



FY 2024-2029 Minneapolis
HUD CONSOLIDATED PLAN for Housing and Community
Development and One Year Action Plan

Public Comment Draft

April 24 – May 26 2025

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



April, 2025

Contents

Executive Summary.....	5
ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)	5
The Process	9
PR-05 Lead & Responsible Agencies 24 CFR 91.200(b).....	9
PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l)	11
PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)	17
Needs Assessment	22
NA-05 Overview	22
NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)	25
NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)	34
NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)	37
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)	40
NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)	42
NA-35 Public Housing – 91.205(b)	44
NA-40 Homeless Needs Assessment – 91.205(c).....	49
NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d).....	54
NA-50 Non-Housing Community Development Needs – 91.215 (f)	58
Housing Market Analysis.....	60
MA-05 Overview	60
MA-10 Number of Housing Units – 91.210(a)&(b)(2).....	62
MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)	65
MA-20 Housing Market Analysis: Condition of Housing – 91.210(a).....	68
MA-25 Public and Assisted Housing – 91.210(b)	71
MA-30 Homeless Facilities and Services – 91.210(c)	75
MA-35 Special Needs Facilities and Services – 91.210(d)	78

Demo

MA-40 Barriers to Affordable Housing – 91.210(e)	81
MA-45 Non-Housing Community Development Assets – 91.215 (f)	82
MA-50 Needs and Market Analysis Discussion	89
MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)	91
MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)	92
Strategic Plan	93
SP-05 Overview	93
SP-10 Geographic Priorities – 91.215 (a)(1)	96
SP-25 Priority Needs - 91.215(a)(2)	97
SP-30 Influence of Market Conditions – 91.215 (b)	103
SP-50 Public Housing Accessibility and Involvement – 91.215(c)	118
SP-55 Barriers to affordable housing – 91.215(h)	119
SP-60 Homelessness Strategy – 91.215(d)	121
SP-65 Lead based paint Hazards – 91.215(i)	124
SP-70 Anti-Poverty Strategy – 91.215(j)	126
SP-80 Monitoring – 91.230	128
Expected Resources	130
AP-15 Expected Resources – 91.220(c)(1,2)	130
Annual Goals and Objectives	135
Projects	139
AP-35 Projects – 91.220(d)	139
AP-38 Project Summary	141
AP-50 Geographic Distribution – 91.220(f)	163
Affordable Housing	164
AP-55 Affordable Housing – 91.220(g)	164
AP-60 Public Housing – 91.220(h)	166

Demo

AP-65 Homeless and Other Special Needs Activities – 91.220(i).....	167
AP-70 HOPWA Goals - 91.220 (l)(3)	171
AP-75 Barriers to affordable housing – 91.220(j)	172
AP-85 Other Actions – 91.220(k)	174
Program Specific Requirements.....	179

Executive Summary

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

1. Introduction

The 2025-29 Consolidated Plan and 2025 Action Plan details how the City of Minneapolis will use the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) entitlement funding provided to it by the U.S. Department of Housing and Urban Development (HUD). The Plan describes how the City of Minneapolis will address needs facing its very low-, low- and moderate-income residents.

The City of Minneapolis' 2025 Action Plan program year runs from June 1, 2025, through May 31, 2026. The Action Plan chapter of the 2025-29 Consolidated Plan outlines the city's budgeting of funds for its 2025 Consolidated Plan grant funds in working to address the goals outlined in the Strategic Plan of the document. The city anticipates receiving \$17.1 in HUD entitlement funds covered by this Consolidated Plan Action Plan.

- Community Development Block Grant (CDBG): \$10,982,414
- HOME Investment Partnerships (HOME): \$ 2,1230,266
- Emergency Solutions Grant (ESG): \$966,262
- Housing Opportunities for Persons with AIDS (HOPWA): \$3,061,848

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

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

Objectives

1. Creating suitable living environments
2. Providing decent housing, and
3. Expanding economic opportunities

Outcomes

1. Availability/accessibility
2. Affordability, and
3. Sustainability

In pursuit of these HUD objectives and outcomes, the City will pursue the following goals with its HUD resources over the 2020-24 Consolidated Plan:

1. Provide decent affordable housing
2. Develop housing and services for the homeless
3. Provide special needs housing
4. Expand economic opportunities
5. Improve neighborhood conditions

3. Evaluation of past performance

Over the past decade, the City has faced challenges in addressing community development priorities due to reductions in Consolidated Plan funding and the impacts and lingering effects of the recent COVID-19 pandemic. Despite this, the City continues to focus on expanding economic opportunities, creating affordable housing, supporting those at risk of homelessness, providing accessible services to vulnerable populations, and promoting fair housing. The City also strives to leverage HUD funding with other resources to achieve sustainable community change.

In the 2024 program year, CDBG funds were directed toward preserving existing affordable housing and creating new affordable housing. The Minneapolis Works program served income-qualified residents by helping them secure better-paying jobs, seeking to boost the city's and individuals' economic health. HOME funds were used for first-time homeownership and new affordable rental housing, while ESG funds addressed shelter and housing stabilization for the homeless. HOPWA funds supported the housing needs of low-income, medically fragile households.

The success of past programs informs the City's ongoing efforts to support very low-, low-, and moderate-income residents through future initiatives outlined in the Consolidated Plan.

4. Summary of citizen participation process and consultation process

The City of Minneapolis offers various opportunities for residents to participate in decision-making processes, including City council committee meetings, community revitalization meetings, boards, and public hearings. These forums allow the City Council to understand residents' needs and views, which are considered in decision-making. The City encourages broad community involvement through neighborhood organizations and maintains strong links between municipal services and these groups.

As part of its business planning, City departments commit to a resident engagement framework that promotes a shared vision. The City uses multiple engagement methods, such as advisory groups, technical assistance, RFPs, and internet communications, to gather public input. By fostering participation from local and regional stakeholders, the City builds sustainable relationships and

leverages resources through partnerships with federal, private, and public sources to achieve its policy objectives.

5. Summary of public comments

Three public hearings were held for the purpose of obtaining comment on the City of Minneapolis proposed 2025 City Budget including the 2025 Consolidated Plan Action Plan budget. The hearing dates were September 23, November 12, and December 10, 2024. An additional public hearing is tentatively scheduled for May 20, 2025, and will solicit public comment on this 2025-29 Consolidated Plan. Public comments as of this draft are summarized as:

- **Support for Community-Based Initiatives:** Many speakers advocated for reallocating funds from the MPD to community-led public safety programs. **Concerns Over Police Funding:** There was criticism of the proposed budget cuts to the MPD, including a decrease in police recruitment funding. Opponents of these cuts argued that they could hinder efforts to address public safety effectively.
- Many organizations aiming to redirect resources toward initiatives such as housing, mental health services, and violence prevention.
- **Advocacy for Homelessness and Housing Support:** Residents expressed deep concern over homelessness, witnessing individuals living outdoors in harsh conditions. Support was voiced for amendments directing funds toward community-owned social housing and programs like Avivo Village, which offers shelter to unhoused individuals
- **Property Tax Concerns:** Retired residents expressed concerns about the 6.8% property tax increase, fearing it would make it difficult for them to remain in their homes.

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

All comments were received by the City Council for consideration.

7. Summary

As outlined and discussed in the following pages of the Consolidated Plan, the City will address the housing and community development needs of its very low-, low- and moderate-income residents with a variety of programming initiatives that implement the following goals:

Provide decent affordable housing

Work to maintain and produce decent, safe and affordable housing options for extremely low-, low- and moderate-income households. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income (AMI) through new construction/positive

conversion, preservation, acquisition and substantial rehabilitation. With this work, the City will also seek to address racial disparities in housing and affirmatively further fair housing.

Develop housing and services for the homeless

Assist persons experiencing homelessness in realizing safe and accessible shelter and housing. This work will be done consistent with Continuum of Care priorities and strategies.

Provide special needs housing

Support development of affordable housing options for households with special needs including HIV/AIDS.

Expand economic opportunities

Invest in high-quality community-based, culturally appropriate, and accessible employment strategies and business creation efforts that serve to remove barriers to holding a living-wage job and achieving economic self-sufficiency with a focus on eliminating race-based employment disparities.

Improve neighborhood conditions

Implement city housing, economic development and public service strategies to improve access to affordable housing, jobs, transit, amenities and services for Minneapolis residents.

The Process

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

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

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

Agency Role	Name	Department/Agency
CDBG Administrator	MINNEAPOLIS	Finance & Property Services Department
HOPWA Administrator	MINNEAPOLIS	Finance & Property Services Department
HOME Administrator	MINNEAPOLIS	Community Planning & Economic Development Dept.
ESG Administrator	MINNEAPOLIS	Community Planning & Economic Development Dept.

Table 1 – Responsible Agencies

Narrative

The City's lead agency responsible for the plan's development is the Grants Office of the Department of Finance and Property Services. Consolidated Plan policy items are under the general purview of the City Council's Business, Housing, and Zoning Committee. Programs are administered by Minneapolis city departments, primarily the Health Department and the Community Planning and Economic Development Department (CPED). Programming is delivered either through the City directly or through subrecipients or contractors.

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 each August for City Council deliberation leading up to an approved budget in December. City departments and partner agencies review implementation and program strategies to develop the Consolidated Plan submitted to HUD. Then the City collects performance data, annually, on previous program year activities during the summer before submitting an annual performance report to HUD in late summer (August). This performance data provides feedback for budget setting priorities for the following year.

Consolidated Plan Public Contact Information

Questions regarding the Consolidated Plan can be directed to Matt Bower, City of Minneapolis Finance and Property Services Department, 307M City Hall, 350 South Fifth St., Minneapolis, MN 55415; matthew.bower@minneapolismn.gov

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

In developing the Consolidated Plan, the City relies on a variety of complementary planning efforts to inform the needs and strategies expressed in the Plan. The following summaries describe some of these efforts. The City of Minneapolis will continue to consult with other partners in the implementation of the Consolidated Plan.

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

City staff of the Grants Office consult internally with the Minneapolis Department of Community Planning and Economic Development (CPED), Health Department, and other city departments as appropriate in drafting the Consolidated Plan Five-Year Strategy. Hennepin County staff in the Office to End Homelessness provide information and analyses on homelessness needs and priorities based on Continuum of Care consultation. City staff sit on the Minnesota HIV Housing Coalition covering HOPWA issues. The Minneapolis Public Housing Authority (MPHA) provide data and information on public housing. Economic development priorities are developed through the City's relationships with private industry and businesses and public service strategies are developed through consultation with social services agencies. As well, various outside groups were consulted informally by staff. Outside efforts were reviewed for formally provided input to city programming priorities and strategies through means such as advisory committees, task groups and commissions. The most recent public documents of these efforts were reviewed for this document.

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

The City of Minneapolis is an active participant in the local Continuum of Care known as Heading Home Hennepin. The City provides support for the Office to End Homelessness which provides coordination activities for the implementation of goals and strategies of Heading Home Hennepin. City elected officials and staff sit on the Continuum of Care Executive Board and Operations Board. City and county office to end homelessness staff meet bi-monthly on areas of concern.

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

City staff sit on the Continuum of Care Operations Board which has responsibility for planning for ESG funds allocation, development of outcome and written performance standards for the CoC, and the funding, policies and procedures developed for the administration of HMIS and the Coordinated Entry System.

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

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Minneapolis/Hennepin Continuum of Care
	Agency/Group/Organization Type	Housing Services-homeless Regional organization
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City staff continuously consults with the Office to End Homelessness in the development of city strategies and actions outlined in the Consolidated Plan regarding addressing the needs facing persons and households experiencing homelessness or at risk of homelessness. Coordination will continue throughout the Plan.
2	Agency/Group/Organization	Minnesota HIV Housing Coalition
	Agency/Group/Organization Type	Housing Services-Persons with HIV/AIDS Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	HOPWA Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Minnesota HIV Housing Coalition is the community planning and advisory group that assists with identifying the housing needs for persons living with HIV/AIDS in the EMSA served by the Minneapolis HOPWA grant.
3	Agency/Group/Organization	Minneapolis Public Housing Authority
	Agency/Group/Organization Type	Housing PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Minneapolis Public Housing Authority plans and staff were consulted on identifying the public housing needs in the city.
4	Agency/Group/Organization	City of Minneapolis Advisory Boards
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Employment Health Agency Agency - Emergency Management Other government - Local Planning organization Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Minneapolis has several community advisory boards which provide input to the city decision making process in areas around need identification, strategy development, priority-setting, and evaluation. Several documents and initiatives related to these boards in areas such as community public services around health, community livability, youth and senior living, housing, and other issues inform and contribute to the City's setting of priorities and strategies related to the Consolidated Plan.

5	Agency/Group/Organization	HENNEPIN COUNTY
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with Disabilities Services-homeless Services-Health Service-Fair Housing Publicly Funded Institution/System of Care Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	City and Hennepin County staff consulted and collaborated on needs identification and analysis required for the Consolidated Plan, particularly in areas of special needs populations and homelessness.

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

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

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Hennepin County Office to End Homelessness	Goals set forth in the five-year strategic plan are consistent with identified strategies of the County Continuum of Care.
Regional Analysis of Impediments to Fair Housing	Fair Housing Implementation Committee	Affirmative fair housing actions developed during the 2024-29 Consolidated Plan are sourced from the findings in the Analysis of Impediments to Fair Housing.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Minneapolis 2040 Comprehensive Plan	City of Minneapolis CPED-Planning	Strategic plan goals and strategies related to housing and community development sourced from comprehensive plan text regarding future development and redevelopment of the City of Minneapolis.
HIV Housing Coalition Status Report	Minnesota HIV Housing Coalition	HOPWA goals and priorities set by the HIV Housing Coalition.
2024 Moving To Work Annual Plan	Minneapolis Public Housing Authority	Public housing discussion reflects priorities adopted by the MPHA in their strategic plan.
2024-2027 Workforce Innovation and Opportunity Act	City of Minneapolis Employment and Training	Workforce development strategy submitted to Minnesota Department of Employment and Economic Development. Reflects city priorities in economic development and workforce strategy implementation.

Table 3 – Other local / regional / federal planning efforts

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

External consulting with other public entities in the development of the Consolidated Plan is primarily accomplished through periodic inter-jurisdictional meetings between representatives of HUD entitlement communities in the Metro Area. These meetings have included representatives from the cities of Minneapolis, St. Paul, Plymouth; Metropolitan Council; HUD; Hennepin, Ramsey and Anoka counties; and the Washington, Dakota and Bloomington Housing and Redevelopment Authorities as well as the State of Minnesota. Discussion topics of this group consist of joint issues and concerns raised by the Consolidated Plan.

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

Narrative (optional):

For broadband and resiliency information, the City obtained data from the FCC's website on broadband availability as well as past figures from the League of Minnesota Cities and the City's IT Department. The City's former Office of Resiliency was also consulted as to the effects of climate change on low/mod populations within Minneapolis within the context of the current 2020-24 Consolidated Plan. Further information can be found in the Market Analysis section of the Consolidated Plan (MA-60 and MA-65).

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

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

The City of Minneapolis offers various opportunities for residents to participate in decision-making, including council meetings, community revitalization sessions, public boards, and public hearings. This engagement helps the City leadership understand and incorporate residents' needs and perspectives. Community involvement is supported through neighborhood organizations and strong connections with municipal services. The City promotes participation to ensure sustainable decision-making and effective communication of interests.

As part of its planning efforts, the City commits to a resident engagement framework, using methods like advisory groups, technical assistance, RFPs, online communications, and survey instruments. This approach helps the City address its policy goals, particularly in public service, employment, and housing, while leveraging resources and support through partnerships with local, regional, federal, and private entities.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	Public hearing held on September 23, 2024, on the 2025 Consolidated Plan Action Plan and City Budget.	See executive summary discussion.	The City Council received the comments for the record and consideration.	https://lims.minneapolismn.gov/file/2024-01056
2	Public Hearing	Non-targeted/broad community	Public hearing held on November 12, 2024, on the 2025 Consolidated Plan Action Plan and City Budget.	See executive summary discussion.	The City Council received the comments for the record and consideration.	https://lims.minneapolismn.gov/file/2024-01056

Demo

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Hearing	Non-targeted/broad community	Public hearing held on December 10, 2024, on the 2025 Consolidated Plan Action Plan and City Budget.	See executive summary discussion.	The City Council received the comments for the record and consideration.	https://lims.minneapolismn.gov/file/2024-01056

Demo

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Internet Outreach	Minorities Persons with disabilities Non-targeted/broad community	The information regarding the public hearing for the 2025 Draft Consolidated Plan Action Plan was placed on the City's X account and shared on the Newsletters. The 2025 Draft Consolidated Plan Action Plan is placed on the City's website.	See executive summary discussion.	N/A	https://www.minneapolismn.gov/government/departments/finance/reports/consolidated-plan/

Demo

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Public Hearing	Non-targeted/broad community	Public hearing will be held on the draft 2025 Consolidated Plan Action Plan before the Business, Housing and Zoning Committee of the City Council on May 20, 2025.	See executive summary discussion. No comments were received.	N/A	

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The needs assessment reviews the housing, homelessness, special needs, and community development needs experienced by low- and moderate-income Minneapolis residents. Most housing data presented is taken from HUD Comprehensive Housing Affordability Strategy (CHAS). Other non-housing data is provided by HUD. In several sections alternative local data is used to provide a more current picture of needs.

Section NA -10 provides a summary of household type and housing problems by income group, as well a basic outline on the intersection of domestic violence, disability, and other risk factors with housing need or instability.

Sections NA 15-30 analyze disproportionately greater need in the areas of housing problems (defined as overcrowding, cost burden, or inadequate kitchen or plumbing), severe housing problems, and housing cost burden. The analysis finds greater prevalence of these issues in lower income populations relative to higher income populations as well as racial disparities present in the data.

Section NA-35 surveys the supply and demand of federally assisted public housing, as well as Section 8 rental assistance. Demand for these affordable housing programs is greater than available supply, with waitlists for public housing and/or rental assistance vouchers taking years to clear and accepting only a small fraction of qualified households that apply.

Section NA-40 provides demographic data on the homeless population in Hennepin County, both sheltered and unsheltered. There has been an increase in the unsheltered population, which is almost entirely single adults, while seeing progress in a structured process to end chronic homelessness. There continues to be disproportionately large representations of people of color in the homeless population.

Section NA-45 discusses issues within the non-homeless special needs' population. The need for housing affordability is acute in many of these groups, and each requires specifically tailored housing and supportive service solutions. Housing opportunities for those with multiple simultaneous barriers to stability, such as mental illness and a criminal background, is especially lacking.

