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

**Severe Mental Illness**

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

- ◆ Encourage the development of practice apartments within new developments to give people the chance to learn independent living without jeopardizing their rental history, and for mental health services to realistically assess service needs.
- ◆ Use available federal, state, and local resources to assist in the development of supportive housing units for persons with mental illness.

**Developmentally Disabled**

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

**Physically Disabled**

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

**Persons with Alcohol/Other Drug Addiction**

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

**Veterans**

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

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

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

**HOPWA Program-Specific Requirements**

The HOPWA allocation to the City of Minneapolis is for expenditure in the Metropolitan Statistical Area comprising eleven counties in Minnesota (Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright), three cities in Minnesota (Minneapolis, Saint Paul and Bloomington) and two counties in Wisconsin (Pierce and Saint Croix.) Based on the current 2013 City Adopted Budget, on behalf of the metropolitan area, the City is basing its 2013 HOPWA funding on last years 2012 level of \$1,019,484. These funds are advertised by the City of Minneapolis each year through a Request for Proposal (RFP) process.

The purpose of HOPWA funding is to help those with HIV/AIDS achieve and maintain housing stability, avoid homelessness, and improve access to HIV/AIDS treatment and related care through emphasis on permanent supportive housing. The Minnesota HIV Housing Coalition is the community planning and advisory group that assists with identifying the housing needs for persons living with HIV/AIDS in the EMSA served by the Minneapolis HOPWA grant. Based on their recommendation, renewals for existing programs, providing continuum of care strategies, are a HOPWA funding priority, and if funds appropriated exceed the amount necessary to continue those programs at comparable levels (or if priorities change to address changing needs) funds should be made available for capital projects.

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

HUD Table 3-Proposed Projects table describes the projects to receive 2013 HOPWA funds awarded. The City estimates that 140 households will receive housing assistance through these programs.

### **Consolidated Plan Programs**

- *Minnesota AIDS Project Transitional Housing Program (HOPWA) – 82 Households*
- *Metropolitan Council HRA Housing Assistance Program (HOPWA) – 58 Households*

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

Minneapolis does have populations of people that are not homeless, but are precariously housed and in need of supportive services to allow them

to remain in their current housing situations, or retain a sustainable living environment. While Hennepin County is the primary provider of most non-housing social services, the City does provide for some of these needs through use of its CDBG funds devoted to public service programming.

## **N. CDBG Program Requirements**

### **CDBG Program Income**

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

### **CDBG Float-Funded Activities**

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

### **CDBG Location of Proposed Activities**

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

### **CDBG Contingency Funds**

The City has budgeted all 2013 CDBG funds to programs in FY 2013.

### **CDBG Urgent Needs**

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

## **CDBG Revolving Funds**

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

## **CDBG Statement of Objectives**

City Goals for City budgeting purposes are:

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

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

## **CDBG Statement of Displacement Policies**

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

### **O. Emergency Solutions Grant (ESG) Program Requirements**

<b>Goal HM-1</b>	<b>Support Persons Suffering from Homelessness</b>
Objective HM-	Support movement of homeless families and individuals

1a	toward permanent housing
Objective HM-1b	Contribute capital resources to address supportive housing and shelter needs consistent with strategies of Continuum of Care and the Heading Home Hennepin Plan to End Homelessness

The ESG program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. Assistance can be provided to emergency shelters. ESG funds will be made available for shelter rehabilitation, street outreach and homelessness prevention and rapid rehousing through the City's Community Planning and Economic Development Department (CPED). Eligible sub recipients under ESG can be local government agencies or private nonprofit organizations.

Further discussion of the needs of and strategies for persons experiencing homelessness and those threatened with homelessness were covered in an revised Chapter 3 to the 2010-14 Consolidated Plan Five-Year Strategy as part of the 2012 Consolidated Plan

### **1. Summary of ESG Consultation Process**

The Emergency Solutions Grant coordinates with the local Continuum of Care planning process that is countywide including Minneapolis. The Heading Home Hennepin (HHH) initiative is the local Continuum of Care and is the local 10 year Plan for Ending Homelessness. It is under the direction of the Heading Home Hennepin Executive Committee and staffed by the City-County Office to End Homelessness. The HHH Executive Committee includes homeless/formerly homeless members in its makeup and its planning committees and subcommittees include homeless/formerly homeless individuals. The role of the Executive Committee is to provide overall policy direction and oversight to the implementation of the Heading Home Hennepin plan. The Continuum of Care work and oversight of the Homeless Management Information System (HMIS) is the responsibility of the Executive Committee's Housing Committee and Continuum of Care Subcommittee. The HMIS oversight work includes the development of funding, policies, and procedures for the operation and administration of HMIS. This work is governed by a written agreement with the local and state HMIS lead agency, Wilder Research Center of St. Paul, Minnesota.

Initial consultations on the Emergency Solutions Grant began in December 2010 with discussions with the City-County Office to End Homelessness, Hennepin County and the State of Minnesota on what the new HEARTH Act requirements would mean for local programming. These discussions continued after the publication of HUD interim regulatory guidance pertaining to the Emergency Solutions Grant. The concept and description of ESG use among eligible activities was outlined for and approved by the Heading Home Hennepin Executive Committee on February 3, 2012.

Consultation on the implementation of the ESG grant continues with Heading Home Hennepin Executive Committee and its respective committees during the life of the grant.

## **2. Summary of Citizen Participation**

The City is using the citizen participation process as outlined in Chapter 1 of the 2013 Consolidated Plan for receipt of comments on FY13 Proposed Program.

## **3. Proposed Activities**

For FY 2013 the city will budget ESG resources to the renovation/rehabilitation of emergency and transitional shelters in the city, and providing funding for homelessness prevention, rapid re-housing and outreach services. Between rapid re-housing and homelessness prevention services preference is given to rapid re-housing services.

Under ESG, the City will seek to budget the greater of its Hold Harmless amount (\$558,377) or 60 percent of the grant annually to shelter rehabilitation and outreach activities. Funds outside of this amount will be budgeted to administrative activities (7.5% of grant amount) and to homelessness prevention and rapid re-housing activities. Some estimated funding is reserved for any HMIS costs that the City will incur in participation in ESG.

Homelessness Prevention and Rapid Re-housing activities funded will be determined from project solicitations received from a Request for Proposal process to be announced later this spring. Projects funded under these eligible activities may provide housing relocation and stabilization financial assistance/services and/or rental assistance.

The priority needs addressed with the City's ESG funds will be consistent with the needs addressed in the Heading Home Hennepin strategic plan.

Projects and activities will need to be selected and funds obligated to these projects/activities within 180 days of a signed HUD grant agreement. Projects/activities have up to 24 months after the date of the signed HUD grant agreement to expend ESG funds.

ESG projects and activities will address the following HUD ESG objectives and outcomes:

<b>Shelter Renovation/Rehab</b>	
Performance Objective	Create Suitable Living Environment
Performance Outcome	Availability/Accessibility
<b>Homeless Prevention</b>	
Performance Objective	Provide Decent Affordable Housing
Performance Outcome	Affordability
<b>Rapid Re-housing</b>	
Performance Objective	Provide Decent Affordable Housing
Performance Outcome	Affordability

#### **4. ESG Match**

A one-for-one match is required for the ESG grant. It will be obtained by eligible match contributions received and expended by sub recipients during the program year that applies to the ESG funding. Match will only be counted if it is used by the sub recipient to support eligible ESG programming and activities. The city will consider meeting its one-for-one match requirement through the totality of the ESG activities that it will fund and the matches that the sub recipients provide.

Sources of match by sub recipients can be unrestricted federal, state, local or private sources; however, if any match is federal the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG (no reciprocal federal matching). There cannot be any restrictions on proposed match that would preclude it from being used for eligible ESG activities.

#### **5. ESG Funding Priorities**

##### **Shelter Rehabilitation/Renovation**

The City has traditionally used its ESG awards to provide rehabilitation and renovation assistance to shelters in the city. Historically, the City has received funding requests in excess of available funding, demonstrating a high demand for this funding program. A shelter's physical condition has a shorter life span than similar structures and necessitates frequent rehabilitation to keep shelters in safe and sanitary condition and current with code. Throughout the city, there are over 1,400 emergency shelter beds. A recent survey of recent recipients of the City's ESG funding indicated over \$2 million in likely rehabilitation needs over the next five years.

Assisted rehabilitation/renovation properties must be located in the City of Minneapolis or Hennepin County serving Minneapolis families and individuals. Awards are through an annual Request for Proposal (RFP) process issued through the Minneapolis Community Planning and Economic Development department. The RFP is scheduled for late spring 2013. Matches to the program award are required, and can be in the form of operating costs funds provided by other entities to recipient projects. Other match sources for projects can include rehabilitation-specific contributions from Minnesota Housing, foundations, and private sources. Required qualifications of proposals are:

- ◆ Organization submitting proposal is eligible to apply for ESG funding
- ◆ The project applicant demonstrates sufficient knowledge, experience and capacity to undertake and complete proposed rehabilitation project.
- ◆ The facility to be rehabilitated and the costs to be incurred are eligible for ESG funding
- ◆ The proposed project is cost effective.
- ◆ The rehabilitation/renovation must be completed by 24 months after the date of the HUD grant agreement awarding the City's ESG award.
- ◆ Upon completion of the rehabilitation/renovation, the facility must be used as a shelter for three or ten years, per HUD regulations.
- ◆ The proposed project complies with local policies and funding guidelines, including the City of Minneapolis Consolidated Plan.
- ◆ All recipients are required to participate in the HMIS system.
- ◆ Shelters assisted under this activity must at minimum meet the shelter and housing standards as outlined in 24 CFR 576.403.

The following types of proposals will receive priority consideration for ESG support:

- ◆ Larger capital requests, (proposals with costs exceeding \$50,000)
- ◆ Requests with realistic, detailed scope of work and projected costs including soft costs
- ◆ Projects that can start within 6 months of project approval

- ◆ Projects with potential for leveraging other funds to help cover the rehabilitation costs

### **Street Outreach**

ESG funding will be provided for street outreach services made available to individuals meeting the Category 1 and 4 definitions of homelessness. The work will be done through a contract with St. Stephens Human Services. Outreach services provided will consist of engagement, case management, emergency health services, emergency mental health services, transportation and unique services for special populations that seek to connect users to housing opportunities and support services for which they are eligible.

### **Rapid Re-housing**

The City will issue a Request for Proposals (RFP) for projects/activities that can service the eligible rapid re-housing portion of ESG. This RFP will also request homeless prevention services as well but as noted above, the City will prefer funding rapid re-housing over homeless prevention services. This preference is in line with HUD analysis of what worked under the Homelessness Prevention and Rapid Re-housing Program grant.

Rapid re-housing will serve Minneapolis residents -- homeless families and single adults without children who reside in a Hennepin County sited homeless shelter (previous permanent address was within Minneapolis) as well as unaccompanied youth who are verifiably homeless according to the HUD definition found below. These clients must have an annual income at or below thirty (30%) of HUD area median family income. Specifically homeless is defined by HUD in 24 CFR §576.2 as:

- (1)** An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or

- (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;
- (2)** An individual or family who will imminently lose their primary nighttime residence, provided that:
- (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - (ii) No subsequent residence has been identified; and
  - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;
- (3)** Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
- (i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
  - (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention or criminal activity, and a history of unstable employment;
- (4)** Any individual or family who:
- (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has

either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

- (ii) Has no other residence; and
- (iii) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

Use of funds under the Rapid Re-housing eligible activity can be for short-term or medium-term rental assistance to achieve permanent housing and stability. This rental assistance should be for no longer than necessary for the recipient to obtain permanent housing. The rental assistance can either be tied to the recipient or consist of project-based assistance that can "float" within a development serving eligible recipients.

Housing relocation and stabilization services can also be provided under Rapid Re-housing. These services can consist of financial assistance or services. Financial assistance is provision of rental application fees, security deposits, last months rent, utility deposits, utility payments and moving costs. Financial services can include housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

### **Homelessness Prevention**

The City will issue as described above a Request for Proposals (RFP) for projects/activities that can also provide ESG eligible homelessness prevention services to Minneapolis resident renters. Homelessness prevention services will be a secondary consideration to rapid re-housing in making project/activity awards. Prospective applicant agencies can offer to provide both eligible uses in their applications. Funding provided to clients under homelessness prevention must be last resort funds required to keep in housing a person/household at risk of homelessness. Similar target populations noted under rapid re-housing are also sought to be served under homelessness prevention. A person/household at risk of homelessness is defined as:

- (1)** An individual or family who:
  - (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
  - (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "Homeless" definition in this section; and
  - (iii) Meets one of the following conditions:

- a. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
- b. Is living in the home of another because of economic hardship;
- c. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
- d. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
- e. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
- f. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
- g. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

**(2)** A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

**(3)** A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

For purposes of the above definition’s paragraph (g), someone who lives in housing that has characteristics associated with instability and an increased risk of homelessness is defined as follows. A renter household with income at/or below 30% of median income adjusted for family size and whose housing costs exceed 50% of their income and upon provider assessment is shown to be at imminent risk of losing existing housing. Use of funds under the Homelessness Prevention eligible activity can be for similar uses as under Rapid Re-housing. Projects can be for short-term or medium-term rental assistance to retain permanent housing and

stability. This rental assistance should be for no longer than necessary for the program participant to be stabilized in existing housing.