Section NA-50 describes the non-housing community development needs present in the city. A demand for a variety of social services and economic development programming continues to support thriving neighborhoods.

Priority Needs

In summary, given the needs outlined in the forthcoming sections, the following needs are identified as high priorities for the City.

Affordable Housing

The City will seek to address the housing needs for its extremely low-, low- and moderate-income households with an emphasis on rental housing for extremely low-income households. Housing for those with special needs will be supported by the City. City ownership housing programs will be designed to provide construction/rehabilitation and financing products achieving long-term and permanent affordability terms and to seek to reduce racial disparities in ownership. Preservation of ownership for very low- and low-income households will be pursued. New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.

With housing preservation efforts, the City's first priority is to preserve and stabilize federally subsidized low-income housing that is in danger of converting to market-rate housing, having subsidies expire, or is deteriorating due to age, poor management or physical condition. The City's second priority is to preserve and stabilize Low Income Housing Tax Credit housing and locally subsidized housing that is approaching the end of its affordability period, and unsubsidized affordable housing that is at risk of experiencing significant rent increases. Naturally Occurring Affordable Housing is unsubsidized housing where at least 20% of the units have rents affordable to households with an income at or below 60% of AMI.

Affordable Rental Housing for Special Needs Populations

Produce and make available affordable housing options for HIV households and other special needs households through rental assistance and site-based housing projects. Provide financing for the development of permanent supportive housing options and choice in the community.

Neighborhood Stabilization

Stabilize neighborhood conditions through spot identification of blighting properties and treat to preserve neighborhood livability.

Economic Development

Work to create economic growth opportunities accessible to low- and moderate-income residents and support workforce training options enabling residents to take advantage of those opportunities. Support businesses with the potential to create jobs available for residents.

Public Services

Provide services and programming that support resident health and safety including but not limited to employment training, youth development, crime prevention, health services and public services for vulnerable residents.

Homelessness Programming

Support activities that assist persons experiencing homelessness in realizing safe and accessible shelter and housing. By being an active participant in the Continuum of Care, the City will seek to provide funding for the development of supportive housing units, renovation of emergency shelters, emergency shelter essential case management services, street outreach activities, and provision of rapid rehousing and homelessness prevention assistance.

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

Summary of Housing Needs

This section provides an overview of the housing needs faced by low- and moderate-income residents of Minneapolis. It includes a housing market analysis that examines the available options for the City to address the gaps in housing supply for HUD-eligible populations. The majority of the housing data referenced is derived from the HUD Comprehensive Housing Affordability Strategy (CHAS) data for the 2016-2020 period. It is important to note that CHAS data is based on the American Community Survey (ACS) and may carry a relatively high margin of sampling error in certain instances. As required by HUD, communities are tasked with documenting local affordable housing needs based on this data. This demographic and housing information is crucial in guiding decisions regarding the allocation of HUD funding. Additionally, local housing data or updated ACS data is used to supplement this information when available.

The data show that low-income households are not being adequately served by the local housing market. They face poor housing conditions and high housing cost burdens that place them increasingly at risk of homelessness. The data also show racial disparities present in the needs as well. Disparities exist due to structural imbalances in the housing market as well as a mismatch between economic variables and housing supply.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	399,950	424,535	6%
Households	168,385	178,885	6%
Median Income	\$51,480.00	\$66,068.00	28%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	37,040	23,390	32,075	18,025	68,355
Small Family Households	7,035	5,245	8,160	5,280	29,580
Large Family Households	2,630	2,150	1,935	855	2,700
Household contains at least one person 62-74 years of age	7,035	3,820	5,210	2,705	9,850
Household contains at least one person age 75 or older	3,210	2,100	1,870	1,040	2,625
Households with one or more children 6 years old or younger	4,975	3,445	3,930	1,990	7,020

Table 6 - Total Households Table

Data Source: 2016-2020 CHAS

Housing Needs Summary Tables

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

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	510	295	90	15	910	85	40	40	40	205
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	885	445	385	120	1,835	25	95	100	30	250
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	1,680	995	580	105	3,360	50	100	320	125	595
Housing cost burden greater than 50% of income (and none of the above problems)	15,430	2,080	425	95	18,030	4,035	1,760	915	105	6,815
Housing cost burden greater than 30% of income (and none of the above problems)	4,420	8,075	3,710	880	17,085	910	2,230	3,090	1,170	7,400

Demo

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Zero/negative Income (and none of the above problems)	1,835	0	0	0	1,835	790	0	0	0	790

Table 7 – Housing Problems Table

Data 2016-2020 CHAS
Source:

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

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	18,505	3,810	1,480	335	24,130	4,195	2,000	1,370	300	7,865
Having none of four housing problems	11,770	12,170	16,770	8,770	49,480	2,570	5,410	12,455	8,615	29,050
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data 2016-2020 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	4,840	2,220	730	7,790	790	1,025	1,425	3,240
Large Related	1,775	705	35	2,515	270	365	220	855
Elderly	3,595	1,155	400	5,150	2,135	1,635	1,145	4,915
Other	11,975	6,690	3,135	21,800	1,885	1,080	1,255	4,220
Total need by income	22,185	10,770	4,300	37,255	5,080	4,105	4,045	13,230

Table 9 – Cost Burden > 30%

Data 2016-2020 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	345	345	685	320	0	1,005
Large Related	0	0	135	135	230	105	15	350
Elderly	2,140	390	140	2,670	1,570	735	330	2,635
Other	0	9,950	1,290	11,240	1,665	0	0	1,665
Total need by income	2,140	10,340	1,910	14,390	4,150	1,160	345	5,655

Table 10 – Cost Burden > 50%

Data 2016-2020 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	2,155	1,275	630	160	4,220	40	150	305	125	620
Multiple, unrelated family households	100	15	110	10	235	35	45	120	45	245

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Other, non-family households	340	230	230	55	855	0	0	10	15	25
Total need by income	2,595	1,520	970	225	5,310	75	195	435	185	890

Table 11 – Crowding Information – 1/2

Data Source: 2016-2020 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	4,440	2,550	1,990	8,980	535	895	1,940	3,370

Table 12 – Crowding Information – 2/2

Data Source: 2011-15 HUD CHAS data

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

The most recent 2020 5-year ACS data shows that for Minneapolis, 30% of households are single person households. HUD data shows that of 0-30% HAMFI households, 73.9% are single person households. 30-50% HAMFI households are 68.4% single person households. 50-80% HAMFI households are 68.5% single person households. 80-100% HAMFI households are 66% single person households. 100% HAMFI households are 53% single person households. Using the metro wide housing problems above, approximately half of single person households in the city have a housing problem with cost burden being the most common issue. It is expected that a housing problem such as cost burden diminish as incomes go up.

In Minneapolis, a significant portion of households across various income brackets need housing assistance, particularly among those with very low to moderate incomes (0-50% of HAMFI). For renters, the greatest need is found in households earning 0-30% of the Area Median Family Income (HAMFI), where many experience housing problems like severe overcrowding, substandard housing, and high housing cost burdens. There are 18,505 renters in this income range facing at least one housing problem, including over 15,000 with a housing cost burden greater than 50% of income. Cost burden remains a key challenge, with many households spending over 30% of their income on housing, especially among renters in the 0-30% and >30-50% HAMFI brackets.

Additionally, overcrowding is another critical issue, particularly for renters in the lowest income brackets, with more than 2,500 households in this group living in overcrowded conditions. Seniors are

also notably affected, with elderly renters in the 0-30% HAMFI range facing the highest need for assistance, including cost burdens, and overcrowding. These challenges underscore the urgent need for affordable housing solutions, as many households struggle to afford safe and adequate living spaces.

In terms of household composition, single-person households, small families, and elderly households make up a significant portion of those requiring assistance. This includes households with children and seniors who are especially vulnerable to housing instability due to financial constraints and the increasing cost of living. Addressing these housing needs is crucial to improving the quality of life for these residents and ensuring equitable access to safe, affordable housing in the city.

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

The City of Minneapolis provides Emergency Solutions Grant resources aimed at supporting families and young mothers with children. These services highlight the housing needs of victims of domestic violence and relationship violence, who often require emergency housing assistance. The 2023 Minnesota Homeless Study reports increasing unsheltered homelessness, particularly among adults (18+) who have spent 15+ nights outside in the past month, comprising about 23% of the homeless adult population. Although federal funding in response to COVID-19 slowed the increase, unsheltered homelessness has grown since 2015 especially with the sunset of COVID-19 resources, exacerbated by systemic racism, trauma, substance use, mental health conditions, and prior incarceration. Native Americans are disproportionately affected, comprising 32% of those sleeping outside for at least half the month, despite making up only 2% of the state's population. This disparity is linked to historical systemic issues and barriers to culturally welcoming shelters. Women experiencing unsheltered homelessness are especially vulnerable to violence, assault, and exploitation, facing higher rates of abuse compared to men. These findings underscore the need for interventions tailored to the needs of women and Native American populations. The study highlights the complexity of homelessness, emphasizing the need to address individual experiences and the broader systemic issues contributing to homelessness. Those experiencing unsheltered homelessness often face heightened substance use, especially methamphetamine and fentanyl, with rates significantly higher than those housed. Mental health disorders like anxiety, depression, and PTSD are also prevalent, and many individuals do not receive necessary behavioral health services. Furthermore, many unsheltered individuals have a history of incarceration, which destabilizes their ability to secure housing, particularly due to barriers like criminal background checks. Outreach services and drop-in centers are vital in assisting this population. The study stresses the importance of trauma-informed, holistic services tailored to the complex needs of unsheltered individuals, especially women, Native Americans, and those with substance use or mental health challenges. At least 33% of families in need of housing assistance are victims of domestic violence, dating violence, sexual assault, and stalking, according to the CDC's National Intimate Partner and Sexual Violence Survey. The 2019 National Network to End Domestic Violence survey indicated that 74% of domestic violence programs in Minnesota reported a high unmet need for housing and emergency shelter. Of 1,975 victims served, 77% of unmet requests were for housing-related support, demonstrating a critical gap in housing resources for these victims. Regarding disability, the U.S. Census

Bureau's 2020, approximately 45,000 Minneapolis residents lived with disabilities. People with disabilities are more likely to experience unemployment, as the Minnesota Disability Employment and Inclusion Report (2021) states that they are 2.5 times more likely to be unemployed and 3 to 4 times more likely to be out of the workforce altogether. The earnings gap between disabled and non-disabled workers persists, with employed individuals with disabilities earning less than their non-disabled peers. Housing remains a significant barrier for individuals with disabilities, as affordability and accessibility are major concerns. People with disabilities often require housing adapted to their needs (e.g., wheelchair accessibility, modified bathrooms), but affordable, accessible units are scarce. Combined with limited access to stable, full-time employment, the affordability of both market-rate and accessible housing presents a significant challenge for people with disabilities in Minneapolis.

What are the most common housing problems?

According to data provided throughout the document, cost and overcrowding are cited as major housing issues facing residents, especially at lower incomes. According to the most recent ACS information, the most common housing problem for both renters and homeowners are housing cost burdens. The Minneapolis 2040 Plan lists housing as a major topic for discussion and cites the issues of population growth rising faster than the number of units being built as contributing to these conditions. With that growth comes an increased demand for housing and an associated increase in costs. Due to this demand, residents with lower income are facing many challenges in finding affordable housing.

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

It is expected that with the general population of the city trending younger with children due to relatively recent immigration patterns and corresponding family household sizes increasing, younger households with children will often face the issues of cost burden and overcrowding. As discussed in the market analysis section, with vacancy rates for multi-bedroom apartments very low and with wages at the lower end of the income scale requiring a household to work up to 100 hours a week to reasonably afford an available unit, a far too significant city population faces a severe housing crisis. Racial minorities in the City recognize lesser income and wealth building opportunities making them more susceptible to experiencing housing difficulties and account for disparities with white households in the data.

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

Evidence of families in shelter indicate that the number of families in shelter has not decreased as the local economy has improved. With rents outpacing income, economic inflation, and fair market rents, it is apparent that this situation has contributed to an increase of families using shelter and the City's rapid

rehousing experience indicates that many of the households assisted are coming out of housing conditions of rents being unaffordable and overcrowding such as doubling up with extended family members and friends.

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

Households with incomes up to 30 percent of median family income paying more than 50% of their income for housing are considered to be the most vulnerable, and at greatest risk for becoming homeless.

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

Currently, the rental market is not favorable to households with low incomes. Minnesota Housing Partnership states that full-time minimum wage earners cannot afford an apartment in the state anywhere including Minneapolis. In 2023, MHP calculated that a resident must earn at least \$24.64 per hour in order to afford a modest 2-bedroom apartment. As of 2023 the average wage in the MSP-Bloomington area is \$19.91 per hour. Housing cost burdens remain a significant hurdle for many residents. Any household with inability to address rising rental costs increases the risk of losing housing. If the housing is lost to the renter with an unlawful detainer, access to housing is further constrained. The rental market is marked with increased competition for available units at all income levels and ownership levels for minority and moderate-income homebuyers are not keeping pace with the sharp increase in demand and pricing for housing. Data and experience indicate that households that spend over 50% of their income for housing without the means to reduce that ratio through increasing income will need to balance their housing costs against other life costs such as health, food, transportation, and family expenses.

Discussion

The housing affordability crisis in Minneapolis has worsened since 2019. Low-income households, including those working full-time minimum wage jobs, face severe barriers to finding affordable housing. The wage gap and rising rent costs, particularly in urban areas like Minneapolis, put low-income renters at significant risk of displacement. The competition for housing, coupled with limited availability, further increases the pressure on these households. As a result, many households are forced to spend a disproportionate amount of their income on rent, leading to a variety of negative social and financial outcomes.

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

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

Introduction

These tables measure households with housing problems where among other factors, cost burden is greater than 30%. Residents in the city usually face problems of overcrowding and excessive cost burden. As resident incomes go up, the incidence of these severe housing problems decrease due to the fact that higher incomes can accommodate greater residential space as well as a reduction in the cost of housing as a percentage of income. A disproportionately greater need exists when the members of racial or ethnic group at a given income level experience severe housing problems at a greater rate (10 percentage points or more) than the income level as a whole. As an example, assume that 60% of all low-income households within a jurisdiction have a severe housing problem and 70% of low-income Hispanic households have a severe housing problem. In this case, low-income Hispanic households have a disproportionately greater need. The percent of households with a severe housing problem is calculated by taking the HUD CHAS data from the tables below and dividing the number of households with a severe housing problem by the total of households with a severe housing problem and those without a severe housing problem. HUD specifies that the calculation should not include households with no/negative income, although they are included in the CHAS data tables. All highlighted cells in the following tables indicate a disproportionate need.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	28,035	9,010	0
White	12,595	3,400	0
Black / African American	9,655	3,790	0
Asian	1,430	500	0
American Indian, Alaska Native	555	279	0
Pacific Islander	15	0	0
Hispanic	2,185	380	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

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

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	16,110	7,275	0
White	9,190	4,580	0
Black / African American	3,790	1,350	0
Asian	700	650	0
American Indian, Alaska Native	160	95	0
Pacific Islander	0	0	0
Hispanic	1,750	420	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

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

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	9,650	22,425	0
White	6,240	15,685	0
Black / African American	1,145	2,680	0
Asian	910	935	0
American Indian, Alaska Native	50	225	0
Pacific Islander	0	0	0
Hispanic	980	2,110	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

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

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,690	15,335	0
White	2,075	11,375	0
Black / African American	95	1,915	0
Asian	250	725	0
American Indian, Alaska Native	0	90	0
Pacific Islander	0	0	0
Hispanic	230	725	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

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

Discussion

At the very low- and low-income levels up to three quarters of total households have quality housing and/or cost burdens over 30%. Across races and ethnicities, housing problems are quite common across all at all income levels. This is more so among Asian and Hispanic households. In sum, housing quality and affordability burdens affect all at low-income levels in Minneapolis.

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

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

Introduction

Most of Minneapolis' very low-income households 61% experience one or more of severe housing problems: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost burden over 50%. Residents in the city usually face the latter two problems, those of overcrowding and excessive cost burden. As resident incomes go up, the incidence of these severe housing problems decrease, again due to the fact that higher incomes can accommodate greater residential space as well as a reduction in the cost of housing as a percentage of income. A disproportionately greater need exists when the members of racial or ethnic group at a given income level experience severe housing problems at a greater rate (10 percentage points or more) than the income level as a whole. As an example, assume that 60% of all low-income households within a jurisdiction have a severe housing problem and 70% of low-income Hispanic households have a severe housing problem. In this case, low-income Hispanic households have a disproportionately greater need. The percent of households with a severe housing problem is calculated by taking the HUD CHAS data from the tables below and dividing the number of households with a severe housing problem by the total of households with a severe housing problem and those without a severe housing problem. HUD specifies that the calculation should not include households with no/negative income, although they are included in the CHAS data in the following tables.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	22,700	14,340	0
White	10,565	5,430	0
Black / African American	7,390	6,055	0
Asian	1,205	725	0
American Indian, Alaska Native	465	365	0
Pacific Islander	15	0	0
Hispanic	1,760	810	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

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

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	5,810	17,580	0
White	3,160	10,610	0
Black / African American	1,525	3,615	0
Asian	235	1,125	0
American Indian, Alaska Native	85	170	0
Pacific Islander	0	0	0
Hispanic	600	1,575	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

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

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,850	29,225	0
White	1,390	20,535	0
Black / African American	435	3,390	0
Asian	470	1,375	0
American Indian, Alaska Native	20	255	0
Pacific Islander	0	0	0
Hispanic	455	2,640	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

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

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	635	17,385	0
White	320	13,135	0
Black / African American	60	1,950	0
Asian	80	895	0
American Indian, Alaska Native	0	90	0
Pacific Islander	0	0	0
Hispanic	160	800	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

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

Discussion

As mentioned above, 61% of Minneapolis very low-income households have one or more of the severe housing burdens (housing quality and/or cost burden over 50% of income). Forty-seven (47%) percent of low-income households face this situation and 9% of moderate-income households do. At moderate- and middle-income levels, Hispanic and Asian households face a disproportionate share of severe housing problems. All races have similar severe housing problems at the very low- and low-income levels indicating that all racial/ethnicity groups experience similar housing situations. Very low-income households experiencing severe housing burdens are primarily concentrated in south central, north of downtown and northeast Minneapolis around the University area and north of that area.

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

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

Introduction:

A disproportionately greater need exists when the members of racial or ethnic group at a given income level experience severe housing problems at a greater rate (10 percentage points or more) than the income level as a whole. As an example, assume that 60% of all low-income households within a jurisdiction have a severe housing problem and 70% of low-income Hispanic households have a severe housing problem. In this case, low-income Hispanic households have a disproportionately greater need. The percent of households with a severe housing problem is calculated by taking the HUD CHAS data from the tables below and dividing the number of households with a severe housing problem by the total of households with a severe housing problem and those without a severe housing problem. HUD specifies that the calculation should not include households with no/negative income, although they are included in the CHAS data in the following tables. Since costs continue to rise while wages stagnate, the likelihood of housing burden costs increases. According to the tables, it is shown that in the entire jurisdiction of Minneapolis, housing costs continue to rise which will cause problems for most residents.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	121,415	27,960	26,770	2,750
White	90,710	16,750	14,355	1,215
Black / African American	12,785	5,970	7,455	875
Asian	5,865	1,520	1,310	265
American Indian, Alaska Native	880	190	480	115
Pacific Islander	10	0	15	0
Hispanic	7,085	2,530	1,745	85

Table 21 – Greater Need: Housing Cost Burdens AMI

Data Source: 2016-2020 CHAS

Discussion:

In terms of pure cost burdens, the table above illustrates continued disparities. Running the numbers for housing problems shows a racial disparity when measuring housing cost burdens. According to the table above, 74% of white residents do not have a cost burden over 30% of their income. The Black African American population has over 50% of its population with a housing cost burden over 30%. For the city's black or African American population, 22% have a housing cost burden of 30-50% while 28% of residents

have a cost burden of over 50% income. For the American Indian population in the city, 43% of the population have a housing cost burden of over 30%. Finally, the Hispanic population is affected with 38% of their population having a housing cost burden of over 30%. The City of Minneapolis' overall percentages: 67.8% of households spend $\leq 30\%$ on housing, 15.6% spend 30-50%, 15.0% spend $> 50\%$, and 1.5% have no/negative income. The data above shows the high prevalence of housing cost burden, especially for African American, Hispanic, and American Indian households, with a significant portion of these groups spending over 30% and even 50% of their income on housing.

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

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

Black/African American and American Indian / Alaska Native households show a disproportionately higher need in the >50% housing cost burden category. And Black / African American and Hispanic households are disproportionately represented in the 30-50% housing cost burden category. At all income categories most racial and ethnic groups show proportionate housing needs. It appears that this is due to a combination of a constrained rental housing market and stagnant incomes affecting all populations in the city, however, these disparities highlight that racial and ethnic groups, especially Black/African American, American Indian, and Hispanic communities, face more significant housing cost burdens than the general population.

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

The needs for racial and ethnic groups experiencing disproportionately high housing cost burdens extend far beyond just rent and utilities. Addressing these needs requires a comprehensive, holistic approach that includes access to affordable housing, supportive services, employment opportunities, legal protections, and culturally competent care. By tackling these multifaceted challenges, the likelihood of reducing housing instability for these populations is greatly increased.

Access to Affordable Housing: Many racial and ethnic groups face barriers like discrimination and lack of available housing, making it harder to find safe, affordable housing.

Quality of Housing: Substandard housing conditions are more common in low-income communities, affecting health and safety.

Access to Housing Support Services: Financial assistance, counseling, and social services are necessary for navigating rent payments and other housing issues.

Employment and Economic Stability: High unemployment and underemployment rates for some racial/ethnic groups indicate a need for job training and community-based resources.

Transportation Access: Limited access to affordable transportation can make it difficult to maintain housing stability.

Legal Aid and Eviction Prevention: Legal support is needed to prevent eviction and protect tenants from discriminatory practices.

Mental and Physical Health Services: Unmet mental and physical health needs can hinder housing stability, requiring access to healthcare and addiction treatment.

Culturally Competent Services: Housing and support services need to be culturally relevant, addressing language barriers and distrust in institutions.

Childcare and Family Support: Affordable childcare is essential for enabling parents to work and maintain housing stability.

Community Empowerment and Advocacy: Marginalized communities need support in advocating for systemic change and fighting housing discrimination.

Homeownership Assistance: Culturally responsive programming that offers down payment help, financial education, and affordable homeownership can reduce barriers to building wealth and stability.

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

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

NA-35 Public Housing – 91.205(b)

Introduction

Minneapolis Public Housing Authority (MPHA) is the provider of publicly assisted housing in Minneapolis. MPHA is the largest public housing authority in Minnesota. The information displayed in the following tables are from the MPHA. The Minneapolis Public Housing Authority (MPHA) provides housing to approximately 26,000 residents daily. It owns and operates nearly 5,000 public housing units, including 42 high-rises, 184 family homes, and scattered family homes, primarily serving those at or below 80% Area Median Income (AMI). MPHA also manages over 700 deeply affordable scattered-site family homes, which house more than 3,100 residents. These homes were transferred to a nonprofit controlled by MPHA in 2020, and project-based vouchers have helped maintain affordability for residents. The average earned income for these residents is \$33,812. 62% of these residents have earned income. 16% of heads of households' report having a disability. Additionally, MPHA administers about 7,200 Housing Choice Vouchers (HCV), benefiting over 18,500 people. The agency offers several HCV programs, including tenant-based vouchers, special purpose programs, and project-based vouchers. Most participants in the HCV program have an income of 30% AMI or below. In 2024, MPHA awarded 189 Project-Based Vouchers (PBVs) to various Minneapolis housing developments, with 85 PBVs allocated to six key projects. These developments primarily focus on providing affordable housing for residents at or below 30% and 50% Area Median Income (AMI). The projects aim to provide supportive, affordable housing options and enhance neighborhood amenities across Minneapolis.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	75	5,361	6,829	1,990	4,764	208	83	2,147

Table 22 - Public Housing by Program Type

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

Alternate Data Source Name:

Public Housing Units

Data Source Comments: 2025 MPHA Numbers

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project - based	Tenant - based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	14,293	10,176	15,117	12,034	19,025	11,495	13,684
Average length of stay	0	0	0	0	0	0	4	0
Average Household size	0	0	0	0	2	0	0	0
# Homeless at admission	0	2	462	885	136	747	109	35
# of Elderly Program Participants (>62)	0	15	3,895	1,382	224	1,143	107	0
# of Disabled Families	0	24	2,986	2,626	455	2,147	167	12
# of Families requesting accessibility features	0	0	9	4,615	606	3,850	87	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source Comments: 2025 MPHA Numbers

Race of Residents

Race	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	7	893	1,246	380	859	104	29	574
Black/African American	0	56	5,162	4,779	912	3,811	100	55	1,516
Asian	0	3	237	376	110	263	14	13	132
American Indian/Alaska Native	0	2	96	81	18	61	9	0	40
Pacific Islander	0	1	10	56	23	32	4	2	13
Other	0	0	84	506	506	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Race of Public Housing Residents by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source Comments: 2025 MPHA Numbers

Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	2	134	191	65	124	12	4	64
Not Hispanic	0	67	6,348	6,361	1,884	4,477	140	76	1,986

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

Table 25 – Ethnicity of Public Housing Residents by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source Comments: 2025 MPHA Numbers

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

MPHA accessible units in its inventory which consist of mainly one bedrooms but also includes units up to 4 bedrooms for larger families. Many of these units house families that do not need the accessibility features with the understanding that they will have to move if a family comes along who needs those features. There are currently nine families requesting an accessible unit.

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

Minneapolis has a tight rental market with a vacancy rate of less than 3%. Waitlist Expansion: MPHA added 2,122 families to its family housing waitlist for three-, four-, and five-bedroom units after opening the waitlist for the first time in three years. This followed a five-day application period in October 2024, during which an estimated 3,300 individuals applied. After the application period closed, MPHA staff verified the eligibility of applicants, including contacting those with incomplete applications. 2,122 eligible families were determined, and all were added to the waitlist. The Total Waitlist Size: With the addition of these new applicants, the total family housing waitlist now stands at 4,368 families. The breakdown includes: 1,761 families seeking three-bedroom units, 323 seeking four-bedroom units, 38 seeking five-bedroom units, 2,246 families already on the waitlist (from previous years). MPHA's efforts include investing in dedicated resident mobility and owner outreach positions to create new housing opportunities, completing a study of our local rental market, and launching an incentive fund for property owners. Using MTW flexibility, MPHA will continue conversations in 2025 to create other flexible subsidies that can be tailored to the needs of families, local priorities, and the experience of non-profit partners.

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

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

Discussion

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

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

Addressing homelessness in Minneapolis requires a collaborative effort that combines immediate housing solutions with long-term strategies to tackle underlying systemic issues. Continued investment in prevention, supportive services, and affordable housing is essential to create sustainable improvements in the lives of those affected. In 2024, Minneapolis faced significant challenges related to homelessness, marked by notable increases in shelter usage and shifts in demographic patterns according to the 2024 Annual Homelessness Assessment Report to Congress. Minnesota experienced a 10% rise in homelessness from 2023 to 2024, with Minneapolis seeing a more pronounced increase of 16% during the same period. The Hennepin County Point-in-Time (PIT) Count revealed that on a single night in January 2024, 3,361 individuals were staying in shelters and transitional housing programs, while 496 individuals were experiencing unsheltered homelessness. These showed a slight increase from 2,843 and 469, respectively, in 2023. A significant driver of increased shelter usage was a 30% rise in families experiencing homelessness, following a 79% increase from 2022 to 2023. This surge underscores the critical need for family-focused housing solutions. The persistent rise in homelessness highlights systemic issues, including a profound shortage of affordable housing for individuals and families with extremely low incomes. Contributing factors encompass individual trauma, systemic racism and barriers to housing access, cost increases in basic necessities and reduction of income and employment supports.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	33	2,154	3,691	2,012	1,128	196
Persons in Households with Only Children	2	18	174	145	35	35
Persons in Households with Only Adults	461	1,198	5,227	3,050	731	104
Chronically Homeless Individuals	242	338	1,706	0	0	0

Demo

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Chronically Homeless Families	7	56	301	0	0	0
Veterans	5	108	257	154	143	90
Unaccompanied Child	34	162	921	565	147	116
Persons with HIV	5	65	0	0	0	0

Table 26 - Homeless Needs Assessment

Data Source Comments: 2024 Point in Time Count and 2024 Longitudinal Systems Analysis, accessed via the Homelessness Data Exchange (HDX).

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	569	114
Black or African American	1,487	164
Asian	51	7
American Indian or Alaska Native	231	139
Pacific Islander	9	5
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	578	66
Not Hispanic	2,265	403

Data Source

Comments:

2023 HUD PIT <https://www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007/>

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

The average family household size is 2.4 according to the U.S. Census Bureau (2020 Census). On average, three families enter county-contracted shelter daily and one in three has been in shelter before. Continuing since the COVID-19 pandemic, families experiencing homelessness has increased as outlined above. The 2024 PIT count found 628 households of 2,187 adults and children, an increase on top of increases recognized since 2022 coinciding with the ending of COVID-19 income supports. Families with children accounted for 16% of the total homeless population in the county. This marked a 30% increase in families experiencing homelessness compared to the previous year, following a 79% increase from 2022 to 2023. The surge in shelter usage among families aligns with broader trends observed statewide. In 2023, families with children under 18 represented 47% of Minnesota's homeless population, with the Twin Cities metro area slightly higher at 48%.

Significant progress has been made in addressing veteran homelessness in the local Continuum of Care. As of September 30, 2024, 69 veterans were experiencing homelessness in Hennepin County, with only 5 of these veterans living unsheltered. This represents a substantial decrease from August 2023, when 167 veterans were homeless. Furthermore, in October 2024, Hennepin County was recognized for achieving the "functional zero" designation for veteran homelessness. This designation indicates that veteran homelessness is considered rare, brief, and non-recurring in the area.

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

Data from the Wilder Foundation's 2023 report indicates that although seventy-eight percent (78%) of Minnesota's adult population is White, just over one-third of the population experiencing homelessness

are people of color. Additionally, organizations like Union Gospel Mission Twin Cities observe that despite comprising only 14% of the general population in the Twin Cities, African Americans make up over half of the homeless population, making them four times as likely to experience homelessness. Native Americans are even more overrepresented among those experiencing homelessness, especially in unsheltered settings. These statistics underscore the significant racial disparities in homelessness within Hennepin County and Minnesota at large, highlighting the need for targeted interventions to address these inequities.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Homelessness in Minneapolis encompasses both sheltered and unsheltered individuals, with distinct characteristics and trends observed in each category.

Sheltered Homelessness: In January 2024, Minnesota's PIT identified over 9,000 individuals experiencing homelessness on a single night, with a significant portion residing in shelters. The state's largest youth shelter, Catholic Charities Hope Street, reported turning away nearly 1,000 young people in 2019 due to capacity constraints. In Hennepin County, policy is a shelter-all for families. There are approximately 900 shelter beds available for single adults. This supply allowed for approximately 87% of those experiencing homelessness on the night of the PIT count to be sheltered.

Unsheltered Homelessness: Unsheltered homelessness refers to individuals living in places not meant for human habitation, such as streets, parks, or abandoned buildings. In January 2024, the number of unsheltered individuals increased by approximately 24% compared to the previous year, while those in emergency shelters rose by about 7% and transitional housing by 3%. This is down though since 2020 levels due to increasing housing options.

Demographic Insights: Geography significantly influences the experience of homelessness. The Twin Cities metropolitan area is home to approximately two-thirds of Minnesota's homeless population. Within this urban setting, individuals often enter and experience homelessness differently compared to those in greater Minnesota, where challenges such as a lack of affordable housing for very low-income individuals are more pronounced. Over the past decade, Minnesota has seen fluctuations in its homeless population. A 2023 survey by the Wilder Foundation found a 10% increase in the state's homeless population since 2013.

Chronic Homelessness: In 2017 Hennepin County introduced a by-name list of persons experiencing chronic homelessness and in 2018 joined the Built for Zero movement. With focused resource investments and strategic mapping of Coordinated Entry protocols, the County Continuum of Care has seen a 92% housing retention success for housed formerly chronically homeless persons.

Discussion:

Minneapolis is actively addressing homelessness through a multi-faceted approach, focusing on both immediate relief and long-term solutions. In line with Continuum of Care priorities, the City has adopted the Housing First model, prioritizing housing as the first step in addressing homelessness, while expanding shelter capacity, especially for families and single adults. Emergency and transitional housing options are also available, and the Coordinated Entry System ensures that the most vulnerable individuals are prioritized for housing and services. Minneapolis is also working with its County and community partners on managing unsheltered homelessness through outreach programs and encampment management, connecting individuals to shelters and services. Through these efforts, Minneapolis aims to address immediate shelter while creating sustainable pathways out of homelessness.

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

Introduction:

Minneapolis has a high priority for development and maintenance of permanent supportive housing that can serve non-homeless people with special needs inclusive of those with HIV/AIDS. The City funds projects that provide onsite services or linkage to community-based services options where possible, and HOPWA funding comprises a sizable portion of the City's resources for those projects. Many special needs human service programs are also funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies. Minneapolis supports and funds efforts at advocating for and ensuring fair housing protections for persons with disabilities.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	4,086
Area incidence of AIDS	85
Rate per population	0
Number of new cases prior year (3 years of data)	261
Rate per population (3 years of data)	0
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	7,883
Area Prevalence (PLWH per population)	265
Number of new HIV cases reported last year	205

Table 27 – HOPWA Data

Data Source Comments: CDC 2022 HIV MN Diagnosis Map - calculated for 15-county EMSA

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	175
Short-term Rent, Mortgage, and Utility	0
Facility Based Housing (Permanent, short-term or transitional)	5

Table 28 – HIV Housing Need

Describe the characteristics of special needs populations in your community:

According to 2020 ACS 5-year estimates, there are 46,059 individuals living with a disability within the City of Minneapolis, or approximately 10.9% of the City's population. Of those living with a disability,

42,678 are of working age (16 years or older), but only 15,088 are employed. Among the working age disabled population, 65% of individuals make \$35,000 a year or less.

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

There is significant need for safe, affordable housing units and convenient supportive services among Minneapolis' special needs population. Across the special needs population, there is a strong need for additional safe, affordable housing units. The City's senior housing initiatives recognize that senior populations are attracted to affordable, quality housing with convenient access to desired services and functions supporting a variety of lifecycle housing options. With both developmentally and physically disabled populations, a continuum of housing options that meets the needs and interests of different people at different points in their lives is needed, and that as much as possible this should be about individualization and community integration. Specific populations who have additional difficulty/housing needs are: those who also have a criminal background, those who need assisted living settings, and housing for those with mental illness and/or chemical dependency. According to "The Way Home," a 2021-23 Progress Report, there are 7 key strategies by which the City is improving housing within Minneapolis, including for those with special needs:

- Increasing housing supply, diversity and affordability in all neighborhoods
- Producing more affordable rental housing and preserve subsidized affordable rental housing for 30 years or more
- Preserving unsubsidized naturally occurring affordable housing (NOAH)
- Improving and sustaining access to homeownership, especially among low-income and Black, Indigenous, People of Color (BIPOC) residents.
- Supporting renters
- Preventing and ending homelessness
- Maximizing potential of publicly-owned land to meet City housing goals

Progress toward each of these goals continues to be informed by data collected by the City's Community Planning and Economic Development department. Both Hennepin County and the State of Minnesota's Department of Human Services have targeted programs complementing and overlapping with the City's work toward providing support for special needs housing.

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

HOPWA funds programs serving site-based initiatives and providing tenant rental assistance throughout the 15-county EMSA, which currently includes households within the following counties: Anoka County, MN; Carver County, MN; Chisago County, MN; Dakota County, MN; Hennepin County, MN; Isanti County, MN; Le Sueur County, MN; Mille Lacs County, MN; Ramsey County, MN; Scott County, MN;

Sherburne County, MN; Washington County, MN; Wright County, MN; Pierce County, WI; St. Croix County, WI.

Most new incidences of HIV/AIDS in Minnesota occur within the 15-county EMSA. Among new HIV diagnoses within the state, 78% were reported from Minneapolis, St. Paul or the surrounding suburbs. Of the 324 diagnoses in 2023, 258 were new HIV diagnoses, while 67 were simultaneous HIV and AIDS diagnoses.

The number of cases among people assigned male at birth has averaged 77% for the last decade. In 2023, those assigned male at birth accounted for 82% of new diagnoses. Non-Hispanic, African-American and Black African-born Minnesotans jointly make up about 8% of the population in Minnesota, yet accounted for 31% of the newly diagnosed cases of HIV in 2023. Similarly, Hispanics of any race account for approximately 6% of the population, but account for 22% of the newly diagnosed cases. This is an increase from 14% in 2022 to 22% in 2023.