Housing relocation and stabilization services can also be provided under Homelessness Prevention. These services can consist of financial assistance or services. Financial assistance is provision of rental application fees, security deposits, last months rent, utility deposits, utility payments and moving costs. Financial services can include housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

## **6. FY 2013 ESG Budget**

A HUD-prescribed budget table format for FY13 ESG funds is presented on the following pages. The budget presumes the ESG grant amount as approved by the City Council in December 2012. This amount is subject to change upon formal notification from HUD and it is currently proposed that any reductions in the budget be equally apportioned among eligible activities. As described above, the preference for an RFP for Rapid Re-housing and Homelessness Prevention services will be for funding rapid re-housing services. However, it is unknown at this time, exactly how potential applications may fit within each of these two eligible activities, so for purposes of the budget table, the funds are placed on the Rapid Re-housing line. Housing Relocation and Stabilization Services and Rental Assistance are budget subsets of the respective Homelessness Prevention and Rapid Re-housing budget categories and are unknown at this time. The FY13 grant budget includes a \$150,000 budget for an outreach services contract to be awarded to St. Stephen's Human Services. Shelter renovation under the FY13 grant will be \$475,722. Estimated funding of \$2,000 is reserved for any HMIS costs that the City will incur in participation in ESG and is subject to further review based upon HMIS Lead Agency guidance. Administration is set at 7.5% of grant.

FY 2013 Detailed Budget Table			
Grant Amount	\$	778,222	Emergency Solutions Grants
			Program Allocations
Total Administration	\$	58,366	
			Total Fiscal Year 2013
	Eligible Activities	Activity Amount	Activity Amount
Emergency Solutions Grants Program	Emergency Shelter**		\$ -
	<i>Renovation**</i>	\$ 408,377	\$ 408,377
	<i>Operation**</i>		\$ -
	<i>Essential Service**</i>		\$ -
	<i>URA Assistance**</i>		\$ -
	Street Outreach - Essential Services**	\$ 150,000	\$ 150,000
	HMIS	\$ 1,000	\$ 1,000
	Rapid Re-housing		\$ 160,479
	<i>Housing Relocation and Stabilization Services</i>		
	<i>Tenant-Based Rental Assistance</i>		\$ -
	<i>Project-Based Rental Assistance</i>		\$ -
	Homelessness Prevention		\$ -
	<i>Housing Relocation and Stabilization Services</i>		\$ -
	<i>Tenant-Based Rental Assistance</i>		\$ -
	<i>Project-Based Rental Assistance</i>		\$ -
	Administration- CPED	\$ 53,366	\$ 53,366
	Administration- IGR	\$ 5,000	\$ 5,000
	<b>Emergency Solutions Grants Subtotal</b>		<b>\$ 778,222</b>

## 7. ESG Written Standards for Assistance

The following ESG Written Standards for Assistance are presented in outline form and intended to provide a guide to how the City will implement the homelessness prevention and rapid re-housing services aspects of the ESG grant as well as outline the standards used in local emergency shelter and street outreach supported efforts. Italicized text is the HUD guidance on what the respective written standards should address as outlined in the 24 CFR 576 amended regulations. These Standards will be reviewed as an RFP for HP/RR services is developed and that RFP will

reflect prioritized standards as of the issuance of the RFP. Changes to the standards outlined below in any resultant RFP will not be considered a substantial change to the Consolidated Plan.

### **Policies and procedures for establishing eligibility for assistance**

*Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG);*

- ◆ Street Outreach: Services are provided to individuals who meet the Category 1 and 4 definitions of homelessness. The individuals must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelters.
- ◆ Rapid re-housing: Minneapolis resident homeless families and single adults without children including unaccompanied youth who reside in a Hennepin County sited homeless shelter (whose previous permanent address within 3 months of entering shelter was within Minneapolis). These clients must have an annual income at or below thirty (30%) of HUD area median family income and meet the definition of homeless as set out in 24 CFR §576.2
- ◆ Homelessness Prevention: Minneapolis resident renters who are established as at-risk of homelessness as set forth in 24 CFR §576.2 as described above.
- ◆ Required documentation of the above will be made by providers by first attempting to get third-party verification of homelessness status. Other acceptable documentation options in secondary order of rank is 1) case manager verification of eligibility; and 2) self-report verification of eligibility combined with justification of efforts made and reasons for a lack of success in obtaining third-party or case manager verification of status.
- ◆ Applicant's level of need will be established through provider verification of resources available to the applicant household, financial and otherwise.

### **Standards for targeting and providing essential services related to street outreach**

ESG funding will be provided for street outreach services made available to individuals meeting the Category 1 and 4 definitions of homelessness. The individuals must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelters. Outreach services provided will consist of

engagement, case management, emergency health services, emergency mental health services, transportation and unique services for special populations that seek to connect users to housing opportunities and support services for which they are eligible. A community services team will perform outreach work in coordination with community stakeholders, public safety personnel and businesses and residents to identify and connect with homeless individuals in targeted areas in and around downtown Minneapolis as identified by public safety officers. Outreach will also be made to frequent users of emergency services as identified by program partners. Once contact is made, the outreach staff will triage a participant's housing and other needs and eligibility for referral to appropriate housing and support services options.

**Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG**

*Standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, e.g., victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest;*

Emergency shelters potentially served by Minneapolis ESG funds fall under Hennepin County emergency shelter policies. Users of these emergency shelter services all meet the four respective categories of homelessness under the HEARTH definition of homelessness. Specific populations served by these shelters are:

Families with children or individuals who are pregnant—the County contracts with family shelters to provide emergency shelter to Hennepin County families who are without resources to meet their housing needs. No families are turned away and all are given vouchers after meeting with a county Shelter Team staff. As long as families are working on their case plan, they are eligible for renewed vouchers. There is no maximum length of stay. Once stable housing is identified for them, families are provided with assistance for damage deposits, prorated rental assistance, arrear payments for utilities primarily through emergency assistance funds. Non-County residents are referred to emergency shelter assistance resources in their county of residence. Families who wish to relocate are provided with assistance to do so only if there is verified employment or housing at the relocation site.

Young Adults—ages 18-21 are identified as special needs and eligible for emergency homeless sheltering through the County. The County contracts with several shelter and safe waiting facilities. An intake assessment and action plan with a County caseworker is developed.

Single Adults—the County contracts with several shelters and safe waiting spaces for sheltering single adults. Shelter beds are available to those who receive federal disability benefits, are qualified for state cash benefits, are an active county social service case, or are a special need (fleeing domestic abuse, have a mental/physical impairment/disability or are ill). Those who cannot qualify or cannot be served by a shelter program are provided with safe waiting space. There are no maximum lengths of stay, clients are provided with access and referrals to county health case management services. As with families, an individual wishing to relocate may be provided with assistance to do so if there is verified employment or housing at the relocation site.

Single Adults can opt to participate in a weekly shelter lottery provided by three private emergency shelters. Two of the shelters are for sober users, one permits non-sobriety. Beds obtained in the lottery can be used up to 28 days with renewals permitted if there is a housing plan in place. If no progress is made evident on the housing plan, a renewal may not be allowed.

All intake assessments for the above populations triage the respective client housing situations and availability. Where resources are available or found, rapid exit into non-shelter housing is made first. Those with the highest barriers to finding housing are provided with shelter while a stabilization and housing plan is developed with a caseworker.

### **Policies and procedures for coordination among providers and mainstream providers**

*Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers (see § 576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);*

- ◆ Heading Home Hennepin has several committee workplans demonstrating coordination of services among providers. These along with HPRP lessons, will inform on framework elements to be considered in allowing for ESG to address existing gaps in continuum services or supplement other continuum efforts.
- ◆ Service providers will identify other appropriate and available services (employment, training, education, income supports, etc.) to assist the participant to achieve stable, permanent housing as part of a Housing Stability Plan to be developed with the clients.

- ◆ Further development of coordinated assessment will need to occur as the city and county implements ESG programming and as HUD establishes requirements for such assessment system. To date the county does have some level of coordinated assessment for families while systems for single adults and youth are at various stages of development. HMIS participation will be required of all funding recipient agencies. Any victim service providers funded under the city's ESG program will not need to participate in HMIS but may use an equivalent intake and assessment system as described in 24 CFR §576.400.

### **Policies and procedures for prioritizing and determining whether HP or RR**

*Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance;*

Households must be assessed to determine whether or not the members are eligible to receive ESG-funded services prior to the actual delivery of those services. This assessment must consider whether homelessness prevention or rapid re-housing is the appropriate form of assistance for each eligible household that has been determined.

The initial assessment by providers must determine 24 CFR §576.2 and income eligibility and level of need (including analysis of sufficient resources or support networks) as described above in determining eligibility for assistance. Households that are judged to have the highest level of barriers to stable housing will be given priority for rapid re-housing. For homelessness prevention assistance, those households that are at most imminent threat of losing stable housing, as measured through a combination of housing costs in arrears, household size, barriers to stable housing, and projected re-housing costs, will be given priority.

Households that have sought assistance during the prior twelve months will be given lower priority than those households that have not received assistance during the prior twelve months.

### **Standards for any rent and utility costs share required of participants**

*Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance*

- ◆ Households should receive minimum level of assistance, for shortest time necessary, to stabilize housing

- ◆ Assistance prioritized to those for whom stable housing is not possible without assistance
- ◆ Flat subsidies act as an incentive for selecting lower cost housing and allow household to know exactly how much additional income is needed to be secured before the subsidy ends
- ◆ Shallow rent subsidies avoid the “cliff effect” where households cannot increase their income sufficiently to maintain housing situation when subsidy ends

**Standards for determining length of rental assistance and whether adjustments allowed and how**

*Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time*

- ◆ Project-based assistance must be for a lease term of a minimum of 12 months.
- ◆ Under ESG regulations, the maximum term of short term rental assistance is three months, for medium term rental assistance the maximum period is 24 months- in both instances within a three year timeframe. Assistance limit terms within these maximum limits to be determined. Evaluation and reevaluation of participant to be done by provider.
- ◆ Rental assistance cannot exceed actual rental cost plus utilities (if utilities expected to be paid by tenant), and be in compliance with HUD reasonable rental standards which will be determined through local rent survey analysis and local HUD Fair Market Rates
- ◆ Rental assistance should be flat and tied to maximum rental subsidies consistent with HUD Fair Market Rates
  - ◆ Past due rental arrears count toward rental assistance time limits and may not exceed six months of rent arrears, including any late fees on those arrears
  - ◆ Termination of assistance by the provider to be done consistent with 24 CFR §576.402
  - ◆ Late payments. The sub recipient provider must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant’s lease. The sub recipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.
  - ◆ Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments. In addition, with exception for one-time payment of

rental arrears on tenant's portion of rental payment, a program participant household who is receiving either tenant-based or project-based rental assistance through other public sources is not eligible for ESG rental assistance.

- ◆ Legally-binding, written leases required between participant and Owner unless assistance is solely for rental arrears whereby an oral agreement is permitted if such oral agreement provides the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by owner's financial records, rent ledgers, or canceled checks.
- ◆ Rental assistance payments are only made to owners by the subrecipient provider under terms set forth in a rental assistance agreement. The rental assistance agreement must provide that during the agreement's term, the owner must provide the subrecipient provider copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant. These rental assistance agreements terminate and no further payments made under such agreement if
  - Program participant moves out of housing unit covered by participant's housing lease;
  - The lease terminates and is not renewed; or
  - The program participant becomes ineligible to receive ESG rental assistance
- ◆ No rental assistance use allowed outside of Hennepin County
- ◆ Subrecipient providers will be responsible for adherence to the tenant-based rental and project-based rental stipulations found in 24 CFR §576.106 (h) and (i)
- ◆ Adjustment allowances likely to be permitted subject to determination following an initial stabilization period and monthly thereafter. As income increases, an equal percentage of support will decrease across time. Six months prior to the end of the maximum support window, financial assistance decrease in 1/6ths increments. If an eligible household still requires assistance beyond ESG time limits, providers will refer such households to permanent supportive housing options.

**Standards for determining type, amount, and duration of housing stabilization/relocation services including maximum length, amount of assistance and maximum number of times for assistance**

*Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant, including the*

*limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance; or the maximum number of times the program participant may receive assistance*

All households deemed eligible for ESG-funded homelessness prevention or rapid re-housing assistance will be provided three months of housing stabilization and/or relocation assistance as a means to develop housing stability. Assisted household and Subrecipient provider can agree that three months of such assistance is not necessary. However, housing stability case management cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing.

At minimum, monthly housing stability case management meetings with participants are required after initial assessment and through the length of provided ESG assistance. The purpose for such meetings is to evaluate and review the participant's housing plan. These meetings should also seek to further the participant's ability to retain permanent housing after the end of ESG assistance considering the participant's current and expected income and expenses; other public and private assistance for which the participant may be eligible and likely to receive; and matching those considerations against the relative affordability of available housing suitable for the participant.