Minnesota has seen an increase of HIV among certain populations in Hennepin and Ramsey Counties. An outbreak was declared in Hennepin and Ramsey counties among people who inject drugs (PWID) in 2020 with cases dating back to December 2018. People at high risk in the current outbreaks include people who use injection drugs or share needles/works; people who exchange sex for income and other items they need; and/or people experiencing homelessness or unstable housing.

Affordable housing remains the greatest unmet needs for people living with HIV/AIDS within the EMSA. According to the 2024 point-in-time count provided by the regional Continuum of Care to HUD, there are approximately 9,200 individuals living in the state of Minnesota without permanent housing, and those living with HIV/AIDS are at far greater risk of housing instability than the greater population. They are also likely to be less adherent to medication, have worse overall health outcomes, and are more likely to use emergency rooms and be hospitalized. People who are homeless or unstably housed have HIV infection rates as much as 16 times higher than people who have a stable place to live. When housed, people are more likely to gain access to treatment and adhere to treatment.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

The City does not use HOME for TBRA programming.

Discussion:

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

- Promoting the development of housing suitable for people and households in all life stages, adaptable to accommodate changing housing needs over time
- Promoting accessible housing designs
- Supporting the development of housing with supportive services

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

Describe the jurisdiction's need for Public Facilities:

Due to the severe reductions in CDBG funding levels made available to the City, Minneapolis will treat public facility needs as a low priority for its estimated receipt of CDBG funds in the 2025-29 planning period. If CDBG funding levels were to rise significantly, the City may revisit the priority for public facilities. As noted in the next question, there remains a high need for public facility improvements as identified in the City's Capital Improvement Plan. In the area of economic development, the City will be using CDBG to assist businesses in their capital needs, however, that strategy is in support of the community development goals around job creation/retention and workforce development.

How were these needs determined?

The City will pursue support for public facility improvements outside of its HUD funds in order to create a quality living experience for its citizens. If sufficient HUD funds exist, the City will assign high priorities to commercial/industrial building rehabilitation, economic development assistance to businesses, a variety of public facilities catering to the city's seniors, youth and working low- and moderate-income persons, and the provision of public safety, health services and senior services.

Describe the jurisdiction's need for Public Improvements:

As noted above, Minneapolis will treat public improvement needs as a low priority for its estimated receipt of CDBG funds in the 2025-29 planning period. If CDBG funding levels were to rise significantly, the City may revisit this priority.

How were these needs determined?

City public improvements needs are identified and prioritized by the city's Capital Long-Range Improvement Committee (CLIC). CLIC is a citizen advisory committee to the Mayor and City Council. In developing a five-year forecast plan, members rate staff proposed capital proposals against needs and racial equity concerns to develop a numerical ranking of projects. High-ranking projects are then balanced against available resources by year to arrive at recommendations for the Mayor and City Council.

Describe the jurisdiction's need for Public Services:

Low-income households and households with residents of color are concentrated in two areas of Minneapolis: the northwest quadrant and the central area. When measures of population well-being, such as infant mortality, child lead poisoning, and violence are similarly mapped, they tend to concentrate in the same areas. Because health disparities are clearly evident by race/ethnicity and income, public services are needed to reduce these disparities and improve community well-being. Key benefits of funding include healthier families and safer homes and communities. The Minneapolis Health Department (MHD) works with Hennepin County and an array of community-based health and social service agencies to improve community health and well-being at all age levels. Reducing health disparities requires access to resources that include: prenatal services for high risk women; early childhood health and school readiness; successful educational outcomes and healthy lives for school aged children; preventing violence among youth and young adults as part of ensuring safe and livable communities; primary health services for all ages from newborn to seniors; violence free families; and, safe, healthy, and stable housing at all ages.

How were these needs determined?

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

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The production and preservation of affordable housing has been a longstanding priority within the City of Minneapolis. Since the adoption of initial affordable housing legislation in 1999, the City has evolved its policy due to research and needs. With development of the recent Minneapolis 2040 comprehensive plan, affordable and accessible housing remains a top priority for the City. Minneapolis is a city attracting more residents and businesses each year. With this growth, challenges are being seen with housing shortages and a rise in cost-burdened households. Some of these challenges are regulatory barriers that the City can address. Previously, restrictive zoning regulations had been a roadblock in creating higher density that could support addressing these issues. Since 2019 the City Council has adopted inclusionary zoning and elimination of single family zoning districts. Even though the city is dealing with a large housing shortage and cost burdened homeowners and renters, these new zoning policies promise an effective tool assist in making more housing affordable and possible.

Policy-wise, in order to increase housing supply and choice, the City will:

- Allow multifamily housing with higher densities along high-frequency routes and near metro stations
- Allow new housing within neighborhood interiors to permit a mix of housing types from single-family homes to apartments.
- Allow up to three dwelling units on individual lots in the neighborhoods farthest from downtown that contain primarily single-family homes.
- Allow the highest density housing in and near downtown.

In terms of supporting affordable housing production and preservation, the City of Minneapolis will seek to produce housing units meeting the changing needs of residents in terms of unit sizes, housing types, affordability, and location while preserving existing affordable housing using targeted, priority-based strategies. With rates of cost burdened households rising, it is important to develop actions that will effectively make housing options more affordable in the city. Specific action steps include:

- Produce more affordable housing by expanding programs and resources, prioritizing funding to households earning at or below 30% and 50% area median income.
- Pursue policies, tools and programs to ensure long-term housing affordability, such as requiring the maximum affordability term of at least 30 years for new affordable housing construction.

- Strengthen existing strategies and create new strategies to retain naturally occurring affordable housing and existing housing types that are typically not constructed in the marketplace, such as, single room occupancy, shared housing, co-housing, cooperative housing, and 3+ bedroom units for families.

The following market analysis section will show specific figures and areas of concern that illustrate the need for HUD funding and the programming work outlined above. The market analysis also addresses community development needs present in the community and economic conditions facing low- and moderate-income residents.

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

Introduction

Minneapolis boasts a diverse housing stock ranging from single family homes to high density apartment and condominium buildings. The diverse mix of housing types come as a direct result of neighborhoods uniquely evolving throughout different eras of the city's history. Approximately half of the housing units in the City of Minneapolis are single family units with the remainder being multifamily buildings that range from duplexes to very large developments. With the recent adoption of inclusionary zoning and the elimination of single-family zoning, opportunities for growth are higher than in the past.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	82,307	41%
1-unit, attached structure	7,539	4%
2-4 units	24,911	12%
5-19 units	22,328	11%
20 or more units	65,497	32%
Mobile Home, boat, RV, van, etc	89	0%
Total	202,671	100%

Table 29 – Residential Properties by Unit Number

Data Source Comments: ACS 5-Year Estimates Data Profiles, Table DP04, 2023

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	808	1%	13,836	14%
1 bedroom	7,053	8%	39,941	41%
2 bedrooms	24,054	27%	29,331	30%
3 or more bedrooms	58,771	65%	15,150	15%
Total	90,686	101%	98,258	100%

Table 30 – Unit Size by Tenure

Alternate Data Source Name:

Tenure by Bedroom

Data Source Comments: "Tenure by Bedrooms." American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B25042, 2023

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

Housing is a fundamental element of human well-being and a critical foundation for a thriving city. Communities with high concentrations of poverty often face challenges such as public safety concerns, disinvestment, and disparities in education quality. As such, it is essential to sustain and enhance both

the quantity and quality of affordable housing within Minneapolis. The City's Affordable Housing Trust Fund plays a key role in financing the creation of new or rehabilitated affordable rental units. This program is supported by funding sources including HOME and CDBG, and provides gap financing to affordable rental projects, covering the difference between total development costs and available funding from other sources. In addition to supporting rental production and preservation, the City of Minneapolis fosters homeownership opportunities through programs such as the Neighborhood Stabilization Program, as well as through HOME and CDBG funding. These federal resources are often combined with tax credits, project-based assistance, and private, state, and local funding to maximize the impact of these initiatives.

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

The preservation of federally subsidized housing in the city is vital in maintaining the city's affordable housing inventory. Both the Affordable Housing Trust Fund and 9% Low Income Housing Tax Credit (LIHTC) Program list federally subsidized housing preservation as a priority in their Requests For Proposals and Qualified Allocation Plan respectively. The City will work with HUD, MPHA and the private market to ensure that federal subsidies do not expire while allowing for market strengthening incentives through either city Consolidated Plan funding, tax credits or other measures. Furthermore, through Affordable Housing Trust Fund and the LIHTC program re-investment, expiring requirements do not always, in fact, result in loss of affordable units. It is very possible that affordability of these units will be preserved through restructuring terms of the maturing debt to extend affordability periods and/or through additional HOME / CDBG rehab funding through the Affordable Housing Trust Fund. A MPHA list of subsidized projects and HousingLinks Streams dataset were reviewed to estimate a number of properties/units that are at risk of being lost in the next five years. Approximately 28 properties with 1,199 units are identified as at risk. Currently, the City and other partners such as the MPHA are addressing a few of these properties. As described in the Strategic Plan, the City is pursuing preservation of these and private NOAH properties with its federal and local investments.

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

In October 2019, The City of Minneapolis adopted its 2040 Comprehensive plan which serves as a shared vision for the future of the city. One of the main goals of this plan is for all Minneapolis residents having the ability to access quality and affordable housing throughout the city. Minneapolis is a growing city (a 12.3% increase (according to the 2010 Census population and the 2020 Census population) and faces challenges as it continues to grow. These challenges include an overall shortage in housing stock that residents can afford, a rise in the number of and percentage of cost-burdened homes, and the presence of zoning regulations that have long favored single-family housing at the expense of housing access. Since the adoption of the 2040 plan, single family zoning has been removed from the city which will improve expansion opportunities. To meet the goals of increasing access and affordability to housing, the city has adopted many policies to meet this goal such as innovative housing types, affordable

housing production and preservation, mixed income housing, and creation of affordable housing near transit corridors.

Describe the need for specific types of housing:

The City will pursue with its HUD resources specific attention to the creation and preservation of rental housing affordable to those at or below 50 percent of area median income with preference to maximizing resources as available to those at or below 30 percent of area median income. Priority will be for the creation of new units with 3+ bedrooms to accommodate the need for large family households. In ownership, the city will pursue the development of housing opportunities for households at or below 60 percent of area median income. Housing will be developed for long housing life with minimal maintenance needs for the homeowner over the long term.

Discussion

Strategies to address these market need conditions are outlined in the Strategic Plan chapter. In summary the City will work to apply its Consolidated Plan resources to support the preservation and creation of housing units affordable to HUD targeted income households.

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

Introduction

Minneapolis is facing an ongoing and worsening shortage of affordable housing, which is putting a significant strain on all households—particularly low- and very low-income renters. While vacancy rates have risen somewhat in recent years (in part due to the City's policy support for expanded residential development), low-income renters and people experiencing homelessness continue to be challenged in identifying available, affordable units. The city's vacancy rates are some of the lowest in the country, which is pushing rent prices even higher. With so few available units, it's already hard for the general population to find housing, but for low-income renters, the struggle to secure affordable options is even more challenging. The lack of affordable housing continues to be an urgent issue that requires ongoing attention and action.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	205,300	268,100	31%
Median Contract Rent	802	983	23%

Table 31 – Cost of Housing

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	8,462	14.7%
\$500-999	15,878	37.8%
\$1,000-1,499	33,868	28.5%
\$1,500-1,999	21,748	12.7%
\$2,000 or more	16,895	6.3%
Total	96,851	100.0%

Table 32 - Rent Paid

Alternate Data Source Name:

Gross Rent

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Selected Housing Characteristics." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP04, 2023

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	12,685	No Data
50% HAMFI	34,815	6,670
80% HAMFI	63,780	22,375

Number of Units affordable to Households earning	Renter	Owner
100% HAMFI	No Data	33,090
Total	111,280	62,135

Table 33 – Housing Affordability

Data Source: 2016-2020 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	1,174	1,327	1,622	2,188	2,478
High HOME Rent	1,174	1,327	1,622	2,066	2,285
Low HOME Rent	1,087	1,165	1,397	1,615	1,801

Table 34 – Monthly Rent

Data Source Comments: HUD FMR and HOME_RentLimits_State_MN_2024

Is there sufficient housing for households at all income levels?

The Metropolitan Council projects that between 2010 and 2040, the metro region will add 367,000 households and that roughly 40% will earn less than 80% of Area Median Income (\$82,720 for a family of four). Currently, 48% of the region's households pay more than 30% of their income on rent, making them housing cost burdened. The Council forecasts that between 2020 and 2030, our region will add 37,400 low- and moderate-income households that will need additional affordable housing. For comparison, in the first three years of this decade, the region added just under 3,000 new affordable units, far under the need.

According to the 2020 ACS 5-year survey data, the vacancy rate for housing units in Minneapolis is 3.2% compared to a vacancy rate of 4.5% across the entire state. As mentioned before, with the population growth rises higher than the amount of new housing units being built, it is difficult for residents to find adequate housing. The vacancy rate is even lower for homeowners at 1.6%.

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

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

the rising sale price of homes is an indicator that affordability of homeownership will be a more significant issue moving forward. An additional factor in play is that a great deal of affordable housing, especially privately owned single family homes are occupied by higher income persons, thus increasing the mismatch between need and availability. The City of Minneapolis is exploring mechanisms to ensure long-term affordability through partnerships with land trusts and the local Habitat for Humanity, and will explore additional options for ensuring sustainable and permanent affordable investments in ownership housing. The recent adoption of inclusionary zoning offers an opportunity for housing expansions throughout the city, however, without the supply of housing meeting the demand of residents, housing costs will likely continue to increase.

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

Given the current low apartment vacancy rates in Minneapolis, Fair Market Rents (FMR) and HOME rents remain significantly lower than the Area Median Rent (AMR). As of 2024, the Fair Market Rent for a two-bedroom apartment in Minneapolis, set by the U.S. Department of Housing and Urban Development (HUD), is \$1,622 per month. In comparison, the average rent for a two-bedroom apartment in Minneapolis has risen to approximately \$1,850 per month, based on recent market trends. This is nearly \$250 higher than HUD's established FMR. As rents in the private market continue to climb, naturally occurring affordable housing (NOAH) is becoming increasingly scarce, with available units likely to be of lower quality. Consequently, there is a growing need for a dual approach that emphasizes both the production of new affordable housing—which offers amenities and features not widely available in the current market—and the preservation of existing affordable housing. This includes prioritizing the protection of units under affordable rent contracts, which provide essential stability to low-income households.

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

Introduction

As buildings age, they require maintenance. If that maintenance is deferred, this leads to a decline in the city's housing stock. Maintenance is generally sound investment for property owners. However, major rehabilitation sometimes costs more than it adds to property value. This creates an economic disincentive for property owners to make substantial repairs to older properties. Another concern is that some maintenance is very expensive, especially in terms of mechanical and structural systems and may not be affordable to the current residents.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

The City Assessor's Office is responsible for maintaining property descriptions on all parcels in the city as a basis for estimating their market values for tax purposes. A condition rating is a qualitative factor utilized as one of the variables used in valuing properties. The condition rating describes the status of the property's overall general physical condition. This includes the foundation, framing, siding, roof, windows and doors, mechanical equipment, electric and plumbing, cabinets, trim, plaster, floor cover, finishes, and any attachments such as porches and decks. The condition is often dependent on the age of improvements, but the condition rating is not based on physical image alone. It is also distinct from functional utility or external obsolescence. The condition rating intent is to rate the overall condition of the property relative to citywide standards, and not neighborhood standards alone. The ratings are to be based on the observable condition of the property and what can be reasonably imputed from information such as the age, known improvements to older structures, building inspector's records, or MLS notes. It reflects only the physical condition of the subject property and is not influenced by location, functional utility, or external obsolescence such as the condition of adjacent or surrounding properties. In this rating context, condition ratings of 6-7 are considered as substandard but suitable for rehabilitation while a housing unit with a condition rating of 7 or 8 is considered substandard and not suited for rehabilitation. These applicable conditions are described as such:

6 FAIR The condition is significantly below average. It represents a property that is structurally sound but has a significant amount of deferred maintenance. There should be no significant foundation problems however, siding, roofing, mechanical systems, etc. are old and show signs of significant wear. If not in need of immediate replacement, they are definitely at the end of their useful life. Paint, trim, cabinets, floor cover, etc. are tired or in need of replacement.

7 LOW These properties have numerous problems. The property foundation may have large cracks or substantial settling. Most of the building components are in need of repair or replacement such as; rotting wood, holes in the plaster or sheetrock, carpets worn through to the backing, tiles are broken or missing in the kitchen or bath. Heating and plumbing systems may be unreliable. The house is still

inhabitable, but bringing the house up to average condition would require major expenditures. The cost to cure may out weigh the entire value of the home.

8 UNINHABITABLE This represents properties at the end of their economic life. The property is uninhabitable, beyond repair, probably condemned and likely to be demolished in the near future. Rating scores below 6 are considered standard housing conditions meeting local and state housing code standards as well as being able to meet HUD Housing Quality Standards.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	16,645	20%	38,945	41%
With two selected Conditions	395	0%	3,180	3%
With three selected Conditions	4	0%	150	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	67,775	80%	51,790	55%
Total	84,819	100%	94,065	99%

Table 35 - Condition of Units

Data Source: 2016-2020 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	6,285	7%	16,650	18%
1980-1999	6,300	7%	12,910	14%
1950-1979	15,170	18%	31,020	33%
Before 1950	57,070	67%	33,480	36%
Total	84,825	99%	94,060	101%

Table 36 – Year Unit Built

Data Source: 2016-2020 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	72,240	85%	64,500	69%
Housing Units build before 1980 with children present	11,165	13%	2,031	2%

Table 37 – Risk of Lead-Based Paint

Alternate Data Source Name:

Risk of Lead-Based Paint Hazard

Data Source Comments: 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present under 6)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	8,301	4,019	12,320
Abandoned Vacant Units	415	19	434
REO Properties	440	0	440
Abandoned REO Properties	0	0	0

Table 38 - Vacant Units

Alternate Data Source Name:

Vacant Units

Data Source Comments: Local regulatory data, RealtyTrac and 2018 ACS one year data is used to compile estimates for this table.

Need for Owner and Rental Rehabilitation

There is a need throughout the city for owner and rental rehabilitation order to preserve the current housing stock. City funds are targeted to aging and blighted housing stock as part of the City's stabilization and revitalization programs. Low-income homeowners also need access to rehabilitation programs to increase the life of their housing and lower maintenance costs with the goals of reducing cost and condition burdens while preserving their housing asset. A healthy mix of income levels and housing options in all sections of the City will assist in maintaining a robust housing market.

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

According to national studies, approximately 50%-80% of homes built before 1978 contain lead-based paint hazards, especially in older urban areas like Minneapolis. Therefore, an estimated 64,000 housing units occupied by low- or moderate-income families in Minneapolis may contain lead-based paint hazards.

Discussion

As discussed previously in the introduction, while aging housing units require maintenance, many times property owners will put off needed work as costs can be too costly. Even though property value may go up with regular maintenance, many property owners will allow units to fall into disrepair. As the City finds itself with either very young under resourced households or growth in seniors, both populations will have an increasingly difficult time to keep housing well-maintained. City and community housing rehab programs target these issues with a variety of financial options to assist in this regard

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

Introduction

Minneapolis Public Housing Authority (MPHA) is the provider of publicly assisted housing in Minneapolis. MPHA is the largest public housing authority in Minnesota. The information displayed in the following tables are from HUD's central public housing inventory management system. The numbers are slightly different from the numbers the MPHA reports in its most recent 2023 Moving to Work Plan. The Minneapolis Public Housing Authority (MPHA) provides housing to approximately 26,000 residents daily. It owns and operates nearly 5,000 public housing units, including 42 high-rises, 184 family homes, and scattered family homes, primarily serving those at or below 80% Area Median Income (AMI). MPHA also manages over 700 deeply affordable scattered-site family homes, which house more than 3,100 residents. These homes were transferred to a nonprofit controlled by MPHA in 2020, and project-based vouchers have helped maintain affordability for residents. The average earned income for these residents is \$33,812. 62% of these residents have earned income. 16% of heads of households' report having a disability. Additionally, MPHA administers about 7,200 Housing Choice Vouchers (HCV), benefiting over 18,500 people. The agency offers several HCV programs, including tenant-based vouchers, special purpose programs, and project-based vouchers. Most participants in the HCV program have an income of 30% AMI or below. In 2024, MPHA awarded 189 Project-Based Vouchers (PBVs) to various Minneapolis housing developments, with 85 PBVs allocated to six key projects. These developments primarily focus on providing affordable housing for residents at or below 30% and 50% Area Median Income (AMI). The projects aim to provide supportive, affordable housing options and enhance neighborhood amenities across Minneapolis.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	75	5,361	6,829	1,990	5,050	208	83	2,147
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 39 – Total Number of Units by Program Type

Alternate Data Source Name:

Public Housing Units

Data Source Comments:

Describe the supply of public housing developments:

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

The public housing condition scores below are from the latest HUD inspection seasons through 2025. Minneapolis Public Housing Authority's (MPHA) housing stock is comprised of 42 highrise buildings, 800 scattered site homes, 200 townhouse units, and three maintenance, administrative, and service facilities. Forty of the forty-two highrise buildings in MPHA's inventory were built in the 1960's and early 1970's; the age range of MPHA's single-family homes is 2 – 100+ years old. The most recent needs analysis indicates an unmet capital need of approximately \$229 million. Federal public housing operating and capital funding subsidies have not kept pace with these needs with annual subsidies addressing only 10% of the need.

Public Housing Condition

Public Housing Development	Average Inspection Score
Northeast	93
Horn	95
Hiawatha	98
North	99
Cedar	95
Scattered Sites	69
Heritage Park	61
Glendale	84
Minnehaha Townhomes	93

Table 40 - Public Housing Condition

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

The MPHA has an estimated capital improvement need of \$229 million. Current highrise building capital investment priorities include elevator modernization, window and building systems (HVAC, plumbing, electricity, security) replacements and comprehensive modernization of buildings. Capital priorities with the single-family scattered sites are roofing, siding and other exterior upgrades; kitchen and bath improvements and new construction. MPHA will consider replacing scattered site units that have high capital needs with new, more energy efficient, denser housing units such as duplexes or rowhomes. These new units will be more efficient to operate and improve the livability of the units. Using MTW flexibility, MPHA will continue conversations to create other flexible subsidies that can be tailored to the needs of families, local priorities, and the experience of non-profit partners.

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

The MPHA's strategic vision and capital planning employs a long-term vision that is founded upon the following initiatives: 1) Housing Preservation and Creation: repair and modernize properties under public control and management without displacement and seek to create new housing opportunities, 2) Education, Employment, and Health: recognize that housing is a foundation for family stability, educational success and whole wellness, and 3) Operational Excellence: pursuing new methods to manage public housing to increase fiscal savings to improve customer service options for public housing residents. Resident and community engagement will be employed to nurture existing and new relationships to deliver on the above initiatives.

Discussion:

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

partnerships that enhance and sustain the living environments of both the residents the agency directly assists and the surrounding community. An example of this work is the creation of a partnership with the Metropolitan Council Housing and Redevelopment Authority as a regional Moving to Work agency. This work will start with a regional mobility initiative to examine what types of programming will allow families to use tenant- or project-based housing vouchers in areas of opportunity. The MPHA is pursuing additional funding options for public housing to allow for increased investments in preservation of existing housing stock and opening up potential for development of new housing. MPHA recently converted all of its scattered site housing under a Section 18 authority and is pursuing Rental Assistance Demonstration projects in its highrise properties, the most imminent one is a complete renovation of and building addition to the Spring Manor Apartments, preserving 221 units and adding 15 new deeply affordable and disability accessible units. MPHA will look for opportunities to reposition and augment its scattered site housing through creative redevelopment strategies such as acquiring land adjacent to existing properties and developing small clusters of townhomes or other multi-unit developments. All of these efforts will be undertaken with communication strategies to residents consistent with approved Moving to Work plans and the housing authority's commitments made to the City of Minneapolis under a Memorandum of Understanding.

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

Introduction

The following numbers of Homeless Facilities and Housing targeted to homeless households in the table below is from the Housing Inventory Chart (HIC) of the Minneapolis-Hennepin County Continuum of Care. The City has closed on several projects that will add 511 units of housing to support those exiting homelessness and adding 209 shelter units. These numbers are not captured in the table.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	1,878	200	270	803	0
Households with Only Adults	944	75	249	1,633	0
Chronically Homeless Households	0	0	0	581	0
Veterans	0	10	85	646	0
Unaccompanied Youth	25	23	143	70	0

Table 41 - Facilities and Housing Targeted to Homeless Households

Data Source Comments: Hennepin County Housing Inventory Count and HMIS; AHTF project data worksheets (units under development)

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

Hennepin County works with homeless services and housing providers to assist participants to maximize access to needed services and care that can be funded by state and federal program supports (i.e. Medical Assistance, Resident Housing Supports). In addition, Hennepin County Human Services and a number of contracted and affiliated services provide case management, information and referral, and direct services for people with mental illness, substance abuse/chemical dependency, HIV/AIDS, developmental disabilities, and for people with other disabilities and needs, and those who are aging. All of these services are available to eligible persons who are also experiencing or at risk of homelessness.

The State of Minnesota expanded the availability of Medicaid benefits under the Affordable Care Act (ACA), and Hennepin County created and will continue to promote access to its Accountable Care Organization, Hennepin Health, for low-income adults eligible for Medicaid. Hennepin County strongly encourages all providers of homeless assistance and housing to prioritize Single Adult beds for Hennepin Health participants as they turn over. The County and other service providers are encouraged to assist participants who are eligible to obtain Hennepin Health benefits or other health care benefits, including plans that are accessible through Minnesota's ACA online system, MNSure. The County is also promoting access and navigation services for MNSure in emergency shelters and other homeless service centers. The City of Minneapolis, in partnership with the State of Minnesota, operates Workforce Centers and services (one-stop shops) for people needing employment and training assistance. New efforts are being made to make these services more accessible and available for people experiencing homelessness.

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

Hennepin County hosts a robust network of services that connect those experiencing homelessness swiftly to shelter and other resources as needed and prioritizes housing. Services such as Hennepin County's Healthcare for the Homeless are especially targeted to those experiencing chronic homelessness or other high needs.

Hennepin County has established the Hennepin Shelter Hotline to assist residents in navigating the homelessness response system and engage in problem solving conversations with the hope of diverting households from entering the system entirely. If a household needs emergency shelter upon completion of a diversion assessment, the Shelter Hotline will transfer families to the Family Shelter System and/or single adults and youth to Adult Shelter Connect for a shelter bed reservation. The Homeless Management Information System provides the platform for the reservation system and allows staff to systems track people experiencing homelessness and target them for interventions. System directly feeds into the County's real-time by-name list of people experiencing chronic homelessness, allowing the County to prioritize them for housing interventions through the Coordinated Entry System (CES). In

2024, through the utilization of these by-name lists, Hennepin County declared an end to veteran homelessness and has now shifted focus to chronic homelessness utilizing a similar tool.

CES continues to mature as it moves towards a more dynamic prioritization that matches highest need individuals and households to the next available housing program which fits the individual's preferences and for which they are eligible (rather than 'banding' folks into specific interventions without their input). The entire CES process is integrated into the same shared HMIS, providing transparency and maximizing connection points for across outreach, drop-in centers, housing programs and other services. Special access points and processes have been established for those interacting with domestic violence services.

Street Outreach provision and coordination has been enhanced in response to unsheltered homelessness with funding and providers focusing on the Veteran and Chronic Homeless populations in Hennepin County. Services are also targeted to other unsheltered populations, focusing on long-term housing solutions. Both the Minneapolis Police Department and the Metro Transit Police Department have established homeless liaison positions and they coordinate with non-profit outreach providers to respond to homelessness in a manner which increases the potential for service connection and avoids criminalization.

All Permanent Supportive Housing programs – scattered site and site-based, Rapid Re-housing programs and Transitional Housing Programs receiving Federal, State, County or City funds are required to exclusively take referrals through the CES. For those receiving Federal funding, required written performance standards have been formalized by the CoC Operations Board.

For those who cannot be served through homeless designated housing, housing focused case managers, Street Outreach navigators and shelter workers explore other mainstream housing options people may be eligible for and can use, such as a State-administered online directory of other supportive housing programs (i.e. Board and Lodge, Adult Foster Care) with eligibility information and real time vacancy data. Additional online resources include Hennepin Waypoint (<https://gis.hennepin.us/waypoint/>), which has been established to provide real-time information on services that people may wish to access with public transport and map information included.

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

Introduction

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

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	175
PH in facilities	5
STRMU	0
ST or TH facilities	0
PH placement	0

Table 42– HOPWA Assistance Baseline

Data Source Comments: HOPWA Assistance Baseline And HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

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

HIV/AIDS: As of 2023, the Minnesota Department of Health reported 9,996 Minnesotans living with diagnosed HIV/AIDS throughout the state, with 324 new cases reported. An estimated 1,100 individuals living with HIV in Minnesota are unaware of their status. 66% of new HIV cases within the state affect communities of color, with Hispanic residents comprising 22% of new diagnoses, up from an average of 14% over the previous five years.

Elderly/Frail Elderly: As of 2023, there are an estimated 45,680 individuals ages 65 or older living in Minneapolis. Within two decades, more than one in five Minnesotans will be an older adult, and the state is expected to hit the peak “retirement- to working-age ratio” around that time, with nearly two retirement-age adults for every five working-age Minnesotans. This demographic shift will have widespread impact on Minnesota’s economy, workforce, housing, health care system, social services, and civic institutions. Supportive housing needs for the 65+ population include affordable customized living units with qualified providers who can address the needs of seniors requiring supervision due to dementia, and removal of the common requirement that a consumer private pay at least 2 years prior to transitioning to a waiver program.

Mental Health: Hennepin County Front Door helps navigating the complex task of locating and securing safe, appropriate, and affordable housing options for those living with unique mental and social wellbeing needs. This includes needs assessments, short-term service plans, community resource referrals, and case management for mental health and/or developmental disabilities. Minnesota Department of Human Services (DHS) also offers various forms of economic assistance, health care, and other services to help those struggling with mental health issues.

Persons with Alcohol/Drug Addictions: A wide range of services are available for substance use assessment, treatment, and withdrawal management for adults, along with adolescent treatment options within the City of Minneapolis. Many of these services are managed by Hennepin County, and residents are encouraged to use Fast Tracker MN (fasttrackermn.org), a dynamic behavioral health search tool for real time information and availability, improving connections for Individuals and collaboration for systems. Hennepin County also provides 24/7 mental health services, a Behavioral Health Fund for those already accessing licensed substance use disorder (SUD) services, harm reduction and needle exchange programs through Red Door clinic and NorthPoint Health & Wellness.

Developmental/Physical Disabilities: DHS offers a portfolio of programs designed to meet the unique housing needs of individuals with a spectrum of disabling conditions. This includes, but it not limited to:

- Housing Support, a program for people with disabilities and older adults who have low income that helps pay for housing and things people need to stay housed in certain group settings or in the community.
- Minnesota Supplemental Aid Housing Assistance, a benefit designed to help people with disabilities afford their housing.
- Project-Based Housing, which helps determine whether seniors and people with disabilities qualify for Section 202 or Section 811 housing.

Hennepin County also serves many residents through its Consumer Directed Community Supports program, an option for people who qualify for Medical Assistance and concurrently enrolled in a County disability waiver program, providing flexible program supports including:

- Alternative Care (AC)
- Brain Injury (BI) Waiver
- Community Alternative Care (CAC) Waiver
- Community Access for Disability Inclusion (CADI) Waiver
- Developmental Disabilities (DD) Waiver
- Elderly Waiver (EW)
- Minnesota Senior Health Options (MSHO)

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

Discharge planning for persons residing in mental and physical health institutional settings should occur with the services provided by that institution, many of whom are legally required to provide discharge planning to residents leaving their facilities. The local Continuum of Care has planning which address coordination with discharge planning processes, including interfacing with the Coordinated Entry system. As a result, local housing providers provide outreach and assessment to persons who may be in need of supportive housing when leaving an institution. Unfortunately, many persons leaving these institutions are not initially eligible for HUD-funded programs administered through the Continuum of Care if they were not literally homeless upon entry, or residing in the institution for 90 days or less. In these cases, discharge referrals are made to other types of supportive housing for which the household may qualify.

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

While Hennepin County is the primary provider of most non-housing social services in the region, the City of Minneapolis provides for some of these needs through use of its CDBG funds devoted to public services, workforce development and early childhood programming. The City's Affordable Housing Trust Fund is a financing tool made available to organizations who can develop permanent supportive housing options in the community. More details on efforts are found in AP-65.

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

Minneapolis has a high priority for development and maintenance of permanent supportive housing that can serve non-homeless people with special needs. It seeks to fund projects that provide onsite or link to community-based services options where possible. Most special needs human service programs are funded with federal/state funds delivered through Hennepin County or State of Minnesota agencies as touched on in the sections above. More details are contained in AP-65.

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

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Minneapolis recognizes the significant impact that public policies can have on the cost of housing and the development, maintenance, and improvement of affordable housing. While some factors affecting the cost of producing affordable housing are beyond the control of local government, the city aims to ensure that its policies do not unintentionally create additional barriers. Minneapolis seeks to address key obstacles related to regulation, transportation, and financing that may hinder affordable housing development. One challenge in the metropolitan area is the spatial mismatch between affordable housing locations, wage-appropriate job centers, and the inadequacy of public transportation networks linking these areas. Local policies, including building inspection codes and housing codes, can also increase the costs associated with developing and maintaining affordable housing. Although the city is responsible for ensuring the health and safety of property owners and renters, these regulatory standards may drive up operational, rehabilitation, or development costs for affordable rental housing. Transportation-related public policies also pose barriers to affordable housing, particularly due to limited public transportation routes connecting certain parts of the city and surrounding suburbs. This lack of access affects demand for affordable housing in those areas. Additionally, financing remains a critical challenge, as the city's federal entitlement funding for affordable housing has decreased since 2000, further complicating efforts to provide adequate housing solutions.

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

Introduction

The City of Minneapolis works to support businesses that create jobs and to ensure that Minneapolis residents are competitive for those jobs. We do this using a variety of strategies including by providing financing and technical assistance to businesses to support their growth and success and by supporting workforce training for both youth and adults and job placement. The City funds this work with a combination of discretionary City dollars, state funding and Federal funding, including through Community Development Block Grants for program-eligible activities. Number of workers in the table below are pulled from the 2020 Consolidated Plan data source as these numbers are not currently available to staff.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	327	3,614	0	1	1
Arts, Entertainment, Accommodations	22,430	7,843	14	3	-11
Construction	4,050	7,661	2	3	1
Education and Health Care Services	38,727	98,506	24	37	13
Finance, Insurance, and Real Estate	17,561	35,134	11	13	2
Information	5,090	9,400	3	4	1
Manufacturing	12,551	12,909	8	5	-3
Other Services	7,408	9,756	5	4	-1
Professional, Scientific, Management Services	27,142	37,274	17	14	-3
Public Administration	0	15,767	0	6	6
Retail Trade	16,277	13,543	10	5	-5
Transportation and Warehousing	3,955	7,903	2	3	1
Wholesale Trade	7,954	6,922	5	3	-2
Total	163,472	266,232	--	--	--

Table 43 - Business Activity

Data Source Comments: [https://mn.gov/deed/newscenter/publications/review/may-2020/industry-snapshots.jsp?utm_source=Population & Labor Market Trends in Minneapolis](https://mn.gov/deed/newscenter/publications/review/may-2020/industry-snapshots.jsp?utm_source=Population%20&utm_medium=Email%20&utm_campaign=Population%20&utm_term=Population%20); Number of Workers is sourced from 2011-15 ACS (workers, Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	259,886
Civilian Employed Population 16 years and over	245,178
Unemployment Rate	5.70
Unemployment Rate for Ages 16-24	13.00
Unemployment Rate for Ages 25-65	3.00

Table 44 - Labor Force

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Sex by Age by Employment Status for the Population 16 Years and Over." American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B23001, 2023

Occupations by Sector	Number of People
Management, business and financial	135,510
Farming, fisheries and forestry occupations	1,383
Service	35,536
Sales and office	39,907
Construction, extraction, maintenance and repair	7,909
Production, transportation and material moving	22,933

Table 45 – Occupations by Sector

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Selected Economic Characteristics." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP03, 2023,

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	134,804	73%
30-59 Minutes	43,002	23%
60 or More Minutes	6,383	3%
Total	184,189	100%

Table 46 - Travel Time

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Selected Economic Characteristics." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP03, 2023,

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	11,645	1,312	7,808

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	20,830	2,258	8,763
Some college or Associate's degree	40,757	2,908	10,169
Bachelor's degree or higher	122,675	3,370	9,863

Table 47 - Educational Attainment by Employment Status

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Selected Economic Characteristics." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP03, 2023,

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	525	2,160	4,109	5,198	2,903
9th to 12th grade, no diploma	3,244	2,728	2,728	3,845	1,990
High school graduate, GED, or alternative	12,916	9,528	8,433	13,890	8,015
Some college, no degree	23,650	12,106	7,899	16,825	8,975
Associate's degree	1,868	5,831	4,699	7,320	2,930
Bachelor's degree	13,218	40,259	19,907	23,008	11,084
Graduate or professional degree	1,000	18,482	15,839	18,268	10,168

Table 48 - Educational Attainment by Age

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Selected Economic Characteristics." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP03, 2023,

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	24,067
High school graduate (includes equivalency)	29,608
Some college or Associate's degree	36,996
Bachelor's degree	55,159
Graduate or professional degree	72,276

Table 49 – Median Earnings in the Past 12 Months

Data Source Comments: U.S. Census Bureau, U.S. Department of Commerce. "Selected Economic Characteristics." American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP03, 2023,

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

As would be expected for a regional Central Business District community, jobs are concentrated mostly in the field of the Management, business, and financial sector. This is followed by the sales and office sector, and the service sector. Also as expected for a CBD, there are more jobs than local residents filling those jobs, as many workers commute in from other metro area municipalities for work. With the local population growing faster than the housing options in the area, more transit options are needed to keep pace with commuters.