Component services and activities of housing stability case management consist of:

- ◆ Using an available centralized or coordinated assessment system as required under 24 CFR §576.400(d), to evaluate individuals and families applying for or receiving assistance;
- ◆ Conducting initial evaluation required under 24 CFR §576.401(a), including verifying and documenting eligibility for applying for homelessness prevention or rapid re-housing assistance;
- ◆ Counseling;
- ◆ Developing, securing, and coordinating services and obtaining federal, state and local benefits;
- ◆ Monitoring and evaluating program participant progress;
- ◆ Providing information and referrals to other providers;
- ◆ Developing an individualized housing and service plan including planning a path to permanent housing stability solutions; and
- ◆ Conduction reevaluations required under 24 CFR §576.401(b)

The activities named above fall under the housing stability case management limits for duration of services.

Expenses paid under financial assistance costs, as part of housing relocation and stabilization services are subject to the following limitations:

Subject to the general conditions under 24 CFR §576.103 and 24 CFR §576.104, ESG funds may be used to pay housing owners, utility companies, and other third parties for the following costs:

- ◆ *Rental Application Fees:* ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants.
- ◆ *Security Deposits:* ESG funds may pay for a security deposit that is equal to no more than two months rent.
- ◆ *Last Month's Rent:* if necessary, to obtain housing for a participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner has paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating program participant's total rental assistance, which cannot exceed 24 months during any three-year period.
- ◆ *Utility Deposit:* ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in the utility payments section below.
- ◆ *Utility Payments:* ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to six months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participants shall receive more than 24 months of utility assistance within any three-year period.
- ◆ *Moving Costs:* ESG funds may pay for moving costs such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.
- ◆ *Services Cost:* subject to general restrictions under 24 CFR §576.103 and 24 CFR §576.104, ESG funds may be used to pay the costs of providing the following services:
  - *Housing Search and Placement:* service or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
    - Assessment of housing barriers, needs, and preferences;

- Development of an action plan for locating housing;
- Housing search;
- Outreach to and negotiation with owners;
- Assistance with submitting rental applications and understanding leases;
- Assessment of housing for compliance with ESG requirements for habitability, lead-based paint, and rent reasonableness;
- Assistance with obtaining utilities and making moving arrangements; and
- Tenant counseling.

ESG-funded homelessness prevention and rapid re-housing services will be administered with a focus on helping households transition from housing instability towards stability. This will be accomplished by subrecipient providers assessing barrier levels and assets of participants to assemble a plan for housing stability that uses eligible ESG-funded services in amounts and for durations that can lead to housing stability within ESG program limits. Following the end of a three month stabilization period, housing stability reassessment will occur monthly.

## **8. ESG Sub-award Process**

The City of Minneapolis will issue Request for Proposals (RFP) for Rapid Re-housing and Homelessness Prevention services as well as for shelter rehabilitation. The RFPs will be consistent with the priorities and standards listed above. The City will distribute the RFPs to agencies servicing Minneapolis and post on the city of Minneapolis website. A committee of City representatives with invited County staff, and other knowledgeable community representatives including a person who is/was homeless will review proposals and recommend project selections. Recommendations will be communicated to the HHH Executive Committee. The City's Community Planning and Economic Development Department will present funding determinations to the Minneapolis City Council for final approval. The Request for Proposal process has been used extensively by the City of Minneapolis to select contractors. Applicants will be judged on the experience and capacity of their agency, and on the feasibility and appropriateness of their proposal and demonstration to meet federal and local mandates, including their ability to service ESG funds to those at or below 30 percent of metro median income. Additional qualifying criteria will include but not be restricted to ability to assist the City in providing one-for-one qualifying funding match for the ESG award.

The RFPs will be designed to select applicants who can work within a broad network of homelessness prevention and rapid re-housing resources that address ESG guidelines and local priorities supporting the strategic goals of

Heading Home Hennepin plan. Awards made under the grant will be enforced through a contract outlining ESG program requirements.

**9. Homeless Participation Requirements**

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

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

**10. ESG Performance Standards**

The following ESG performance standards for evaluation were developed in consultation with Continuum of Care and will be reviewed and revisited with the Continuum of Care periodically.

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

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

- P. SF-424 Federal Applications for Assistance & Grantee Certifications: Included in April submission to HUD, then revised with final appropriation and re-submitted in May**

**APPLICATION FOR  
FEDERAL ASSISTANCE**

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		<b>2. DATE SUBMITTED</b> 05/31/13	Applicant Identifier 41-6005375
<input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	<input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
<b>5. APPLICANT INFORMATION</b>		<b>4. DATE RECEIVED BY FEDERAL AGENCY</b> 05/31/13	Federal Identifier
Legal Name: City of Minneapolis		<b>Organizational Unit:</b> Department: City Coordinator	
Organizational DUNS: 066530411		Division:	
<b>Address:</b> Street: 301M City Hall, 350 South Fifth St.		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>	
City: Minneapolis		Prefix:	First Name: Peter
County: Hennepin		Middle Name	
State: MN	Zip Code 55415	Last Name O'Toole	
Country: USA		Suffix:	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 41-6005375		Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) Municipal Other (specify)	
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): HOME Investments Partnerships Program (HOME) 12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Minneapolis		<b>9. NAME OF FEDERAL AGENCY:</b> U. S. Department of Housing & Urban Development	
<b>13. PROPOSED PROJECT</b> Start Date: 06/01/13		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> City of Minneapolis FY13 Consolidated Plan Home Investments Partnerships (HOME)	
Ending Date: 05/31/14		<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant 5th    b. Project 5th	
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
a. Federal HOME	\$ 2,240,440 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$ <sup>00</sup>	DATE:	
c. State	\$ <sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$ <sup>00</sup>	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other Match (25%)	\$ 560,110 <sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>	
f. Program Income	\$ 220,000 <sup>00</sup>	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 3,020,550 <sup>00</sup>		
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
<b>a. Authorized Representative</b>			
Prefix Mr.	First Name Paul	Middle Name	
Last Name Aasen		Suffix	
b. Title City Coordinator		c. Telephone Number (give area code) 612-673-2032	
d. Signature of Authorized Representative 		e. Date Signed 05/31/13	

**APPLICATION FOR  
FEDERAL ASSISTANCE**

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b> 05/31/13	Applicant Identifier 41-6005375	
<input type="checkbox"/> Construction	<input type="checkbox"/> Pre-application	<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier	
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	<b>4. DATE RECEIVED BY FEDERAL AGENCY</b> 05/31/13	Federal Identifier	
<input type="checkbox"/> Non-Construction				
<b>5. APPLICANT INFORMATION</b>				
Legal Name: City of Minneapolis		<b>Organizational Unit:</b> Department: City Coordinator		
Organizational DUNS: 066530411		Division:		
<b>Address:</b> Street: 301M City Hall, 350 South Fifth St.		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>		
City: Minneapolis		Prefix:	First Name: Peter	
County: Hennepin		Middle Name		
State: MN	Zip Code 55415	Last Name O'Toole		
Country: USA		Suffix:		
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 4 1 - 6 0 0 5 3 7 5		Email: Peter.OTOole@Minneapolismn.gov		
		Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250	
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) Municipal Other (specify)		
Other (specify)		<b>9. NAME OF FEDERAL AGENCY:</b> U. S. Department of Housing & Urban Development		
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): Emergency Solutions Grant (ESG) 1 4 - 2 3 1		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> City of Minneapolis FY13 Consolidated Plan Emergency Solutions Grant (ESG)		
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> City of Minneapolis				
<b>13. PROPOSED PROJECT</b> Start Date: 06/01/13    Ending Date: 05/31/14		<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant 5th    b. Project 5th		
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>		
a. Federal	\$ 778,222 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$ <sup>00</sup>	DATE:		
c. State	\$ <sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$ 778,222 <sup>00</sup>	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$ <sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>		
f. Program Income	\$ <sup>00</sup>	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
g. TOTAL	\$ 1,556,444 <sup>00</sup>			
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>				
<b>a. Authorized Representative</b>				
Prefix Mr.	First Name Paul	Middle Name		
Last Name Aasen		Suffix		
b. Title City Coordinator		c. Telephone Number (give area code) 612-673-2032		
d. Signature of Authorized Representative 		e. Date Signed 05/31/13		

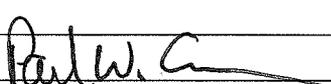
**APPLICATION FOR  
FEDERAL ASSISTANCE**

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		<input type="checkbox"/> Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	<b>2. DATE SUBMITTED</b> 05/31/13	Applicant Identifier 41-6005375	
			<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier	
			<b>4. DATE RECEIVED BY FEDERAL AGENCY</b> 05/31/13	Federal Identifier	
<b>5. APPLICANT INFORMATION</b>					
Legal Name: City of Minneapolis			Organizational Unit: Department: City Coordinator		
Organizational DUNS: 066530411			Division:		
<b>Address:</b> Street: 301M City Hall, 350 South Fifth St.			<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>		
City: Minneapolis			Prefix:	First Name: Peter	
County: Hennepin			Middle Name		
State: MN	Zip Code 55415		Last Name O'Toole		
Country: USA			Suffix:		
Email: Peter.OToole@Minneapolismn.gov			Email: Peter.OToole@Minneapolismn.gov		
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 41-6005375			Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250	
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>			<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) Municipal Other (specify)		
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): CDBG Entitlement Grant 14-218			<b>9. NAME OF FEDERAL AGENCY:</b> U. S. Department of Housing & Urban Development		
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> City of Minneapolis			<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> City of Minneapolis FY13 Consolidated Plan Community Development Block Grant (CDBG)		
<b>13. PROPOSED PROJECT</b> Start Date: 06/01/13    Ending Date: 05/31/14			<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant 5th    b. Project 5th		
<b>15. ESTIMATED FUNDING:</b>			<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>		
a. Federal	\$	11,046,767 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:		
b. Applicant	\$	<sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
c. State	\$	<sup>00</sup>	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
d. Local	\$	<sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>		
e. Other	\$	<sup>00</sup>	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
f. Program Income	\$	1,200,000 <sup>00</sup>			
g. TOTAL	\$	12,246,767 <sup>00</sup>			
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>					
<b>a. Authorized Representative</b>					
Prefix Mr.	First Name Paul		Middle Name		
Last Name Aasen			Suffix		
b. Title City Coordinator			c. Telephone Number (give area code) 612-673-2032		
d. Signature of Authorized Representative 			e. Date Signed 05/31/13		

**APPLICATION FOR FEDERAL ASSISTANCE**

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b> 05/31/13	Applicant Identifier 41-6005375
<input type="checkbox"/> Construction	Pre-application	<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	<b>4. DATE RECEIVED BY FEDERAL AGENCY</b> 05/31/13	Federal Identifier
<input type="checkbox"/> Non-Construction			
<b>5. APPLICANT INFORMATION</b>			
Legal Name: City of Minneapolis		Organizational Unit: Department: City Coordinator	
Organizational DUNS: 066530411		Division:	
<b>Address:</b> Street: 301M City Hall, 350 South Fifth St.		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>	
City: Minneapolis		Prefix:	First Name: Peter
County: Hennepin		Middle Name	
State: MN	Zip Code 55415	Last Name O'Toole	
Country: USA		Suffix:	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 41-6005375		Email: Peter.OTOole@Minneapolismn.gov	
		Phone Number (give area code) 612-673-5456	Fax Number (give area code) 612-673-3250
<b>8. TYPE OF APPLICATION:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types) Municipal Other (specify)	
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> TITLE (Name of Program): Housing Opportunities for Persons with AIDS (HOPWA) 14-241		<b>9. NAME OF FEDERAL AGENCY:</b> U. S. Department of Housing & Urban Development	
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> City of Minneapolis and Minneapolis-St. Paul Metropolitan Statistical Area		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> City of Minneapolis FY13 Consolidated Plan Housing Opportunities for Persons with AIDS (HOPWA)	
<b>13. PROPOSED PROJECT</b> Start Date: 06/01/13		<b>14. CONGRESSIONAL DISTRICTS OF:</b> a. Applicant 5th	
Ending Date: 05/31/14		b. Project MN: 2, 3, 4, 5, 6, 8; WI: 3	
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
a. Federal	\$ 971,800 <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$ <sup>00</sup>	DATE:	
c. State	\$ <sup>00</sup>	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$ <sup>00</sup>	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$ <sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>	
f. Program Income	\$ <sup>00</sup>	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
g. TOTAL	\$ 971,800 <sup>00</sup>		
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
<b>a. Authorized Representative</b>			
Prefix Mr.	First Name Paul	Middle Name	
Last Name Aasen		Suffix	
b. Title City Coordinator		c. Telephone Number (give area code) 612-673-2032	
d. Signature of Authorized Representative 		e. Date Signed 05/31/13	

## CERTIFICATIONS

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

**Affirmatively Further Fair Housing** -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

**Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

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

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
  - (a) The dangers of drug abuse in the workplace;
  - (b) The grantee's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
  - (a) Abide by the terms of the statement; and
  - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
  - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

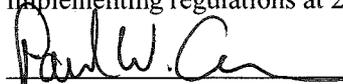
**Anti-Lobbying** -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

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

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

 April 17, 2013  
Signature/Authorized Official Date

City Coordinator  
Title

## Specific CDBG Certifications

The Entitlement Community certifies that:

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

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

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

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

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2011, 2012, 2013, a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

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

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

**Excessive Force** -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its

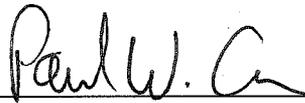
jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

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

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

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

  
Signature/Authorized Official      April 17, 2013  
Date

City Coordinator  
Title

**OPTIONAL CERTIFICATION  
CDBG**

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

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

N/A

\_\_\_\_\_  
Signature/Authorized Official

\_\_\_\_\_  
Date

N/A

\_\_\_\_\_  
Title

## Specific HOME Certifications

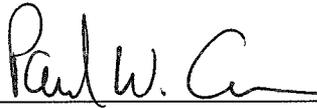
The HOME participating jurisdiction certifies that:

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

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

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

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



April 17, 2013

Signature/Authorized Official

Date

City Coordinator

Title

## ESG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

**Major rehabilitation/conversion** – If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

**Essential Services and Operating Costs** – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

**Renovation** – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

**Supportive Services** – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services ( including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

**Matching Funds** – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

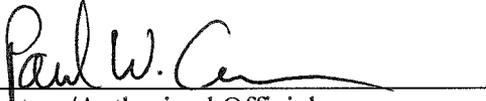
**Confidentiality** – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

**Homeless Persons Involvement** – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

**Consolidated Plan** – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction’s consolidated plan.

**Discharge Policy** – The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from

publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.



\_\_\_\_\_  
Signature/Authorized Official

April 17, 2013

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Coordinator

Title

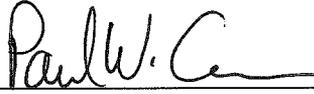
## HOPWA Certifications

The HOPWA grantee certifies that:

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

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

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

  
\_\_\_\_\_  
Signature/Authorized Official                      April 17, 2013  
Date

City Coordinator  
Title

## APPENDIX TO CERTIFICATIONS

### INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

#### A. Lobbying Certification

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

#### B. Drug-Free Workplace Certification

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

Place of Performance (Street address, city, county, state, zip code)

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

---

---

---

---

---

---

---

---

---

---

Check  if there are workplaces on file that are not identified here.

This information with regard to the drug-free workplace is required by 24 CFR part 21.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

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

## **Definitions Used within the Consolidated Plan**

**Acquired immunodeficiency syndrome (AIDS)** (or related diseases) means the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

**Administrative costs** Costs for general management, oversight, coordination, evaluation, monitoring of and reporting on eligible activities. Such costs do not include costs directly related to carrying out eligible activities, since those costs are eligible as part of the activity delivery costs of such activities.

### **At risk of homelessness**

**(1)** An individual or family who:

- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
- (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “Homeless” definition in this section; and
- (iii) Meets one of the following conditions:
  - a. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
  - b. Is living in the home of another because of economic hardship;
  - c. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
  - d. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
  - e. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
  - f. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
  - g. Otherwise lives in housing that has characteristics associated with instability and an increased risk of

homelessness, as identified in the recipient's approved consolidated plan;

**(2)** A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

**(3)** A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

For purposes of the above definition’s paragraph (g), someone who lives in housing that has characteristics associated with instability and an increased risk of homelessness is defined as follows. A renter household with income at/or below 30% of median income adjusted for family size and whose housing costs exceed 50% of their income and upon provider assessment is shown to be at imminent risk of losing existing housing.

**ACS** The American Community Survey is a new nationwide survey designed to provide communities a fresh look at how they are changing. It will replace the long form in future censuses and is a critical element in the Census Bureau’s reengineered 2010 census plan.

**ADDI** American Dream Down payment Initiative, one of the HUD entitlement programs covered by the Consolidated Plan (no new funding from HUD since 2008). The program was created to assist low-income first-time homebuyers in purchasing single-family homes by providing funds for down payment, closing costs, and rehabilitation carried out in conjunction with the assisted home purchase.

**Affirmatively Further Fair Housing** Each jurisdiction is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

**Affordable** Annual housing costs less than or equal to 30% of annual gross income and are estimated assuming the cost of purchasing a home at the time of the Census based on the reported value of the home. Assuming a 7.9% interest rate and national averages for annual utility costs, taxes, and hazard and mortgage insurance, multiplying income

times 2.9 represents the value of a home a person could afford to purchase. For example, a household with an annual gross income of \$30,000 is estimated to be able to afford an \$87,000 home without having total costs exceed 30% of their annual household income.

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

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

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

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

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

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

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

**Chronically homeless**

- (1) An individual who:
  - (i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
  - (ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an

- emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years, where each homeless occasion was at least 15 days; and
- (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;
- (2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or
- (3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

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

**Certification** A written assertion based on supporting evidence that must be kept available for inspection by HUD, by the Inspector General of HUD and by the public. The assertion shall be deemed accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

**Citizen Participation** A detailed plan, which provides for, and encourages, citizen participation and which emphasizes participation by persons of low- or moderate-income, particularly residents of predominantly low- and moderate-income neighborhoods, slum or blighted areas, and areas in which the grantee proposes to use CDBG funds.

**CLIC** Capital Long-Range Improvement Committee The City of Minneapolis citizens' committee that prepares a capital budget for the Mayor's review.

**Comprehensive Grant** (Also HUD or MPHA Comprehensive Grant) An annual grant from HUD to fund capital improvements, as well as management improvements, in public housing developments. The grant

is based on the number of units, the age of the units, the identified backlog of modernization needs and several other criteria

**Consolidated Plan** The document submitted to HUD serving as the planning document (comprehensive housing affordability strategy and community development plan) of the jurisdiction. It is an application for funding under any of the Community Planning and Development formula grant programs (CDBG, ESG, HOME and HOPWA). The Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for community development actions. It offers local jurisdictions the opportunity to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context, and to reduce duplication of effort at the local level.

**Continuum of Care (CoC)** The group composed of representative of relevant organizations, which generally includes nonprofit homeless providers; victim service providers; faith-based organizations; governments; businesses; advocates; public housing agencies; school districts; social service providers; mental health agencies; hospitals; universities; affordable housing developers; law enforcement; organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of outreach, engagement, and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless persons and persons at risk of homelessness for a specific geographic area. CoC planning enlists these homeless advocates, shelter and social service providers, community activists and homeless/formerly homeless people to evaluate the local resources currently available to homeless persons, identifies and prioritizes the gaps in services, and develops strategies to fill those gaps. The local CoC includes the City of Minneapolis, Hennepin County and suburban Hennepin County jurisdictions.

**Conversion** Change in the use of a building to an emergency shelter for the homeless where the cost of conversion and any rehabilitation costs exceed 75 percent of the value of the building after conversion

**Cost Burden** The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data available from the U.S. Census Bureau. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities

**Disability** Defined by the HEARTH Act for purposes of its programming to mean: (1) A condition that is (i) expected to be long-continuing or of indefinite duration; (ii) Substantially impedes the individual's ability to live independently; (iii) Could be improved by the provision of more suitable housing conditions; and (iv) Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury; (2) A developmental disability, as defined in this section; or (3) The disease of acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

**Eligible Activities** Not less than 70% of the CDBG funds must be used for activities that benefit low- and moderate-income persons. All activities must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community

**Elderly Households** 1 or 2 person household, either person 62 years old or older, as defined by HUD CHAS survey data.

**Elderly Person** An individual who is at least 62 years of age

**Emergency Shelter** Any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements. Any project funded as an emergency shelter under a Fiscal Year 2010 Emergency Solutions grant may continue to be funded under ESG.

**EZ** Empowerment Zone The Minneapolis Empowerment Zone was 10-year Federal initiative based in HUD designed to develop healthy and sustainable communities in economically distressed areas through economic growth, affordable housing, education, job training and community based services. The Federal Empowerment Zone designation officially ended December 31, 2009.

**Entitlement Communities** Principal cities of Metropolitan Statistical Areas (MSAs); other metropolitan cities with populations of at least 50,000; and qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities) that receive HUD entitlement funds. States distribute the funds to localities who do not qualify as entitlement communities.

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

**ESG** Emergency Solutions Grant One of the HUD entitlement programs covered by the Consolidated Plan. Provides grants for programs that seek to house those who are homeless or are threatened with homelessness through provision of emergency shelter, street outreach, rapid re-housing and homelessness prevention activities.

**Extra Elderly** 1 or 2 Member household, either person 75 years or older, as defined by HUD CHAS survey data,

**Extremely Low Income** (see very-low income)

**Family Housing Fund** A nonprofit organization that works in the seven-county metro area of Minneapolis and Saint Paul to produce and preserve affordable housing.

**Family With Children** A family composed of the following types of persons: at least one parent or guardian and one child under the age of 18; a pregnant woman; or a person in the process of securing legal custody of a person under the age of 18.

**Fair Market Rent (FMR)** The rent that would be required to be paid in the particular housing market area in order to obtain privately owned, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. This Fair Market Rent includes utilities (except telephone). Separate Fair Market Rents will be established and published by HUD for dwelling units of varying sizes (number of bedrooms).

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

**GMMHC** Greater Metropolitan Housing Corporation is a Twin Cities organization that was formed in 1970 by the Minneapolis business community with the mission is to preserve, improve and increase affordable housing for low and moderate income individuals and families, as well as assist communities with housing revitalization

**HEARTH Act** Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, consolidates three separate HUD homeless assistance programs under the McKinney-Vento Homeless Assistance Act. It revised the Emergency Shelter Grant and renamed it Emergency Solutions Grant program.

**Hispanic Population** The number of people in a census tract that listed themselves as Hispanic for Census purposes.

**Household** All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**HMIS** Homeless Management Information System <http://www.hmis.info/> is a HUD-sponsored software application designed for the Continuum of Care to comply with HUD's data collection, management, and reporting standards and used to record and store client-level information on the characteristics and service needs of homeless individuals and families and persons at risk of homelessness.

**HOME** HOME Investment Partnerships is one of the HUD entitlement programs covered by the Consolidated Plan. HOME provides formula grants to fund activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

**Homeless:** Defined by the HEARTH Act to mean:

- (1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or
  - (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

- (2)** An individual or family who will imminently lose their primary nighttime residence, provided that:
- (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - (ii) No subsequent residence has been identified; and
  - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;
- (3)** Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
- (i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
  - (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention or criminal activity, and a history of unstable employment; or
- (4)** Any individual or family who:
- (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
  - (ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, and faithbased or other social networks, to obtain other permanent housing.

**HOPWA** One of the HUD entitlement programs covered by the Consolidated Plan, Housing Opportunities for Persons with HIV/AIDS was established by HUD to address the specific housing needs of persons living with HIV/AIDS and their families.

**Households** Defined as any residence, including those occupied by single people and unrelated groups of two or more. By definition, all families are also considered households, but not all households are families.

**Housing Units** Occupied dwelling units in a census tract as determined by the 2000 Census

**HUD** The United States Department of Housing and Urban Development

**HAMFI** HUD Area Median Family Income. The HAMFI income limits are calculated annually. The Income Limits for the CHAS 2000 tables reflect what the Income Limits would have been in 1999 if Census 2000 data had been available to calculate those limits.

**Income Limits** HUD is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs. Income limits are used to determine the income eligibility of applicants for Public Housing, Section 8, and other programs subject to Section 3(b)(2) of the HUD Act. Income limits are based on HUD estimates of MFI, and adjustments are made for areas with unusually high or low incomes or housing costs; further, income limits are adjusted for family size, for example, so that larger families have higher income limits.

**Jurisdiction** A State or unit of general local government. Minneapolis is a participating jurisdiction (PJ) with HUD in the implementation of this Consolidated Plan programming.

**Large Family** Defined as a family of five or more persons.

**Lead-Based Paint Hazards** Any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, and lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces or intact surfaces that would result in adverse human health effects as established by the appropriate federal agency.

**Logic Model** A graphic representation included in many Federal grant applications that correlates and links program objectives to program accomplishments. A logic model is a standard process to quantify output and outcome estimates based on inputs.

**Low Income** Defined as income that does not exceed 50 percent of MFI for the area, as determined by HUD, with adjustments for large and small families, except that HUD may establish income ceilings higher or lower than 50 percent of the median for the area. The exception is based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes.

**Mean (Average) Income** The amount obtained by dividing the total aggregate income of a group by the number of units in that group. The means for households, families, and unrelated individuals are based on all households, families, and unrelated individuals, respectively. The means (averages) for people are based on people 15 years old and over with income.

**Median Income** The amount which divides the income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The medians for households, families, and unrelated individuals are based on all households, families, and unrelated individuals, respectively. The medians for people are based on people 15 years old and over with income

**Metro HRA** Metropolitan Council Housing and Redevelopment Authority is the regional entity that provides delivery of a variety of housing programs and related services. The Metro HRA administers the Section 8 Housing Choice Voucher Program in the state of Minnesota and provides federally funded rent subsidies to private property owners on behalf of low- income renters.

**MHI** Median Household Income The income amount at the point (median) in the distribution where half the household incomes are above, and half are below, from the total number of households including those with no income

**MFI** Median Family Income The Estimated Median Family Income as determined by HUD. The median income figure is the median for all family sizes. HUD median family income estimates are based on Census data on family incomes updated using a combination of Bureau of Labor Statistics earnings and employment data, Census P-60 median family income data, and

Census' American Community Survey data on changes in state median family incomes.

**Middle-Income** Income between 80 and 95 percent of MFI for the area, as determined by HUD with adjustments for large and small families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area. The exception is based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes. For purposes of NSP funds only, middle income is between 80 and 120 percent of MFI.