Describe the workforce and infrastructure needs of the business community:

According to the US Bureau of Labor Statistics, the Minneapolis-St. Paul-Bloomington has an unemployment rate of 2.3%. This very low unemployment rate means that businesses in growing local sectors are having difficulty attracting and retaining talent. Because of this, a regional effort led by regional economic development organization Greater MSP is working to address that by working to accelerate regional competitiveness and inclusive economic growth through job creation, capital investment, and strategic initiatives. An opportunity exists in various racial communities. While the overall unemployment rate in Minneapolis is 2.3%, according to 2021 average annual data from the Bureau of Labor Statistics the unemployment rate for the black community is 11%, while the unemployment rate for American Indian community is 10%. Business infrastructure needs include primarily transit expansion, roadway maintenance, and freight transportation. Our region has, with Federal support, begun to expand our transit network to include a number of light rail and commuter rail lines, which connect the downtowns, the airport, and the Northwestern suburbs. Plans are underway for additional light rail, streetcar and bus rapid transit lines serving other parts of the metro, connecting workers to jobs more efficiently. The city's freight rail network is operating over capacity, with impacts to businesses for access to freight, and the recent closure of the St. Anthony lock on the Mississippi River will have some impacts to businesses that used barging for freight shipping, as well as to area roadways as those businesses shift their mode of transport to trucks. As a fully built out city in a harsh climate, Minneapolis struggles to maintain roadways in manufacturing areas. These roads typically were not built to current standards, some are comprised of compacted layers of oil and dirt over decades and they receive heavy truck use, but the total number of people and vehicles using them is a fraction of the use of arterials and thus it is challenging to prioritize scarce infrastructure maintenance and reconstruction resources to these roadways.

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

In the Minneapolis 2040 plan, one of the main goals is Living-wage jobs. More specifically, by 2040, all Minneapolis residents will have the training and skills necessary to participate in the economy and will have access to a living-wage job. An opportunity identified in the plan is to focus on investments toward the earliest stages in life for residents. In Minneapolis, there are significant racial and income disparities for high school graduates, According to The Minneapolis Public School data report approximately 50% of

American Indian students graduate, slightly over 57% of Hispanic students graduate, and 69% of black students graduate. The goal with this is to close the education gap (90% white) to help the employment gap later on. With the unemployment rate so low, Minneapolis estimates a shortfall of more than 114,000 workers. In addition, the city will invest in employment training, placement and education for youth and adults, and serve as a model workforce by increasing diversity. The city will also support business innovation and invest in capacity building for entrepreneurs and small businesses. Finally, the city is dedicated to providing fair wages and worker protections.

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

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

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

The City of Minneapolis builds its career pathways strategy on models that intentionally and clearly map career entry points with resulting work combining education, training, support services and employment experiences leading to career advancement. This Workforce Investment Board-endorsed work is done in coordination with: Industry and Employer partners; Government partners including Hennepin County and the State of Minnesota; Community-based organizations; and Education partners. The TechHire initiative is an excellent example of a career pathway initially developed through a sector partnership model. TechHire was created in response to the rapid growth in tech jobs in the Minneapolis region. The City of Minneapolis, three high-quality accelerated learning programs, and regional employers came together with the purpose of training and placing nontraditional, diverse IT workers into software engineering and support roles. The innovative work of this collaborative has led to the Minneapolis area being one of 20 TechHire regions in the nation. Today, the Minneapolis TechHire initiative continues to grow as more nonprofit partners provide wrap-around support services, and employers continue to join the movement. The City's Career Pathways delivery model supports a delivery system focusing on supporting women and minorities in accessing high impact, alternative education and training opportunities; increasing and raising public awareness of fast-growing, sustainable job opportunities in Minneapolis employment sectors with targeted outreach to area residents who are traditionally underrepresented (such as disconnected youth, women, communities of color, and people with disabilities); and connecting employers, training partners, and skilled job candidates to fill the in-demand jobs of today and to collaboratively develop talent for the future.

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

Yes

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

Hennepin County maintains a CEDS which includes the City of Minneapolis. The CEDS notes several target areas within Minneapolis. The City also has a federally designated Promise Zone in north Minneapolis. The work in the Promise Zone is to build a more inclusive economic development environment that focuses on job creation for zone residents. This can be accomplished with reinvesting dollars into business growth in the zone, expand job sector strategies and program supports to accessing jobs in and near the zone, promote transit-oriented development in the zone to attract development and expand job access by zone residents.

Discussion

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

MA-50 Needs and Market Analysis Discussion

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

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

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

The City of Minneapolis, in its duty to affirmatively further fair housing, is required by HUD to identify areas of concentrated poverty and areas with racial or ethnic population concentrations. The City uses an Areas of Concentrated Poverty (ACP)50 map to designate these areas. The ACP50 map is informed by HUD community measurement methodologies and indicates tracts where at least 40% of the population has incomes below 185% of the federal poverty threshold and where at least 50% of the population is people of color. The majority of these tracts are clustered in northwest and southcentral Minneapolis and suffer from historical racism and disinvestment. The City of Minneapolis encourages and financially supports the production and preservation of affordable housing in all areas of the City. This comprehensive community investment strategy is coordinated and place-based. The City supports investment outside of ACP50s to expand the distribution of affordable housing and facilitate mobility for residents wishing to increase locational choice. The City supports investment inside of ACP50s to improve housing stability for current residents, support and improve existing community assets, revitalize, and help prevent involuntary displacement.

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

These areas have been locations where the most affordable housing options in the city could be accessed. Land values that were lower than other areas have made it easier over the past decades to locate supportive and affordable housing developments in these areas. A higher proportion of lower assessed property values in these areas as well made it a target for heavy homeownership and property holding investments in the 2000s. The housing stock in these neighborhoods being older are more likely to need a heavier level of maintenance which not all homeowners or landlords are in a position to provide and/or finance. The great recession's real estate crash hit these areas harder than the rest of the city. There is a shortage of business development, higher paying jobs, high profile regional cultural assets and ownership and medium cost rental housing in these areas.

Are there any community assets in these areas/neighborhoods?

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

Are there other strategic opportunities in any of these areas?

As pointed out before, the Minneapolis 2040 Plan hopes to create affordable housing and better access to jobs especially for those facing racial disparities and those of a lower income. Many of the neighborhoods included above are being targeted specifically as an economic growth strategy. This public emphasis and investment has prompted the market to take another look at these areas for investment. Revitalization of the housing stock in these areas, especially along current and future transit corridors is drawing in new homeowners and renters. North Minneapolis is a vehicle for coalescing a variety of revitalization interests around this part of the city. However, the drawback to this is that localized commercial and housing rents can rise and threaten to dislocate long-time community residents and community assets. The City will need to recognize any potential displacement threats and provide a balance of program options to mitigate those threats for existing long-time residents who may wish to remain in these neighborhoods.

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

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

The need for broadband in Minneapolis, especially in low- and moderate-income neighborhoods, is not just about providing faster internet; it's about providing equitable access to education, healthcare, jobs, and civic participation. Addressing this need will require significant investments in infrastructure to ensure that every household, regardless of income, has the connectivity necessary to thrive in an increasingly digital world. Providing this access is essential for creating a more inclusive, equitable future for Minneapolis and its residents. According to the U.S. Census Bureau's American Community Survey data, approximately 91% of Minneapolis residents have a computer while 81.6% of residents have a broadband internet connection. In some cases, although residents may have access to broadband infrastructure, affordability, or lack of digital literacy can limit actual usage. For example, while many households may own a computer, the cost of broadband service can be a significant access barrier for low-income residents.

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

According to the national FCC broadband map, Minneapolis as a whole has several options for broadband service and full coverage in neighborhoods by several providers. It is important for these areas to have broadband competition as that will help to lower internet costs so that lower income residents will be more likely to affordably access an internet connection.

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

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

According to the Office of Resiliency, climate change in Minneapolis can result in: polar vortexes, flooding, island effect (phenomenon in which metropolitan areas are warmer than surrounding environments), tornadoes. These changes in weather can affect low-mod income people with higher costs in utilities, breakdowns in aging infrastructure, homeless people in colder weather, etc. Public Works cites higher precipitation levels resulting from climate change.

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

With Minneapolis experiencing harsh seasonal temperatures, it is important for the availability of shelters for the homeless population. Even those with housing can experience additional problems in that they must pay more for heating and insulation to keep warm in the winter. Even if gap financing is available to assist residents in procuring housing, other costs like maintenance and utilities needs to be factored in.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The City will pursue the following strategies to address the priority needs facing its low- and moderate-income residents in its 2025-29 Consolidated Plan.

Affordable Housing

Minneapolis will meet or exceed regional affordable housing goals for the city by supporting the development of a diversity of housing types, sizes, levels of affordability, and locations through the utilization of City programs and public and private funding sources.

The City's Unified Housing Policy outlines the following affordable policies. The City policy will be no net loss of affordable housing units. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income (AMI) through new construction/positive conversion. Any residential project of ten or more units that receives financial or property development assistance from the City shall meet the following affordable housing requirements:

- For rental projects, at least 20% of the units shall be affordable to and occupied by households earning 60% or less of AMI. For ownership projects, at least 10% of the units shall be affordable to and occupied by households earning 80% or less of the AMI.
- Any affordable units shall be reasonably distributed throughout the project and comparable in size, number of bedrooms, quality and finish to the market rate units in a project.
- Unless a shorter affordability period is specifically approved by City Council adopted program criteria, the affordability period shall be for a period not less than 30 years for new construction, substantial rehabilitation, or recapitalization projects.
- Affordable housing requirements of the Policy do not apply if the project is located in a census tract that is a city-defined minority or poverty concentrated area and no City financing is involved.

New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.

No City funds or resources shall be used for operating subsidies and/or rental assistance for any project units initiated or created under the Unified Housing Policy.

All owners of rental housing projects subject to the Unified Housing Policy shall accept tenant based rental housing assistance, including, but not limited to, Section 8 Housing Choice Vouchers, HOME tenant-based assistance, and Group Residential Housing.

The City requires owners of City-assisted housing projects to affirmatively market affordable housing opportunities. All rental housing providers must submit an Affirmative Fair Housing Marketing Plan at least every 5 years, and a Survey and Certification regarding outcomes annually.

Subsidized Housing

The City will work to preserve and stabilize federally subsidized low-income housing that is in danger of converting to market-rate housing, having subsidies expire, or is deteriorating due to age, poor management or physical condition. The second priority of the City is to preserve and stabilize Low Income Housing Tax Credit and locally subsidized housing that is approaching the end of its affordability period, and unsubsidized affordable housing that is at risk of experiencing significant rent increases. In all cases, the highest priority is the preservation of housing for 2+ bedroom units and for special needs populations.

Additional Strategies

Housing Quality

The City will continue to work to ensure that the City's market and affordable housing supply is safe in compliance with the housing code. The City's Problem Properties Unit works with housing properties that consume many City resources in the areas of inspections and public safety. They develop strategies to monitor and resolve, or eliminate issues associated with nuisance and boarded and vacant properties. These activities will be pursued with recognition of the potential of displacement of protected class residents and the need to mitigate any displacement through appropriate actions.

Economic Development and Public Services

The City's economic development and anti-poverty strategy is to support businesses with the potential to create jobs and to support our residents to be competitive for those jobs. The City intervenes in areas of market failure with both business and workforce development activities. The City supports business capital support, business consulting to income-eligible microentrepreneurs and workforce development. The City will target economic development to its commercial and transit corridors to increase job accessibility for its low- and moderate-income residents. The City supports public service activities, including but not limited to employment training, youth development, crime prevention, public safety, health services and public services for vulnerable residents. Beneficiaries will be low- and moderate-income persons and households and presumed benefit populations. The City will seek to provide up to 15% of its annual CDBG grant in support of this need.

Special Needs Housing

Minneapolis has a high priority for development and maintenance of supportive housing options that serve people with special needs. It funds projects that provide on-site or link to community-based services options where possible. The City requires owners of rental housing projects subject to the Unified Housing Policy to accept tenant based rental housing assistance, including, but not limited to, Section 8 Housing Choice Vouchers, HOME tenant-based assistance, and Group Residential Housing. On behalf of the metropolitan area, the City will administer the HOPWA grant in pursuit of the housing priorities set forth by the HIV Housing Coalition. Current priorities are for tenant-based and site-based housing initiatives for those at less than 30% AMI with locational choice provided throughout the metropolitan area.

Homelessness

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

Administration

Planning and Administration functions funded under the Consolidated Plan will support all associated goals of the Consolidated Plan and its implementation priorities, strategies and programming in a compliant manner.

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

General Allocation Priorities

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

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

HOME rehabilitation funds are spent throughout the City for income-eligible units. If a new construction project receives HOME funds out this program, that project is sited in an area that is non-impacted by race or poverty.

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

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

The City will continue to work with the MPHA for opportunities to develop its public housing programs throughout the City. The City works with MPHA to site new units in areas of the City with low numbers of assisted units in order to help the MPHA meet its objectives.

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

Priority Needs

Table 50 – Priority Needs Summary

1	Priority Need Name	Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Persons with HIV/AIDS and their Families
	Geographic Areas Affected	N/A
	Associated Goals	Provide decent affordable housing

	Description	<p>Work to maintain and produce decent, safe and affordable housing options for extremely low-, low- and moderate-income households.</p> <p>The City will seek to address the housing needs for its extremely low-, low- and moderate-income households with an emphasis on rental housing for extremely low-income households. Housing for those with special needs will be sought with developer interest and supported by the City. Ownership housing programs will be designed to provide construction/rehabilitation and financing products achieving long-term and permanent affordability terms. Ownership programming will seek to reduce racial disparities in ownership. Preservation of ownership for very low- and low-income households will be pursued. New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.</p> <p>With housing preservation efforts the first priority of the City is to preserve and stabilize federally subsidized low-income housing that is in danger of converting to market-rate housing, having subsidies expire, or is deteriorating due to age, poor management or physical condition. The second priority of the City is to preserve and stabilize Low Income Housing Tax Credit (HTC) housing and locally subsidized housing that is approaching the end of its affordability period, and unsubsidized affordable housing that is at risk of experiencing significant rent increases (Naturally Occurring Affordable Housing). Naturally Occurring Affordable Housing is unsubsidized housing where at least 20% of the units have rents affordable to households with an income at or below 60% of AMI.</p>
	Basis for Relative Priority	This need stems from the housing costs burdens experienced by very low-, low- and moderate-income households in the community. Housing unaffordability is raised as a high priority issue by city stakeholders and serves as the impetus for many of the housing programming directions adopted by the city in its 2040 Comprehensive Plan.
	2	
	Priority Need Name	Affordable Rental Housing for Special Needs
	Priority Level	High

	Population	Extremely Low Low Large Families Families with Children Elderly Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	N/A
	Associated Goals	Provide special needs housing
	Description	Produce and make available affordable housing options for HIV and other special needs households through rental assistance and site-based housing projects. Provide financing for the development of permanent supportive housing options and choice in the community addressed for special needs populations.
	Basis for Relative Priority	On behalf of the metropolitan area, the City will administer the HOPWA grant in pursuit of the housing priorities set forth by the HIV Housing Coalition. The Coalition has adopted a strategic plan emphasizing the need to address the lack of affordable housing options present in the community for households with HIV. The City also prioritizes an equitable path and process to affordable, appropriate, and inclusive housing options in all parts of the city for people with disabilities, their families, and support networks with opportunities for visit-ability.
3	Priority Need Name	Neighborhood Stabilization
	Priority Level	Low
	Population	Low Moderate
	Geographic Areas Affected	N/A

	Associated Goals	Improve neighborhood conditions
	Description	Stabilize neighborhood conditions through spot identification of blighting properties and treat to preserve neighborhood livability.
	Basis for Relative Priority	This need is determined from the data available to the city from the market studies and analysis.
4	Priority Need Name	Economic Development
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development
	Geographic Areas Affected	N/A
	Associated Goals	Expand economic opportunities
	Description	Work to create economic growth opportunities accessible to low- and moderate-income residents and support workforce training options enabling residents to take advantage of those opportunities. Support businesses with the potential to create jobs available for residents. The City intervenes in areas of market failure with both business and workforce development activities.
	Basis for Relative Priority	This need is determined from the data available to the city from the market analysis and local workforce strategies.
5	Priority Need Name	Public Services
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development

	Geographic Areas Affected	N/A
	Associated Goals	Improve neighborhood conditions
	Description	Provide services and programming that support resident health and safety including but not limited to employment training, youth development, crime prevention, health services and public services for vulnerable residents. Beneficiaries will be low- and moderate-income persons and presumed benefit populations.
	Basis for Relative Priority	This need is determined from the data available to the city from the non-housing needs analysis.
6	Priority Need Name	Homelessness
	Priority Level	High
	Population	Extremely Low Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	N/A
	Associated Goals	Develop housing and services for the homeless
	Description	Support activities that assist persons experiencing homelessness in realizing safe and accessible shelter and housing. By being an active participant in the Continuum of Care, the City will seek to provide funding for the development of supportive housing units, renovation of emergency shelters, emergency shelter essential case management services, street outreach activities, and provision of rapid rehousing and homelessness prevention assistance.

	Basis for Relative Priority	The programming under this priority need is established with consultation with the local Hennepin Continuum of Care.
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Narrative (Optional)

All funds sourced from the HUD entitlement grants are provided on a citywide basis.

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

Influence of Market Conditions

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

Table 51 – Influence of Market Conditions

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

Introduction

Anticipated resources are based on assumptions regarding future federal funding levels. Annual funding amounts are subject to the Congressional appropriation process and may vary depending on changes in the number of formula recipients. The City should also consider the potential for changes to one or more of the funding formulas that could occur over the next five years. The amounts in the following table are estimates for year 1 (2025) of the 2025-29 Consolidated Plan five-year cycle with the expected amount available for remainder of the Consolidated Plan being a number estimate for years 2-5 (2026-2029) based on the narrative assumption presented.

2025 budgeted resources were approved by the City Council in December 2024. These budgets are based on estimated 2025 HUD entitlement grant amounts based on a zero level increase/decrease in the grants. US Congress passed a 2025 HUD Continuing Resolution entitlement budget in March 2025 but as of this drafted Action Plan actual award amounts to the City have not been announced by HUD. Upon notification of award the City will adjust its 2025 Action Plan budget in the following ways:

- Any increase in the CDBG budget will be applied to the Affordable Housing Trust Fund, if there is a reduction in CDBG budget there will be a relative percentage change decrease in the budgets for the Affordable Housing Trust Fund and Administration budget line items.
- Any increases or decreases in the Emergency Solutions Grant will be applied on a proportional percentage basis to the ESG Programs and Administration lines.
- Any increases or decreases in the HOPWA Grant will be applied to the HOPWA Program line.
- Any increase or decrease in the HOME grant will be treated by budgeting HOME Administration at 10% of the grant award and applying the rest of the budget increase/reduction to the Affordable Housing Trust Fund.

Treating the eventual budget awards in this manner will not substantially impact any service levels.

As the City's HUD program year starts June 1, 2025, prior to HUD's approval of this Plan, the City may incur pre-award costs in all of its covered entitlement grants. Consistent with project programming outlined in the 2025 Action Plan and the estimated budgets contained within, the City finds the need to incur these pre-award costs to allow and permit programs to operate without disturbance. These pre-award costs are within the estimated allocations and do not affect future program awards.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	10,982,414	1,374,027	1,300,000	13,656,441	42,842,342	Anticipated 1% decrease in grant in outgoing annual years.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	2,130,267	834,676	0	2,964,943	8,310,160	Anticipated 1% decrease in grant in outgoing annual years.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	966,262	0	0	966,262	3,769,383	Anticipated level grant in outgoing years.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	3,061,848	0	0	3,061,848	12,247,392	Anticipated 1% decrease in grant in outgoing annual years.

Table 52 - Anticipated Resources

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

Other resources from federal, private and non-federal public sources that are reasonably expected to be available to address Consolidated Plan needs are state, county and local funds and federal applications for assistance. The state is a key funding source for rental and ownership housing projects. In 2024 the City began to receive State Local Affordable Housing Aid to support the development of affordable housing projects for renters and owners. Local tax-based funds are made available for housing and non-housing activities. Other resources expected during Consolidated Plan five year cycle to support housing and community development goals will be Minnesota Housing, Metropolitan Council, Family Housing Fund, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, low income housing tax credits, and the McKinney-Vento Homeless Assistance programs. The City will support any organization's application for state or federal assistance that is consistent with this Consolidated Plan.

The HOME program will receive matches that include, but are not limited to the following:

- Project cash contributions (e.g. housing trust funds, foundation grants, and private donations)
- Proceeds from Housing Revenue Bonds with the automatic 4% Low Income Housing Tax Credit entitlement
- Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

HOME program income is also anticipated to be received. For the 2025 Action Plan it is estimated at \$834,675.79.

A one-for-one match is required for the ESG grant. It is obtained by eligible match contributions received and expended by sub recipients in support of eligible ESG programming and activities. Sources of match by sub recipients can be unrestricted federal, state, local or private sources; however, if any match is federal the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG.

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

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

vacant) through either demolition or responsible rehabilitation. Disposition and sale of these properties is a strategy in addressing the housing stabilization needs expressed in this plan.

Discussion

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

As the City's HUD program year starts June 1, 2025, prior to HUD's approval of this Plan, the City may incur pre-award costs in all of its covered entitlement grants. Consistent with project programming outlined in the 2025 Action Plan and the estimated budgets contained within, the City finds the need to incur these pre-award costs to allow and permit programs to operate without disturbance. These pre-award costs are within the estimated allocations and do not affect future program awards.

SP-40 Institutional Delivery Structure – 91.215(k)

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

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
CITY OF MINNEAPOLIS	Government	Economic Development Homelessness Non-homeless special needs Ownership Rental neighborhood improvements public facilities public services	Jurisdiction
Minneapolis Public Housing Authority	PHA	Public Housing	Jurisdiction
Heading Home Hennepin	Continuum of care	Homelessness Planning	Other
The Link	Non-profit organizations	public services	Jurisdiction

Table 53 - Institutional Delivery Structure
Assess of Strengths and Gaps in the Institutional Delivery System

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

These partnerships have allowed the city to realize progress on its housing and community development work. However, much remains to be done especially in the area of delivering the benefits of progress equitably throughout the community. Communities of color and very low-income continue to realize unequal outcomes in housing and service delivery compared with the broader community.

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

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

Table 54 - Homeless Prevention Services Summary

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

The Continuum of Care networks many supportive service providers together to assist homeless persons with an array of social services to address housing and non-housing needs. The City holds an outreach services contract with Avivo to provide street outreach services to unsheltered persons.

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

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

As stated above, the local Continuum of Care brings together supportive service providers to address the housing and non-housing needs of special needs and persons experiencing homelessness populations. A continued dialogue among all parties currently involved in the area of assistance and with new partners that promise innovative perspectives on issues will assist in minimizing service delivery gaps that can be present with different strategies and mandates.

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

The City will continue to build in the strengths of the delivery system which include a diverse and experienced base of housing, community development, and social service providers and organizations. Coordination among the state, the county, and regional and local governments has resulted in significant planning initiatives and working policy groups.

The City seeks to resolve any gaps in the delivery of services through its commitment to its institutional relationship partners evidenced by its close working relations with its partners. The City will continue to meet with and inform its partners of its housing and community development needs, goals and strategies. In more instances, programming funding initiatives are coordinated with state and regional partners to maximize impact of resources being provided. Further, there are many common joint planning efforts to coordinate work. An example is periodic staff meetings with Hennepin County Office to End Homelessness staff to review, plan and coordinate actions around the City's delivery of Emergency Solutions Grant funding.

Hennepin County and Minneapolis' community effort to end homelessness, initially built on the 10 year plan to end homelessness, 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 those experiencing homelessness in the community. Minneapolis and Hennepin County will continue to collaborate to identify the needs and coordinate implementation of the ESG funding through the City-County Office to End Homelessness and the Hennepin CoC. Hennepin County will continue to refine its Coordinated Entry process, bringing together all aspects of the continuum of homeless services into a unified process. Within that work will be the continuation and expansion of collaborations with domestic and sexual violence service providers. These providers have been and continue to be an integral part to the planning process including such topics as entry point designation, assessment tool development, waiting list prioritizations, referral procedures, trauma informed data sharing, and allocation of resources.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide decent affordable housing	2025	2029	Affordable Housing		Affordable Housing	CDBG: \$20,392,266 HOME: \$9,396,388	Rental units constructed: 125 Household Housing Unit Rental units rehabilitated: 1000 Household Housing Unit Homeowner Housing Added: 125 Household Housing Unit Homeowner Housing Rehabilitated: 50 Household Housing Unit Housing Code Enforcement/Foreclosed Property Care: 300 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Develop housing and services for the homeless	2025	2029	Homeless		Homelessness	ESG: \$4,380,470	Public service activities other than Low/Moderate Income Housing Benefit: 750 Persons Assisted Tenant-based rental assistance / Rapid Rehousing: 450 Households Assisted Homeless Person Overnight Shelter: 5000 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 209 Beds Housing for Homeless added: 511 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Provide special needs housing	2025	2029	Affordable Housing Non-Homeless Special Needs		Affordable Rental Housing for Special Needs	HOPWA: \$14,904,240	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 5 Households Assisted Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 150 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 195 Households Assisted Housing for People with HIV/AIDS added: 10 Household Housing Unit HIV/AIDS Housing Operations: 125 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Expand economic opportunities	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$7,582,888	Public service activities other than Low/Moderate Income Housing Benefit: 260 Persons Assisted Facade treatment/business building rehabilitation: 5 Business Jobs created/retained: 1000 Jobs Businesses assisted: 1750 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Improve neighborhood conditions	2025	2029	Non-Housing Community Development		Neighborhood Stabilization Public Services	CDBG: \$15,111,998	Public service activities other than Low/Moderate Income Housing Benefit: 5350 Persons Assisted Buildings Demolished: 50 Buildings Housing Code Enforcement/Foreclosed Property Care: 375 Household Housing Unit Other: 220955 Other

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Provide decent affordable housing
	Goal Description	Work to maintain and produce decent, safe and affordable housing options for extremely low-, low- and moderate-income households. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income (AMI) through new construction/positive conversion, preservation, acquisition and substantial rehabilitation. With this work, the City will also seek to address racial disparities in housing and affirmatively further fair housing.

2	Goal Name	Develop housing and services for the homeless
	Goal Description	Assist persons experiencing homelessness in realizing safe and accessible shelter and housing. This work will be done consistent with Continuum of Care priorities and strategies.
3	Goal Name	Provide special needs housing
	Goal Description	Support development of affordable housing options for households with special needs including HIV/AIDS.
4	Goal Name	Expand economic opportunities
	Goal Description	Invest in high-quality community-based, culturally appropriate, and accessible employment strategies and business creation efforts that serve to remove barriers to holding a living-wage job and achieving economic self-sufficiency with a focus on eliminating race-based employment disparities.
5	Goal Name	Improve neighborhood conditions
	Goal Description	Implement city housing, economic development and public service strategies to improve access to affordable housing, jobs, transit, amenities and services for Minneapolis residents.

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

It is estimated that 1,300 extremely low-, low- and moderate-income families will receive affordable housing under HUD funds covered by this Consolidated Plan as defined by HOME 91.315(b)(2).

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

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

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

Activities to Increase Resident Involvements

The MPHA will continue its work in supporting public housing resident involvement and participation in agency activities that impact residents and their homes. MPHA will work with established resident councils and representation systems such as the Resident Advisory Board.

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

No

Plan to remove the ‘troubled’ designation

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

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

Barriers to Affordable Housing

Minneapolis recognizes the significant impact that public policies can have on the cost of housing and the development, maintenance, and improvement of affordable housing. While some factors affecting the cost of producing affordable housing are beyond the control of local government, the city aims to ensure that its policies do not unintentionally create additional barriers. Minneapolis seeks to address key obstacles related to regulation, transportation, and financing that may hinder affordable housing development. One challenge in the metropolitan area is the spatial mismatch between affordable housing locations, wage-appropriate job centers, and the inadequacy of public transportation networks linking these areas. Local policies, including building inspection codes and housing codes, can also increase the costs associated with developing and maintaining affordable housing. Although the city is responsible for ensuring the health and safety of property owners and renters, these regulatory standards may drive up operational, rehabilitation, or development costs for affordable rental housing. Transportation-related public policies also pose barriers to affordable housing, particularly due to limited public transportation routes connecting certain parts of the city and surrounding suburbs. This lack of access affects demand for affordable housing in those areas. Additionally, financing remains a critical challenge, as the city's federal entitlement funding for affordable housing has decreased since 2000, further complicating efforts to provide adequate housing solutions.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The City will 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 sustainability of existing affordable housing units. In cooperation with public and private partners, the City has adopted and implemented policies to provide lifecycle housing throughout the city, providing all residents with safe, quality and affordable housing. A recent step is the approval of inclusionary zoning which should allow the development of more affordable multi-family units. Single family zoning has also been eliminated to increase housing density.

The City continues to address its regulations to eliminate barriers to affordable housing. It works to avoid cost burdens in the maintenance and development of housing in areas of building codes, permitting, fee structures and to provide improved documents for marketing and closing. City staff work closely with buyers of condemned properties assisting with code compliance inspections and fees. It works to improve mechanical permitting and supports comprehensive testing to ensure the competency of individuals performing all work on housing to improve the quality of the housing stock. The City has also recently examined its approach to affordability monitoring in regulated rental housing and made some adjustments to streamline and reduce the monitoring burden on affordable rental property owners while still meeting funding program requirements.

The City addresses transportation barriers for low-income residents and access to job opportunities that promote economic self-sufficiency. The city's multifamily funding programs have established priority points ranking for proximity to jobs and transit. The comprehensive plan states that Minneapolis will implement steps to integrate development with public transit opportunities, concentrating highest densities and mixed-use development near transit stations.

In spite of the decrease in federal entitlement budget levels, the City has worked to increase its local commitment to funding affordable housing efforts. CPED continues to operate its Low-Income Housing Tax Credits, Housing Revenue Bond, and Affordable Housing Trust Funds programs which financially assist in the development and stabilization of affordable housing. The City continues to advocate for full federal and state financial participation in its affordable housing efforts through legislation. The City has also expanded programs to support the preservation of Naturally Occurring Affordable Housing (NOAH) in recent years.

SP-60 Homelessness Strategy – 91.215(d)

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

The City funds contracted street outreach programming with ESG. Street outreach services serve individuals meeting Category 1 and 4 definitions of homelessness with high barriers according to an assessment. Outreach services consist of engagement, case management, emergency and mental health services, transportation and unique services that work to connect users to housing opportunities and support services for which they are eligible. Hennepin County has a team of seven outreach staff and one manager who make up the Streets to Housing team. This team has strategically shifted to housing focused outcomes which has allowed there to be an increase in housing outcomes year over year which is critical to unsheltered homelessness reduction goals. Additionally, Hennepin County staff attend Street Voices of Change meetings every other week to hear directly from folks with lived experience about their experiences engaging with the Homeless Response System. In this space, staff answer questions about access and receive feedback on proposed system improvements that are then worked on for implementation. The City will also continue its work with the Stable Homes initiative with Minneapolis Public Housing Authority, Hennepin County, and Minneapolis Public Schools in providing assessments and housing vouchers to families who are unstably housed and have children in the public school system.

The City's Homeless Response Team will continue to develop its outreach, encampment assessment, and service connection efforts to better meet the needs of people experiencing unsheltered homelessness. The team proactively engages with individuals experiencing homelessness, offering immediate shelter options, triaging urgent needs, and referrals to service providers for permanent housing. This direct engagement helps to address barriers to stability and connect individuals with appropriate resources in a timely manner. All new encampment locations identified by the Homeless Response Team are shared with the County's Streets to Housing team, which then engages those sites, conducts Homeless Management Information System entries, and completes Coordinated Entry assessments.

Addressing the emergency and transitional housing needs of homeless persons

Hennepin County has established the Hennepin Shelter Hotline (HSH) wherein folks can call and will complete a diversion conversation, if it is determined at that time that a household requires emergency shelter, the HSH will transfer the call to either the Family Shelter Hotline (families with minor children) or the Adult Shelter Connect (ASC) for single adults and youth (age 18-24 years old). Once in the shelters, the household will receive individualized services. This may include a Coordinated Entry (CES) assessment or other non-CES housing interventions as well as ensuring basic needs are met, goal planning and other such case management services.

Hennepin County is the primary funder of emergency shelter in Hennepin County focused on operations that are housing focused, person centered, and trauma informed. The County coordinates with service providers to use the Homeless Management Information System as a care coordination tool and use real-time data to try and better serve shelter guests.

Historically, the City has had a longstanding commitment to addressing the capital rehabilitation and renovation needs of the Continuum's emergency shelters with Hennepin County focused on funding of shelter operations and providing services. However, there has been an influx in capital funding over the last five years at both the local and state. As a result, the City has chosen to use its ESG funding to support shelter operations and emergency shelter essential services in the form of case management as an allowable use and priority of its formula ESG funds. The City seeks to budget the greater of its Hold Harmless amount (\$582,812) or 60 percent of the grant annually to shelter rehabilitation/essential services and street outreach activities. Fuller details on essential services are provided in the Appendix with the Emergency Solutions Grant program description. The City may issue an RFP for shelter rehabilitation/renovation projects located in the City or Hennepin County. ESG funds may also be used for furniture, security systems and/or equipment in a new construction, positive conversion or renovation/rehabilitation project consistent with compliance with Minneapolis Consolidated Plan and applicable HUD regulations.

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

The City prioritizes funding rapid re-housing over homeless prevention. Rapid re-housing will serve people experiencing homelessness in the city of Minneapolis. Rapid re-housing is used to serve households experiencing homelessness in the City of Minneapolis, either in emergency shelter or unsheltered settings. Homeless families, single adults without children, and unaccompanied youth who are verifiably homeless according to the HUD definition found at 24 CFR §576.2 are eligible. City of Minneapolis ESG funding for rapid re-housing is delivered through service providers selected under Hennepin County's request for proposals process that is combined with other family homelessness assistance funds to maximize coordination and results. Homelessness prevention must be last resort funds to keep a person/household at risk of homelessness in housing.

Rapid Re-housing and homelessness prevention funds can be for short-term or medium-term rental assistance for no longer than to obtain permanent housing. The rental assistance can be tied to the recipient or consist of project-based assistance that can “float” within a development serving eligible recipients. Housing relocation and stabilization services can also be provided consisting of financial

assistance or services. Financial assistance is rental application fees, security deposits, last month's rent, utility deposits, utility payments and moving costs. Financial services can include housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

All housing referrals are made through the Coordinated Entry System which identifies people most appropriate for permanent supportive housing and those who can benefit from rapid rehousing or transitional housing. Priority is given to veterans who cannot be served through veteran specific resources, chronically homeless individuals and families, persons with disabilities and those with long histories of homelessness and medical fragilities. Length of time homeless is also a factor in prioritization and single adult shelters are regularly updated with their current length-of-stay report (out of HMIS) to help them target assistance within the shelter. The family shelter system offers additional supports and uses a case conferencing model for families.

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

Hennepin County and its partners, including the City of Minneapolis, administer a coordinated homelessness prevention system with strategies and services oriented towards preventing homelessness among residents across three high-risk housing situations: (1) low-income renter households at imminent risk for eviction; (2) households residing in precarious housing (i.e. unstable, temporary housing with family or friends or paying for temporary stays in motels/hotels); and (3) people exiting justice and human service systems (i.e. incarceration, mental health and substance use treatment, hospitals, foster care, etc.). These strategies include emergency rental assistance and universal legal representation to support low-income tenants facing eviction to remain in their leased housing, housing focused case management and medium-term rental assistance to support households in precarious housing to move into permanent leased housing, and long-term housing subsidies paired with support services for various at-risk populations. Across all these interventions, assistance is targeted to households at or below 30% area median income.