**MMI** (See MFI)

**MPHA** Minneapolis Public Housing Authority MPHA owns and manages the City's stock of public housing and administers Section 8 rental assistance.

**Mobility or Self Care Limitations** This includes all households where one or more persons has 1) A long-lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting, or carrying and/or 2) a physical, mental, or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing, or getting around inside the home.

**Moderate-Income And Above** Income that does not exceed 80 percent of MFI for the area, as determined by HUD with adjustments for large and small families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area, on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

**MSA** Metropolitan Statistical Area Generally a statistical area, or a core area containing a substantial population concentration, including adjacent communities having a social and economic integration throughout the concentrated area. For example, Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Statistical Areas and metropolitan divisions, defined by the Office of Management and Budget are; Anoka County, MN; Carver County, MN; Chisago County, MN; Dakota County, MN; Hennepin County, MN; Isanti County, MN; Ramsey County, MN; Scott County, MN; Sherburne County, MN; Washington County, MN; Wright County, MN; Pierce County, WI; St. Croix County, WI.

**NSP** Neighborhood Stabilization Program The Congressional intent for these funds is to provide cities and states funding to address the effects of abandoned and foreclosed upon homes and residential properties.

**Other Housing Problems** Defined as overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities

**Overcrowding** Defined as a housing unit containing more than one person per room.

**Person with disabilities** A household composed of one or more persons at least one of whom is an adult who has a disability.

**(1)** A person shall be considered to have a disability if he or she has a disability that:

- (i) Is expected to be long-continuing or of indefinite duration;
- (ii) Substantially impedes the individual's ability to live independently;
- (iii) Could be improved by the provision of more suitable housing conditions; and
- (iv) Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury.

**(2)** A person will also be considered to have a disability if he or she has a developmental disability, as defined in this section.

**(3)** A person will also be considered to have a disability if he or she has acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

**(4)** Notwithstanding the preceding provisions of this definition, the term person with disabilities includes, except in the case of the SRO component, two or more persons with disabilities living together, one or more such persons living with another person who is determined to be important to their care or well-being, and the surviving member or members of any household described in the first sentence of this definition who were living, in a unit assisted under this part, with the deceased member of the household at the time of his or her death. (In any event, with respect to the surviving member or members of a household, the right to rental assistance under this part will terminate at the end of the grant period under which the deceased member was a participant.)

**Public housing** Housing assisted under the United States Housing Act of 1937, other than under Section 8. "Public housing" includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating assistance.

**Public Housing Agency (PHA)** [See MPHA] Any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the United States Housing Act of 1937.

**Poverty Level Family** Family with an income below the poverty line, as defined by the Office of Management and Budget and revised annually.

**PPU** Problem Properties Unit of the City of Minneapolis combines staff from a number of City departments to work together to reduce the number and severity of problem properties. The unit identifies Minneapolis' worse problem properties, applies collaborative intervention strategies to address the problem and develops long-term solutions to prevent the reoccurrence of problems. The Problem Properties Unit includes staff from Police, Housing Inspections, City Attorney and Regulatory Services.

**Rapid re-housing assistance** The provision of housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

**Rehabilitation** The improvement or repair of an existing structure, or an addition of an existing structure that does not increase the floor area by more than 100 percent.

**REO** Real Estate Owned is a term used in the housing market, in the context of this document, to refer to real estate owned properties that have been acquired by default, and/or owned by HUD or an institution and that is available for re-sale.

**Row House Development** A structure containing three or more living units, each separated by vertical walls and generally having individual entrances and interior stairs.

**SMSA** Standard Metropolitan Statistical Areas are the major metropolitan areas of the United States commonly referred to as SMSA target markets (also, see MSA)

**Section 3** The provision of the Housing and Urban Development Act of 1968 that ensures employment and economic opportunities generated by certain HUD financial assistance be directed to low- and very-low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

**Section 8** HUD's voucher program Housing assistance, in the form of direct property-based payments, secured from a local housing authority that low-income people can use to obtain housing

**Section 108** The loan guarantee provision of the CDBG program. It provides CDBG entitlement communities a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. Activities eligible generally include economic development activities eligible under CDBG; all projects and activities must either principally benefit low- and moderate-income persons, aid in the elimination or prevention of slums and blight, or meet urgent needs of the community.

**Section 215** The provision for HUD's HOME Investment Partnerships program that provides that rental housing and housing that is for homeownership shall qualify as affordable housing.

**Section 504** The provision of the Rehabilitation Act of 1973 (Section 504). It provides that no otherwise-qualified individual with a disability shall, solely because of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

**Section 504 Needs Assessment** An assessment of the needs of both residents and applicants of public housing for accessible units.

**Severe Cost Burden** Defined as the extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data from the U.S. Census Bureau.

**Shelter** Defined by HEARTH Act to mean "emergency shelter" but not "transitional housing", a facility whose primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements.

**SRO** Single Room Occupancy A program authorized by Section 441 of the McKinney-Vento Homeless Assistance Act. Under the program, HUD enters into Annual Contributions Contracts with public housing agencies (PHAs) in connection with the moderate rehabilitation of residential properties that, when rehabilitation is completed, will contain multiple single room dwelling units. Assistance provided under the SRO program is designed to bring more standard SRO units into the local housing supply and to use those units to assist homeless persons.

**Subrecipient** A public or private nonprofit agency, authority, or organization, or a for-profit entity receiving funds to undertake activities, but does not include contractors providing supplies, equipment, construction, or services subject to procurement requirements.

**Substantial rehabilitation** Rehabilitation that involves costs in excess of 75 percent of the value of the building after rehabilitation

**SuperNOFA** HUD consolidates its Notices of Funding Availability (NOFA) grant programs into one SuperNOFA grant application process with separate submission dates for each program. SuperNOFA requirements for all programs are identified in the general section and program specific requirements are in the program sections. The SuperNOFA is generally made available each spring.

**Transitional Housing** Housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months or a longer period approved by HUD. For purposes of the HOME program, there is no HUD-approved period to move to independent living.

**Very-Low Income** Income between 0 and 30 percent of the MFI for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area. The exception is based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes.

**White Population** The number of people in a 2000 census tract that listed themselves as non-Hispanic white.

**Victim service provider.** A private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women's shelters, domestic violence transitional housing programs, and other programs.

**Youth:** Defined for HEARTH Act authorized homelessness programs to mean less than 25 years of age.

**(Sources include United States Census Bureau and the Department of Housing & Urban Development)**

## APPENDIX

### **2013 Minneapolis Consolidated Plan**

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

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

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

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

HUD Table 3 - 2013 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Housing Needs?				Outcome	Type/ Eligible Activity/National Objective	Funding Source	2013 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date
					N	N	N	N					
Economic Development	CD-1a	H	2	<b>Adult Training, Placement &amp; Retention: Employment services for adult low-income Minneapolis residents. Ten community-based organizations are contracted to provide low-income residents career counseling, job placement and job retention services. CDBG funded employment services are provided by organizations that compete for performance based contracts through a request for proposal process. The agencies are paid a contracted fixed dollar amount for assisting their participants in achieving employment outcomes. The employment goals are given in the agency's contract with METP. Agencies are monitored yearly to ensure program requirement and standards are being met. Agencies are located throughout the city. An updated list is available from METP by calling 673-5298 or by accessing our website (www.ci.minneapolis.mn.us/metp).</b>	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2013 Projected to be 450 Jobs	CPED	Local Govt./18A ED Direct Financial Assistance 570.203(b)/L/M Jobs 570.208(a)(4)	\$ 1,705,498	6/13-5/14
Rental Housing	H-1a; H-4c	H	4	<b>Affordable Housing Trust Fund. Gap financing loans provided to development companies, non-profit developers, community housing development corporations, limited partnerships, and joint ventures. Deferred payment loans typically with 30 year terms at 1% interest with principal and accrued interest due at term's end. Substantial changes to program criteria are subject to 45-day neighborhood review. Annual RFP anticipated to be announced in June 2013. Awards made approximately November. Eligible housing is both family and single adult rental units (including homeless youth). At least 20% of the units must be affordable at &lt;50% MMI. Program income can be realized through this program. (at least 51% of the units that include CDBG funds must be affordable at &lt;80% MMI). Activities set up under this funding project may be revolving loan programs.</b>	Y	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2013 Projected to be 200 Housing Units	CPED	Local Govt./ 1 Acquisition of Real Property; 14 Housing related; 570.202/ L/M Housing 570.500(a)(3)	\$ 2,966,776	6/13-5/14
Economic Development	CD-1b	H	6	<b>Great Streets: Community Economic Development Fund/Neighborhood Economic Development Fund: Acquisition, demolition, rehabilitation of commercial structures. Construction of shared commercial parking and other commercial center improvements. Preservation of historic buildings. Financial assistance to businesses. Applications from developers are accepted year-round by CPED; application form is available on the City's website. Funds are awarded using ranking/rating criteria by CPED to projects meeting CDBG guidelines. Program income can be realized through this program through revolving loans. Some redeveloped buildings are occupied by a single tenant and some have multiple tenants. Loans are made to Developers. "Businesses" are the end users (occupants).</b>	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2013 Projected to be 2 Businesses	CPED	Local Govt./17D Other Comm/Industrial Improvements 570.203(a)/ L/M Area 570.208(a)(1)/Jobs 507.208(a)(4)/Slum/Blight 507.208(a)(2)&(4)	\$ 10,726	6/13-5/14
Owner-Occupied Housing	H-2a	H	8	<b>Vacant &amp; Boarded Housing: Acquisition and disposition of vacant and substandard housing to eliminate blight. In cases where structures are demolished the vacant lots are marketed for development for the fair reuse value. This program also supports the property management expenses with holding the property until disposition occurs. Program income can be realized through this program.</b>	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2013 Projected to be 30 Housing Units	CPED	Local Govt./ 04 Clearance and Demolition 570.202/Slum/Blight 570.208(b)(2)	\$ 1,753,430	6/13-5/14
Rental Housing	H-1a	H	9	<b>High Density Corridor Housing: Acquisition of sites for mixed-income rental and ownership multifamily housing development on community commercial and transit corridors as defined in Minneapolis Plan. At least 51% of the units will be affordable at &lt;80%MMI, and at least 20% of the units will be affordable at &lt;50% MMI.</b>	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2013 Projected to be 10 Housing Units	CPED	Local Govt/ 14G Acquisition for Rehab 570.202/ L/M Housing 570.208(a)(3)	\$ 578,769	6/13-5/14

HUD Table 3 - 2013 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Funding Source	Type/ Eligible Activity/National Objective			Funding Source	2013 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date
					N	N	N	N								
Rental Housing	H-3a	M	12	Lead Hazard Reduction: Support for lead hazard reduction activities of city's Healthy Homes and Lead Hazard Control program. Work will include performing risk assessments, lead education, lead safe work practices education, clearance tests, swab cleanings for lead hazards, developing work specs for income eligible families housed in units with children with identified elevated blood lead levels. Qualified homeowners may be supplied with paint and brushes to assist in compliance with lead hazard reduction orders. Assisted units are those referred to city by reports of families with children with elevated blood lead levels. Used as match funds towards a HUD Lead Hazard Control Grant for eligible activities.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2013 Projected to be 50 Housing Units	Dept. of Regulatory Services	Local Gov't./ 141 Lead Based Paint/Hazards Test/Abatement 570.202/ L/M Housing 570.208(a)(3)	141	LMH	CDBG	\$ 61,500	6/13-5/14
Infrastructure	H-3b	H	13	New Problem Properties Strategy: City multi-departmental collaborative effort to reduce the number and severity of problem properties in targeted zones. The Problem Properties Unit (PPU) identifies blighted properties in the city and develops strategies to reduce or eliminate problems. Solutions include mitigation steps up to securing buildings with boards or demolishing buildings under the provisions of Chapter 249 on the city's code of ordinances. At least 1,152 properties are either registered as vacant and/or boarded, razed, or rehabbed. 7% of staff time equals 81 properties touched annually by the grant.	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2013 Projected to be 81 Housing Units	Multiple Depts, Fire, Ops/Regs, City Attorney, Police	Local Gov't./ 4 Clearance and Demolition 570.201(d) / Slum/Blight 570.208(b)(2)	4	LMH	CDBG	\$ 103,700	6/13-5/14
Public Services	CD-2d	M	14	Youth Employment Training: Provision of summer STEP-UP employment opportunities for income eligible city youth 14-21 years old. Services include work experience, education, community service and leadership development. Community-based organizations and school programs partner to operate the program. Youth apply through schools, WorkForce Centers and libraries.	N	N	N	N	Provide Economic Opportunity Through Improved/New Sustainability; Accomplishments for 2013 Projected to be 463 People	CPED	Local Gov't./ 05H Employment Training 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	05H	LMC	CDBG	\$ 253,000	6/13-5/14
Public Services	CD-2d	M	16	Way to Grow: Community-based collaboration designed to promote family-friendly communities and the school readiness of its children. Informal and formal support systems for parents are provided to meet child's growth and development needs through age six. Programming is open to all. CDBG support is provided to program sites serving low income areas. Program office at 125 W. Broadway, Minneapolis, MN 55411, with services delivered both north and south Minneapolis.	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2013 Projected to be 500 People	Dept. Health Family Support	Sub/Public/ 5D Youth Services 570.201(e)/ L/M Ltd. Clientele 570.208(a)(2)	05D	LMC	CDBG	\$ 212,000	6/13-5/14
Public Services	CD-4a	M	16.3	CCP-SAFE Crime Prevention Specialists (CPS) With an emphasis on targeted neighborhoods that are at least 51% low- and moderate-income due to their inverse violent victimization rates based on household income CPSs work with Low- mod-income residents, neighborhood organizations and businesses to <ul style="list-style-type: none"> <li>Recruit and train block club leaders to get block clubs started</li> <li>Maintain block clubs</li> <li>Present safety and neighborhood livability information to the public through multiple venues</li> <li>Publish and distribute crime alerts</li> <li>Promote National Night Out</li> <li>Resolve complaints about problem properties</li> <li>Respond to crime trends</li> <li>Act as a liaison between the police and the community</li> </ul>	N	N	N	N	Enhance Suitable Living Environment Through Improved/New Sustainability; Accomplishments for 2013 Projected to be 227472 People	Police Department	Local Gov't./ 5I Crime Awareness - Public Services 570.201 (e)/ L/M Area 570.208(a)(1)	5I	LMA	CDBG	\$ 897,015	6/13-5/14

HUD Table 3 - 2013 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Housing Needs?				Outcome	Type/ Eligible Activity/National Objective	Funding Source	2013 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date			
					N	N	N	N								
Public Services	CD-2d	M	19	<b>Curfew and Truancy Services: Juvenile Supervision Center (JSC); Operations, staffing and services provided by The Link for curfew and truancy activities as part of a larger JSC operations. The JSC/CTC provides short-term supervision for juveniles detained by law enforcement professionals or referred by parents as being truant, or who are in violation of the Minneapolis curfew ordinance for juveniles ages 18 years or younger. JSC/CTC services assures that juveniles are returned to a safe and appropriate environment i.e., school, home, or short-term shelter. JSC/CTC identifies juveniles that are currently receiving County services and document communication with Case Manager, Probation Officer etc. regarding incident for possible follow up. JSC/CTC operations located in City Hall Room 21A, 350 S. 5th Street, Minneapolis, MN 55415</b>	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2013 Projected to be 750 People	The Link	Sub/Private/ 05D Youth Services 570.201(e)/ L/M Clientele 570.208(a)(2)	05D	LMC	CDBG	\$ 100,000	6/13-5/14
Public Services	CD-2c	H	31	<b>Domestic Abuse Project will provide advocacy services for victims of domestic violence by ensuring that each victim has information about how to protect him/herself and their children including developing a safety plan and information about her/his rights and options within the legal system, promoting self-sufficiency and reducing isolation by assisting with meeting victim's basic life needs, and referral for other community services through a city-wide case management system. Office located at 204 W. Franklin Avenue Mpls MN 55404</b>	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2013 Projected to be 160 People	Domestic Abuse Project	Sub/Private/ 05M Health Services/ L/M Ltd. Clientele 570.208(a)(2)	05A	LMC	CDBG	\$ 75,000	6/13-5/14
Planning/Administration	H-5a; AD-1a	H	37	<b>Civil Rights/CDBG Compliance/Fair Housing: Administration of city's contract compliance functions, enforcement of city's civil rights ordinance, fair housing education and enforcement, federal labor standards, Davis-Bacon Act and Section 3 wage monitoring and outreach.</b>	N	N	N	N	Performance Measure, Output: 1 Organizations	Dept. of Civil Rights	Local Gov't./ 21D Fair Housing 570.206 / N/A	21D		CDBG	\$ 365,000	6/13-5/14
Planning/Administration	CP-1b	H	40	<b>CPED Planning Department: Administration of comprehensive planning activities including environmental review supporting Consolidated Plan strategies.</b>	N	N	N	N	Performance Measure, Output: 1 Organization	CPED	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG	\$ 1,037,353	6/13-5/14
Planning/Administration	CD-2b; H-5b	H	41	<b>Neighborhood Services: General administrative support for CDBG projects and contracts funded through the department.</b>	N	N	N	N	Performance Measure, Output: 1 Organization	Dept. Health Family Support	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG	\$ 71,400	6/13-5/14
Planning/Administration	AD-1a	H	42	<b>Grant Administration: Grant development and management for CDBG capital and public service programs.</b>	N	N	N	N	Performance Measure, Output: 1 Organization	Dept. Health Family Support	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG	\$ 67,400	6/13-5/14
Planning/Administration	AD-1a	H	43	<b>Way to Grow Administration: General administration for Way to Grow program.</b>	N	N	N	N	Performance Measure, Output: 1 Organization	Dept. Health Family Support	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG	\$ 17,500	6/13-5/14
Planning/Administration	AD-1a	H	43.1	<b>Youth Violence Prevention: General administration for youth violence program.</b>	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Youth Coordinating Board	Sub/Public/ 20 Planning 570.205/ N/A	20		CDBG	\$ 110,700	6/13-5/14
Planning/Administration	AD-1a	H	44	<b>Finance Administration: Financial administration and accountability for Consolidated Plan programs.</b>	N	N	N	N	Performance Measure, Output: 1 Organization	Finance Dept.	Local Gov't./ 21A General Program Administration 570.206/ N/A	21A		CDBG	\$ 196,000	6/13-5/14

HUD Table 3 - 2013 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Help the Homeless? Help those with HIV/AIDS? Assist Persons with Disabilities? Assist Persons with Public Housing Needs?				Outcome	Type/ Eligible Activity/National Objective	Funding Source	2013 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date
Planning/Administration	AD-1a; AD-1b	H	45	Grants & Special Projects: Resource development and management for Consolidated Plan strategies; overall city management of Consolidated Plan	N	N	N	N	Performance Measure, Output: 1 Organization	Intergovernmental Relations	Local Gov't/ 21A General Program Administration 570.206/ N/A	\$ 190,000	6/13-5/14
Planning/Administration	CD-2c; H-5a	H	46	Mid-Minnesota Legal Aid: Provides advice and representation with special emphasis on housing and shelter-related issues to income eligible persons and groups in low and moderate income neighborhoods. Assistance assures compliance of housing with city housing ordinances and codes. Emphasis on issues that will protect, promote, and provide fair housing opportunities for public assistance recipients. Project location: 430 First Ave. N.	N	N	N	N	Performance Measure, Output: 1 Organization (Improving the ability of LMI recipients to find and retain housing)	Mid-Minnesota Legal Aid	Sub/Private/ 21D Fair Housing 570.206 / N/A	\$ 34,000	6/13-5/14
Planning/Administration	CD-2d	M	48	Youth Coordinating Board: Advocate, catalyst and developer of comprehensive services and systems benefiting children, youth and families.	N	N	N	N	Performance Measure, Output: 1 Organization	Mpls Youth Coordinating Board	Sub/Public/ 20 Planning 570.205/ N/A	\$ 66,000	6/13-5/14
Planning/Administration	H-5a	H	50	Housing Discrimination Law Project: Project serves low-income clients with investigation of housing discrimination claims, negotiation, advice and referrals and representation in court and administrative actions. Services will include complaint intake, investigation, advocacy and litigation. Project location: 430 First Ave. N.	N	N	N	N	Performance Measure, Output: 80 Households	Mid-Minnesota Legal Aid	Sub/Private / 21D Fair Housing 570.206 / N/A	\$ 54,000	6/13-5/14
Public Services	CD-2c	M	51	Access & Outreach: Provide liaison services to residents and community groups, promote integration of diverse communities into the work and priorities of the City and neighborhood organizations, and work with City Departments regarding equal access to City services for residents where barriers such as language, cultural norms, or lack of understanding local government exist. Provide interpretation and translation services for Hmong, Latino, Somali, Oromo and Amharic speaking residents when seeking city services. American Indian Community Specialist promotes participation and inclusion throughout City enterprise and assists American Indian organizations, community leaders and members in facilitating initiatives and navigating City systems. Outreach efforts by means of community or neighborhood events such as national night out and use of media which are important components of our outreach strategy, are not included in the total projected and actual outcomes but described in narrative format in the performance report at the end of the year.	N	N	N	N	Enhance Suitable Living Environment Through improved/new Accessibility; Accomplishments for 2013 Projected to be 1100 People	Neighborhood & Community Relations	Local Gov't/ 5 Public Services 570.201/ L/M Ltd. Clientele 570.208(a)(2)	\$ 120,000	6/13-5/14
<b>CDBG Total Budget</b>											<b>\$ 11,046,767</b>	6/13-5/14	
Rental Housing	AD-1a; H-1a; H-2a	H	52	HOME Program: Administration of HOME program and funding for multifamily rental development and single family homeownership. Program income can be realized through this program. Funding is estimated to be allocated as follows: Homeownership Works (10 Housing Units) (described in Action Plan), Affordable Housing Trust Fund (80 Housing Units) (see ID#4 above), 10% Administration. Overall, a minimum of 15% of the grant will be used to support CHDO-sponsored activities.	N	N	N	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2013 Projected to be 90 Total Housing Units	CPED	HOME	\$ 2,240,440	6/13-5/14

HUD Table 3 - 2013 Proposed Projects

Priority Need	ConPlan Goal/Obj.	Priority	ID #	Project Description	Outcome				Type/ Eligible Activity/National Objective	Funding Source	2013 Council Adopted Amended for Final HUD Appropriation	Start / Complete Date	
					Help the Homeless?	Help those with HIV/AIDS?	Assist Persons with Disabilities?	Assist Persons with Public Housing Needs?					
Homeless / HIV/AIDS	HM-1b	H	53	Emergency Solutions Grants (ESG) Shelter Rehabilitation/Renovation: Minneapolis uses ESG funding for the rehabilitation of emergency or transitional housing shelters serving homeless families and persons. The properties must be located within the City or Hennepin County. Projects are selected through an annual request for proposal process scheduled for late spring 2013. Awards will be made by end of year. The following types of proposals will receive priority consideration: 1) Larger capital requests, 2) Requests with realistic, detailed scope of work and projected costs including soft costs, 3) Projects that can start within 6 months of project approval, 4) Projects with potential for leveraging other funds to help cover rehab costs. ESG expenditures are matched one for one by projects with local funding used for eligible ESG activities.	Y	N	Y	N	Create Decent Housing with Improved/New Availability; Accomplishments for 2013 Projected to be 55 People	CPED	ESG	\$ 408,377	6/13-5/14
				ESG Rapid Re-Housing, Homlessness Prevention and Outreach funds: Minneapolis will award ESG funding for eligible rapid re-housing and homelessness prevention fund to community providers as selected through a Request for Proposals process that will be administered by the CPED Department. It is anticipated that the Request for Proposals will be issued in early summer with awards made by year end. Funding priorities are detailed in Chapter 6 ESG Program Requirements. Funding in this table consist of the FY13 ESG amount anticipated to be awarded to these activities based on current federal budget assumptions. Funding also includes an anticipated FY13 contract to be awarded to St. Stephens Human Services for outreach in the estimated amount of \$150,000. ESG expenditures are matched one for one by projects with local funding used for eligible ESG activities.	Y	N	Y	N	Enhance Suitable Living Environment Through improved/new Accessibility; Public Service outcomes will be determined with a forthcoming RFP	CPED		\$ 310,479	6/13-5/14
				ESG Administration and HMIS: Funding of 7.5% of grant will be reserved for ESG administration and an estimated amount of \$1,000 will be reserved for HMIS costs.	Y	N	N	N	Performance Measure, Output: 1 Organization	CPED and IGR Departments		\$ 59,366	6/13-5/14
Homeless / HIV/AIDS	SPH-1	H	54	HOPWA (Housing Opportunities for Persons with AIDS): The City is allowed 3% of program year HOPWA funding to administer the program, and Subrecipients are allowed 7% of their respective funding amount to administer their programs. HOPWA funds are advertised through an RFP process each year, and currently they are split between two Subrecipient tenant-based rent providers. (1) Metropolitan Council Housing Redevelopment Authority (MetroHRA) - permanent rental subsidy Housing Assistance Program: Rental subsidy program for persons with HIV/AIDS. Clients who have exhausted time limits are referred from the Transitional Housing Program run by the Minnesota AIDS Project. (2) Minnesota AIDS Project (MAP) - transitional housing subsidy Transitional Housing Program: Provision of 24 months (12 months for individuals) of transitional housing rental assistance to families of persons with HIV/AIDS. Assistance is made available to the 13-county area metro-wide.	N	Y	Y	N	Create Decent Housing with Improved/New Affordability; Accomplishments for 2013 Projected to be 140 People	City of Mpls Admin, Sub-recipients	HOPWA	\$ 971,800	6/13-5/14
<b>Total CDBG, ESG, HOME, HOPWA:</b>											<b>\$ 15,037,229</b>		

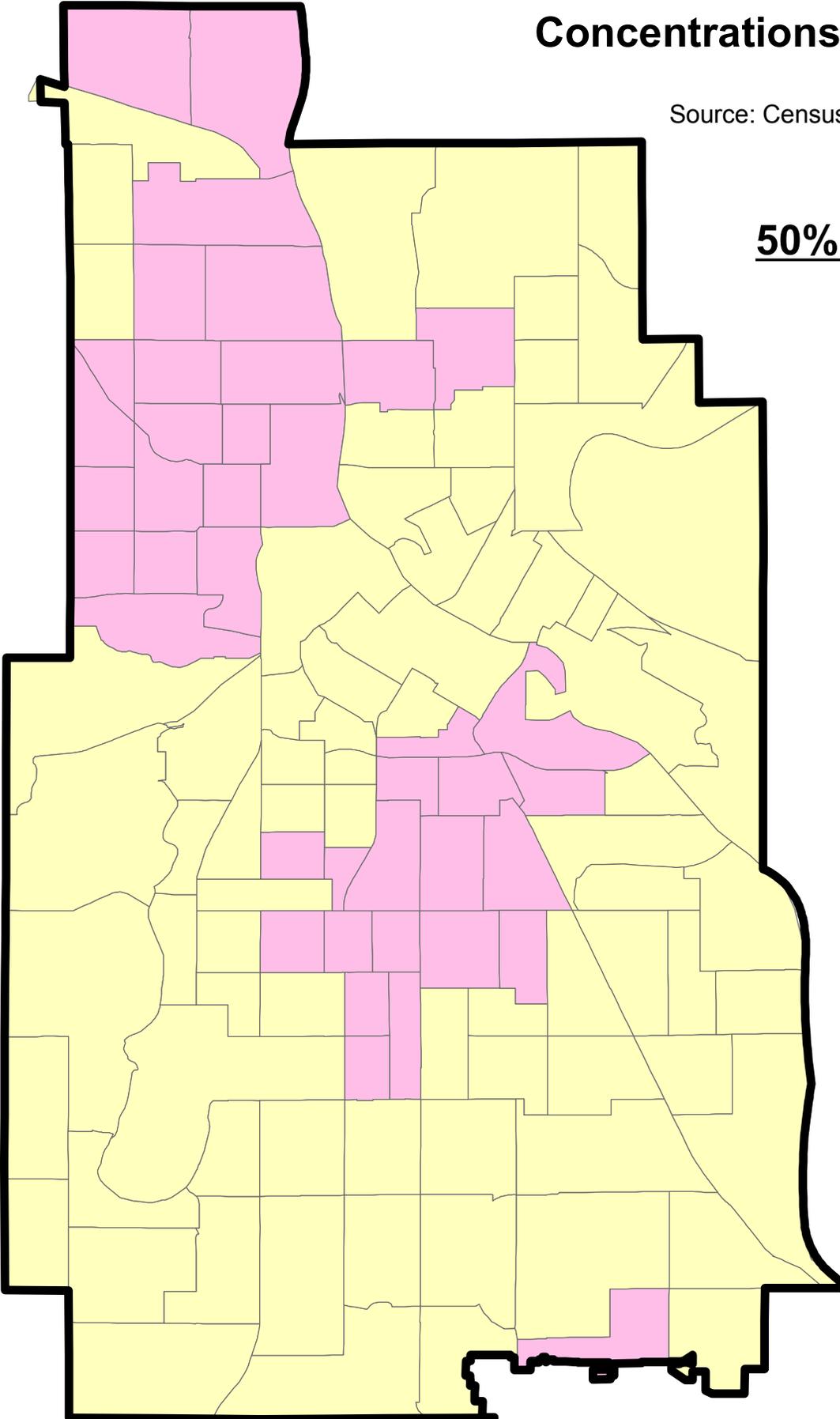
## **Consolidated Plan Maps**

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

# 2010 Minority Population Concentrations by Census Tract

Source: Census Bureau, 2010 SF1

## 50% Treshhold



### Legend

#### TRACTS

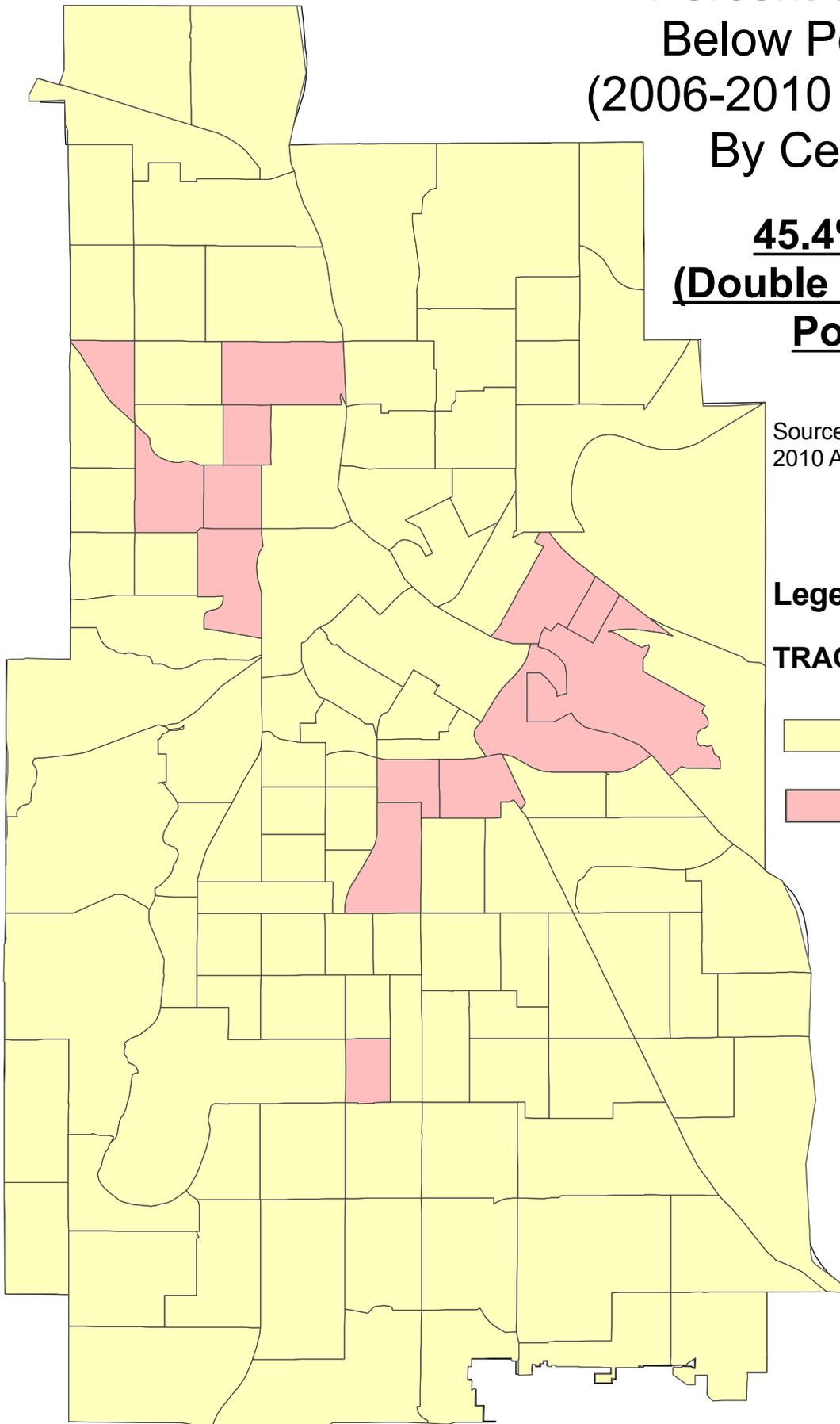
-  Less than 50% Concentration
-  50% or more Concentration



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

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

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



## Legend

### TRACTS

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



**Minneapolis**  
*City of Lakes*

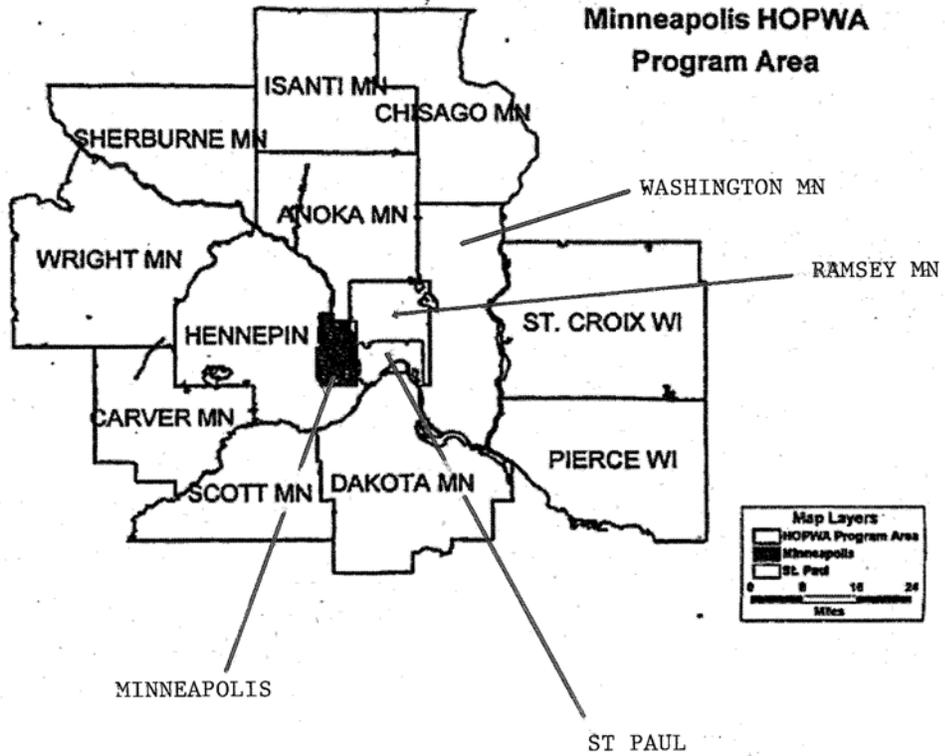
Community Planning &  
Economic Development



North

Map 22

Minneapolis HOPWA  
Program Area



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

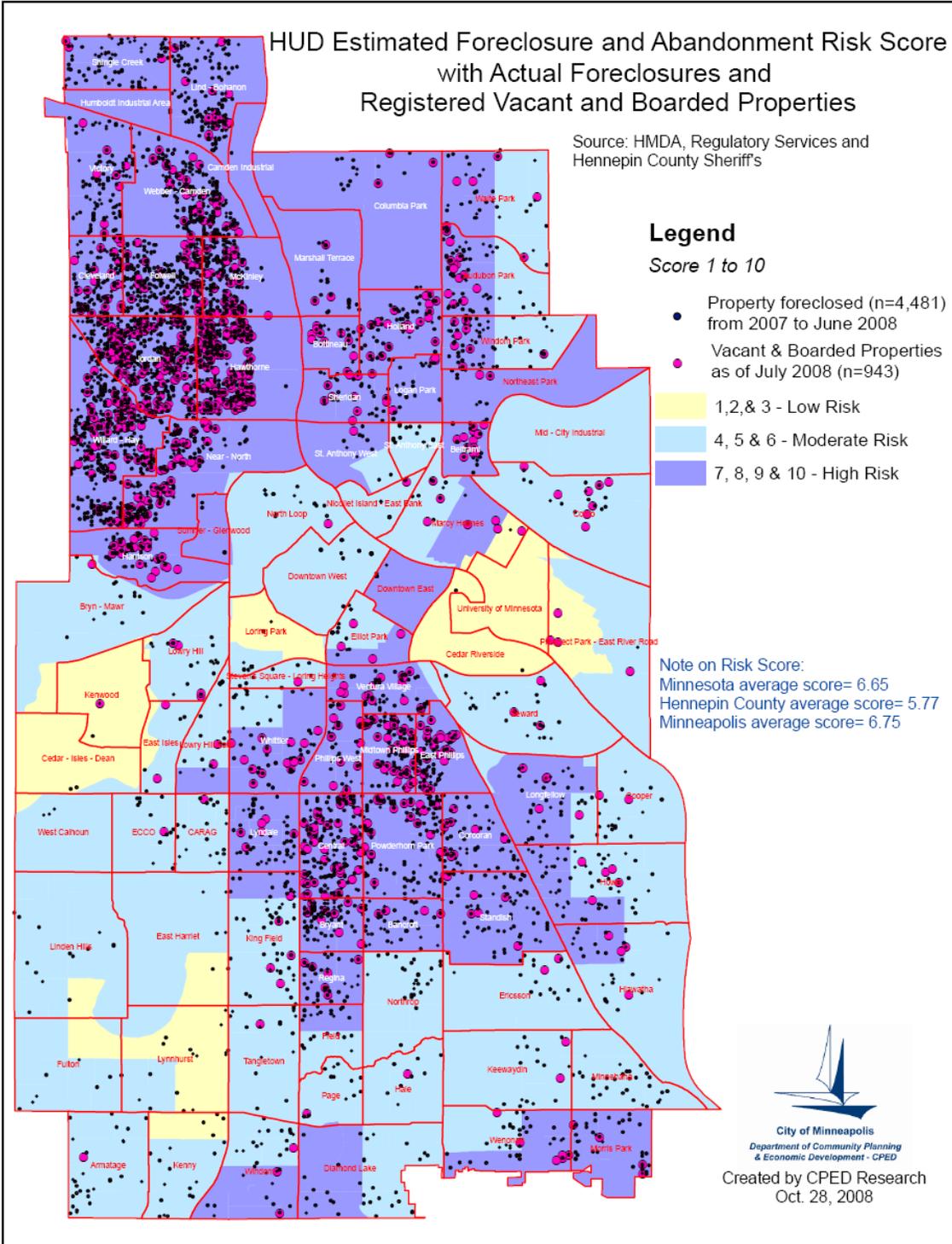
Source: HMDA, Regulatory Services and  
Hennepin County Sheriff's

## Legend

Score 1 to 10

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

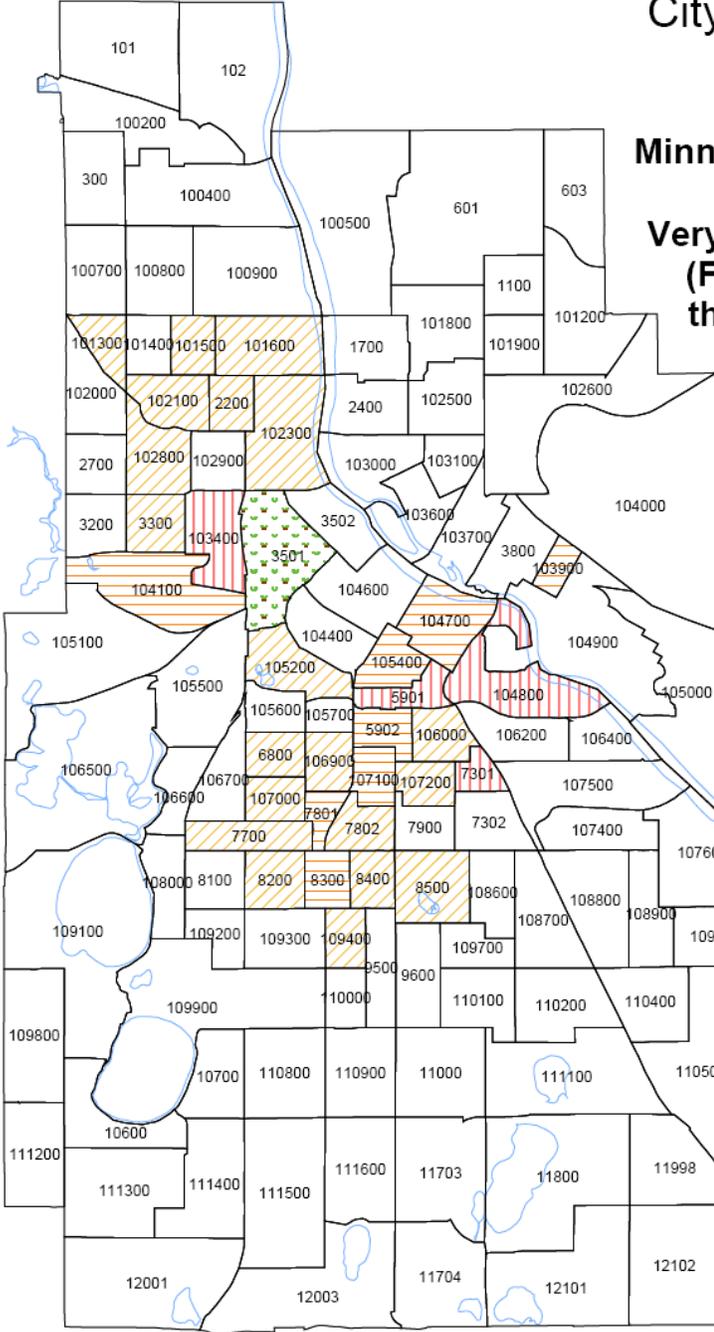
Note on Risk Score:  
Minnesota average score= 6.65  
Hennepin County average score= 5.77  
Minneapolis average score= 6.75



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

# 2000 Census City of Minneapolis

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



### Legend

#### Percent of Family

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

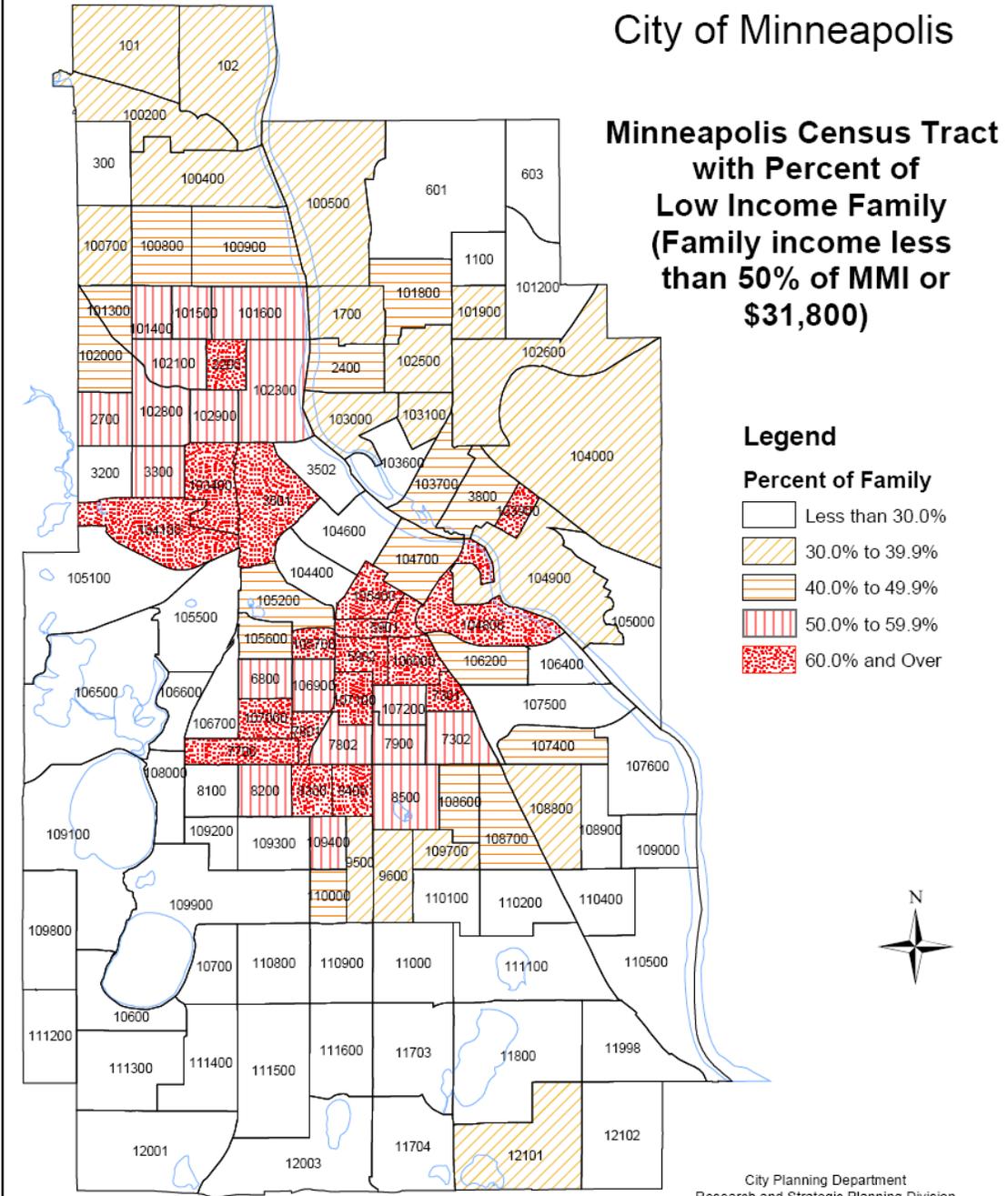


City Planning Department  
Research and Strategic Planning Division  
November 2002

Source: 2000 U.S. Census

# 2000 Census City of Minneapolis

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

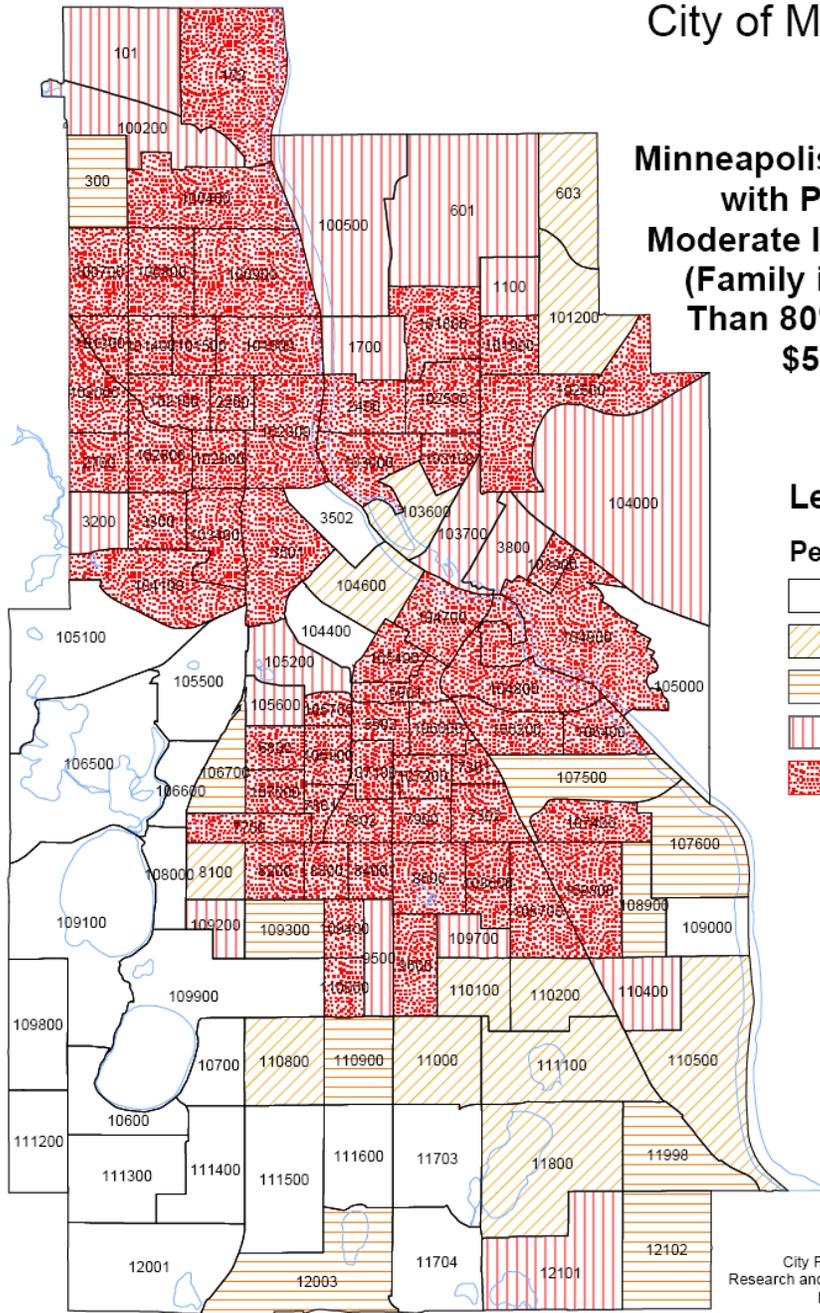


Source: 2000 U.S. Census

City Planning Department  
Research and Strategic Planning Division  
November 2002  
[www.ci.minneapolis.mn.us/citywork/planning/Census2000/](http://www.ci.minneapolis.mn.us/citywork/planning/Census2000/)

# 2000 Census City of Minneapolis

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



### Legend

#### Percent of Family

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



City Planning Department  
Research and Strategic Planning Division  
November 2002

## **City of Minneapolis FY 2013 City Budget and Consolidated Plan Summary of Public Comments**

### **Public Hearing November 28, 2012**

This public hearing was held for the purpose of obtaining comment on the City of Minneapolis proposed 2013 City Budget & tax levy, and the proposed 2013 Consolidated Plan budget.

Comments are summarized as follows: Approximately 12 persons spoke to the City Council at the public hearing on the City's proposed budget. There were 7 persons whose comments pertained to the local property and business tax rates, general fund budget priorities, and neighborhood funding. One person commented about adjusting priorities resulting from CDBG funding reductions, and one person complimented the City's graffiti efforts, formerly funded with CDBG. Three persons representing St. Stephens advocated for greater awareness of homelessness issues including more attention from the City to the following: Emergency Solutions Grant programming, greater sensitivity by the police force, public safety & education, zoning laws including panhandling, and mental health.

### **Public Hearing December 12, 2012**

This public hearing was held with the City Council 2013 Budget Adoption for the purpose of obtaining comment on the 2013 City Budget, including the proposed 2013 Consolidated Plan budget.

Comments are summarized as follows: No comments were received

### **Public Hearing April 2, 2013**

This public hearing was held at the Minneapolis City Council Community Development Committee to allow public verbal input pertaining to the Consolidated Plan. Comments are summarized as follows: Two persons spoke at the Public Hearing to the City Council Community Development Committee. One person spoke to the Federal budget sequestration (5% reduction) and its potential impact on the Consolidated Plan programs; another person spoke to the current CDBG-funded public service subrecipient Domestic Abuse Program (DAP) and its positive impact for residents of the City.

### **Public Comment Period March 15 – April 15, 2013**

A 30 day public comment period was held to allow public review and comment of the 2013 Consolidated Plan. Written comments are summarized as follows: No comments were received