Hennepin County's Housing Stability and Corrections departments have established a cross-system workgroup to facilitate cross-training and identify new strategies for disrupting the incarceration-to-homelessness pipeline (accounting for 3% of all homeless response system entries). New strategies include the integration of Housing Stabilization Services, a statewide Medicaid service, among Corrections-funded transitional housing programs. Hennepin County's Housing Stability and Child Protection departments also partner formally through coordination and service delivery contexts including special voucher programs such as the Family Unification Program and Foster Youth to Independence program serving child protection-involved families and youth exiting or exited from the foster care system, respectively.

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

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

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

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

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

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

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

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

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

The City's housing inspections process continues to emphasize paint condition during rental license inspections and requires property owners issued interior corrective orders on paint condition to take the Renovation, Remodeling and Painting rule.

CPED requests lead risk assessments in assisted properties and has incorporated lead safe hazard reduction practices into properties undergoing rehabilitation.

MPHA is working on policies and procedures to integrate grant resources for lead hazard reduction and lead safe work practices training for properties enrolled in the non-project-based Section 8 programs.

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

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

Minneapolis is always reevaluating how to handle issues like concentrated poverty, access to affordable housing, and the needs of low- and moderate-income residents when it comes to its housing and economic development plans. The city is all about breaking up areas of poverty, making sure there are more housing options available, and pushing policies that support people who are getting displaced or relocated. The city's funding projects come with requirements to make sure the community actually benefits.

A big priority is making sure residents have the skills they need to secure good jobs with living wages. They're also working on building infrastructure that'll attract employers willing to pay those wages. Raising residents' incomes is key to lowering housing costs and giving people more housing options. That's why businesses getting over \$100K in financial help from the city have to hire local residents at livable wages. In Minneapolis, a livable wage is defined as 110% of the federal poverty level if the job offers health benefits, and 130% if it doesn't. On top of that, the city is gradually implementing a \$15.97 per hour minimum wage.

Since Minneapolis is a HUD recipient, they offer Section 3 assistance to make sure low-income residents get access to job opportunities through project notifications, bid requirements, and monitoring. The Civil Rights Department is in charge of ensuring those Section 3 guidelines are followed and enforced.

The Department of Community Planning and Economic Development (CPED) helps local businesses navigate the sometimes-tricky process of financing and regulations while looking for or expanding their businesses in the city. They're also working on cleaning up old industrial sites (Brownfields) with federal, state, and local funds, transforming those areas into new spaces for businesses to invest in. This is about creating more job opportunities for low- and moderate-income residents. The city is committed to addressing these contaminated sites with cleanup funds every year.

Minneapolis also supports a number of community-based agencies that focus on job training, human development, and social services. They're intentional about making sure that even the city's newest immigrant and refugee populations are included and have access to culturally relevant human development strategies.

The goal is clear: to create opportunities, elevate the community, and make sure everyone has a fair shot at success.

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

The city uses selection criteria in affordable housing programs to actively deconcentrate poverty through offering preference for siting new affordable housing projects in non-concentrated areas of poverty. Section 3 is pursued in affordable housing project development and rehabilitation. The city actively seeks to link job training programs in the construction trades with its affordable housing development programs. Several of the cleaned-up redevelopment sites are also made available for affordable housing developments.

SP-80 Monitoring – 91.230

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

The City Finance Grants Office provides overall assurance that Consolidated Plan grant programs implemented through the City, its Subrecipient programs, and other community-based organizations are being carried-out as required. Each department who manages grant-funded programming is responsible for monitoring their respective program activity for compliance with City, Federal, and HUD program and financial standards. Finance will provide monitoring support of these activities to departments. Program, regulatory and contract compliance is achieved through the City's administrative structure. This compliance includes a review of whether programming is affirmatively furthering fair housing. Structured reviews are conducted on-site to ensure consistency with the contract, for determining the adequacy of program performance and to ensure that reported information is accurate. The Finance Office monitors for program compliance and performance and provide technical assistance to grant-funded program managers. This framework allows for an effective oversight of the monitoring and technical assistance process. This communication link, together with guidance offered from the Minneapolis HUD Field Office, provides the capacity to identify potential risk. The Grants office uses a program monitoring checklist which includes standard HUD monitoring guidelines; and financially monitors compliance using a checklist specific to minimum standards determined by the City, State and Federal government. If potential issues of non-compliance are identified a corrective action is implemented based on City policy to prevent continuance of a violation and to mitigate adverse effects of violation.

The objectives of the City's monitoring system are, to satisfy the statutory requirements of grantor agencies, to assist subrecipients and contractors in properly administering grant-funded programs, to minimize City liability by identifying and correcting major program deficiencies before they result in financial penalties and/or funding sanctions, and to provide City management and grantor agencies with performance information to guide them in delivering quality services.

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

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

Further, program monitoring is achieved through the implementation and development of the Consolidated Plan and the year-end Consolidated Annual Performance and Evaluation Report (CAPER). Through these processes, communication is established and sustained by Finance Grants Office personnel with program managers city-wide. This system provides awareness of programming priorities and program implementation on a year-to-year basis.

Expected Resources

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

Introduction

Anticipated resources are based on assumptions regarding future federal funding levels. Annual funding amounts are subject to the Congressional appropriation process and may vary depending on changes in the number of formula recipients. The City should also consider the potential for changes to one or more of the funding formulas that could occur over the next five years. The amounts in the following table are estimates for year 1 (2025) of the 2025-29 Consolidated Plan five-year cycle with the expected amount available for remainder of the Consolidated Plan being a number estimate for years 2-5 (2026-2029) based on the narrative assumption presented.

2025 budgeted resources were approved by the City Council in December 2024. These budgets are based on estimated 2025 HUD entitlement grant amounts based on a zero level increase/decrease in the grants. US Congress passed a 2025 HUD Continuing Resolution entitlement budget in March 2025 but as of this drafted Action Plan actual award amounts to the City have not been announced by HUD. Upon notification of award the City will adjust its 2025 Action Plan budget in the following ways:

- Any increase in the CDBG budget will be applied to the Affordable Housing Trust Fund, if there is a reduction in CDBG budget there will be a relative percentage change decrease in the budgets for the Affordable Housing Trust Fund and Administration budget line items.
- Any increases or decreases in the Emergency Solutions Grant will be applied on a proportional percentage basis to the ESG Programs and Administration lines.
- Any increases or decreases in the HOPWA Grant will be applied to the HOPWA Program line.
- Any increase or decrease in the HOME grant will be treated by budgeting HOME Administration at 10% of the grant award and applying the rest of the budget increase/reduction to the Affordable Housing Trust Fund.

Treating the eventual budget awards in this manner will not substantially impact any service levels.

As the City's HUD program year starts June 1, 2025, prior to HUD's approval of this Plan, the City may incur pre-award costs in all of its covered entitlement grants. Consistent with project programming outlined in the 2025 Action Plan and the estimated budgets contained within, the City finds the need to incur these pre-award costs to allow and permit programs to operate without disturbance. These pre-award costs are within the estimated allocations and do not affect future program awards.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	10,982,414.00	1,374,027.00	1,300,000.00	13,656,441.00	42,842,342.00	Anticipated 1% decrease in grant in outgoing annual years.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	2,130,267.00	834,675.79	0.00	2,964,942.79	8,310,160.00	Anticipated 1% decrease in grant in outgoing annual years.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	966,262.00	0.00	0.00	966,262.00	3,769,383.00	Anticipated level grant in outgoing years.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	3,061,848.00	0.00	0.00	3,061,848.00	12,247,392.00	Anticipated 1% decrease in grant in outgoing annual years.

Table 56 - Expected Resources – Priority Table

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

Other resources from federal, private and non-federal public sources that are reasonably expected to be available to address Consolidated Plan 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. In 2024 the City began to receive State Local Affordable Housing Aid to support the development of affordable housing projects for renters and owners. Local tax-based funds are made available for housing and non-housing activities. Other resources expected during Consolidated Plan five year cycle to support housing and community development goals will be Minnesota Housing, Metropolitan Council, Family Housing Fund, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, low income housing tax credits, and the McKinney-Vento Homeless Assistance programs. The City will support any organization's application for state or federal assistance that is consistent with this Consolidated Plan.

The HOME program will receive matches that include, but are not limited to the following:

- Project cash contributions (e.g. housing trust funds, foundation grants, and private donations)
- Proceeds from Housing Revenue Bonds with the automatic 4% Low Income Housing Tax Credit entitlement
- Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

HOME program income is also anticipated to be received. For the 2025 Action Plan it is estimated at \$834,675.79.

A one-for-one match is required for the ESG grant. It is obtained by eligible match contributions received and expended by sub recipients in support of eligible ESG programming and activities. Sources of match by sub recipients can be unrestricted federal, state, local or private sources; however, if any match is federal the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG.

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

Minnesota State statute requires Hennepin County to dispose of tax-forfeited land through two approaches—sale to the City of Minneapolis or through a public auction process. The City typically acquires and treats those properties that are blighted (condemned and/or boarded and vacant) through either demolition or responsible rehabilitation. Disposition and sale of these properties is a strategy in addressing the housing stabilization needs expressed in this plan.

Discussion

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

As the City's HUD program year starts June 1, 2025, prior to HUD's approval of this Plan, the City may incur pre-award costs in all of its covered entitlement grants. Consistent with project programming outlined in the 2025 Action Plan and the estimated budgets contained within, the City finds the need to incur these pre-award costs to allow and permit programs to operate without disturbance. These pre-award costs are within the estimated allocations and do not affect future program awards.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide decent affordable housing	2025	2029	Affordable Housing		Affordable Housing	CDBG: \$6,195,735.00 HOME: \$2,751,916.64	Rental units constructed: 27 Household Housing Unit Rental units rehabilitated: 319 Household Housing Unit Homeowner Housing Added: 10 Household Housing Unit Homeowner Housing Rehabilitated: 25 Household Housing Unit Direct Financial Assistance to Homebuyers: 10 Households Assisted Housing Code Enforcement/Foreclosed Property Care: 60 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Develop housing and services for the homeless	2025	2029	Homeless		Homelessness	ESG: \$893,792.00	Public service activities other than Low/Moderate Income Housing Benefit: 150 Persons Assisted Tenant-based rental assistance / Rapid Rehousing: 90 Households Assisted Homeless Person Overnight Shelter: 1000 Persons Assisted
3	Provide special needs housing	2025	2029	Affordable Housing Non-Homeless Special Needs		Affordable Rental Housing for Special Needs	HOPWA: \$2,980,848.00	Rental units constructed: 3 Household Housing Unit Rental units rehabilitated: 30 Household Housing Unit Homeowner Housing Rehabilitated: 5 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 175 Households Assisted HIV/AIDS Housing Operations: 125 Household Housing Unit
4	Expand economic opportunities	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$1,547,214.00	Public service activities other than Low/Moderate Income Housing Benefit: 52 Persons Assisted Facade treatment/business building rehabilitation: 1 Business Jobs created/retained: 200 Jobs Businesses assisted: 350 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Improve neighborhood conditions	2025	2029	Non-Housing Community Development		Neighborhood Stabilization Public Services	CDBG: \$3,083,455.00	Public service activities other than Low/Moderate Income Housing Benefit: 1070 Persons Assisted Buildings Demolished: 10 Buildings Housing Code Enforcement/Foreclosed Property Care: 75 Household Housing Unit Other: 220955 Other

Table 57 – Goals Summary

Goal Descriptions

1	Goal Name	Provide decent affordable housing
	Goal Description	Work to maintain and produce decent, safe and affordable housing options for extremely low-, low- and moderate-income households. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income(AMI) through new construction/positive conversion, preservation, acquisition and substantial rehabilitation. With this work, the City will also seek to address racial disparities in housing and affirmatively further fair housing.
2	Goal Name	Develop housing and services for the homeless
	Goal Description	Assist persons experiencing homelessness in realizing safe and accessible shelter and housing. This work will be done consistent with Continuum of Care priorities and strategies.
3	Goal Name	Provide special needs housing
	Goal Description	Support development of affordable housing options for households with special needs including HIV/AIDS.

4	Goal Name	Expand economic opportunities
	Goal Description	Invest in high-quality community-based, culturally appropriate, and accessible employment strategies and business creation efforts that serve to remove barriers to holding a living-wage job and achieving economic self-sufficiency with a focus on eliminating race-based employment disparities.
5	Goal Name	Improve neighborhood conditions
	Goal Description	Implement city housing, economic development and public service strategies to improve access to affordable housing, jobs, transit, amenities and services for Minneapolis residents.

Projects

AP-35 Projects – 91.220(d)

Introduction

Allocation of funds for 2025 are aligned with the high priority housing and community development needs identified in the needs assessment and housing market analysis. The budget received comment during the Minneapolis 2025 city budgeting process.

2025 budgeted resources were approved by the City Council in December 2024. These budgets are based on estimated 2025 HUD entitlement grant amounts based on a zero level increase/decrease in the grants. US Congress passed a 2025 HUD Continuing Resolution entitlement budget in March 2025 but as of this drafted Action Plan actual award amounts to the City have not been announced by HUD. Upon notification of award the City will adjust its 2025 Action Plan budget in the following ways:

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- Any increases or decreases in the HOPWA Grant will be applied to the HOPWA Program line.
- Any increase or decrease in the HOME grant will be treated by budgeting HOME Administration at 10% of the grant award and applying the rest of the budget increase/reduction to the Affordable Housing Trust Fund.

Treating the eventual budget awards in this manner will not substantially impact any service levels.

As the City's HUD program year starts June 1, 2025, prior to HUD's approval of this Plan, the City may incur pre-award costs in all of its covered entitlement grants. Consistent with project programming outlined in the 2025 Action Plan and the estimated budgets contained within, the City finds the need to incur these pre-award costs to allow and permit programs to operate without disturbance. These pre-award costs are within the estimated allocations and do not affect future program awards.

Projects

#	Project Name
1	Adult Training, Placement and Retention-Minneapolis Works
2	Multi-Family Affordable Housing Trust Fund
3	MPHA Spring Manor Campus
4	Heritage Park
5	NEDF/CEDF (Great Streets)

#	Project Name
6	Home Ownership Support & Development
7	Vacant and Boarded Building Program
8	Lead Reduction
9	Youth Employment
10	Journey Forward
11	Community Crime Prevention Specialists
12	Way to Grow
13	Juvenile Supervision Center
14	Domestic Abuse Project
15	Fair Housing Initiative/Davis Bacon Compliance/Monitoring
16	CPED Planning - Administration
17	Mid-Minnesota Legal Aid
18	Grant Administration
19	Way to Grow Administration
20	Youth Violence Prevention
21	Finance Administration
22	Grants & Special Projects Administration
23	Mid-Minnesota Legal Aid (Housing Discrimination Law Project)
24	Youth Coordinating Board Administration
25	Access & Outreach (Multicultural Affairs)
26	Problem Properties Strategy
27	Arts and Cultural Affairs
28	HOME Program- Affordable Housing Trust Fund (AHTF)
29	HOME- Home Ownership Works (HOW)
30	HOME- CPED/Grants & Special Projects Administration
31	ESG25 Minneapolis
32	2025-2028 City of Minneapolis MNH25F001 (Mpls)
33	Affordable Housing Preservation -Regulatory Services

Table 58 – Project Information

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

The allocations for these projects were approved by the City Council after holding three public hearings on the 2025 city budget in late 2024. The allocations reflect the needs, strategies, and goals as outlined in this document.

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

AP-38 Project Summary
Project Summary Information

1	Project Name	Adult Training, Placement and Retention-Minneapolis Works
	Target Area	
	Goals Supported	Expand economic opportunities
	Needs Addressed	Economic Development
	Funding	CDBG: \$1,348,329.00
	Description	Employment services for adult low-income Minneapolis residents. Training provider agencies are located throughout the city. An updated list is available from Minneapolis Employment & Training by calling 673-5298 or by accessing city's website.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	The City's Community Planning and Economic Development department projects that this program will benefit 200 households in the 2025 program year.
	Location Description	Citywide
	Planned Activities	Community-based organizations are contracted to provide low-income residents career counseling, job placement and job retention services. CDBG funded employment services are provided by organizations that compete for performance-based contracts through a request for proposal process. The agencies are paid a contracted fixed dollar amount for assisting their participants in achieving employment outcomes. The employment goals are given in the agency's contract with Minneapolis Employment & Training. Agencies are monitored yearly to ensure program requirements and standards are being met.
2	Project Name	Multi-Family Affordable Housing Trust Fund
	Target Area	
	Goals Supported	Provide decent affordable housing Develop housing and services for the homeless Provide special needs housing
	Needs Addressed	Affordable Housing Affordable Rental Housing for Special Needs
	Funding	CDBG: \$2,235,898.00
	Description	Multifamily rental new construction and rehabilitation program.
	Target Date	5/31/2026

	Estimate the number and type of families that will benefit from the proposed activities	An estimated 120 units will be created or rehabbed in the 2025 program year.
	Location Description	
	Planned Activities	Gap financing loans provided to development companies, for-profit or non-profit developers, community housing development corporations, limited partnerships, joint ventures and governmental units. Deferred payment loans typically with 30-year terms at 0-1% interest with principal and accrued interest due at term's end. Substantial changes to the programs policies and criteria are subject to a 45-day neighborhood review. Requests for Proposal (RFP) are anticipated to be announced in May of every year. Awards are made approximately in November. Eligible housing is both family and single adult rental units (including homeless youth). At least 20% of the units must be affordable at or <50% AMI. Program income can be realized through this program. Activities set up under this funding project may be revolving loan programs.
3	Project Name	MPHA Spring Manor Campus
	Target Area	
	Goals Supported	Provide decent affordable housing Provide special needs housing
	Needs Addressed	Affordable Housing Affordable Rental Housing for Special Needs
	Funding	CDBG: \$1,300,000.00
	Description	Rehabilitation of the Spring Manor high rise property of the Minneapolis Public Housing Authority. Project will be utilizing reprogrammed CDBG funds from prior year (2022).
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	189 housing units. 15 new units to be built.
	Location Description	828 Spring St NE

	Planned Activities	Rehabilitation of public housing highrise apartments.
4	Project Name	Heritage Park
	Target Area	
	Goals Supported	Provide decent affordable housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$500,000.00
	Description	Stabilization work of affordable housing at the Heritage Park development.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	20 vacant units to be rehabbed.
	Location Description	1000 Olson Mem Hwy
	Planned Activities	Stabilization work, rehab of existing residential units.
5	Project Name	NEDF/CEDF (Great Streets)
	Target Area	
	Goals Supported	Expand economic opportunities
	Needs Addressed	Economic Development
	Funding	CDBG: \$92,711.00
	Description	Commercial economic development program. Acquisition, construction, demolition, rehabilitation of commercial/industrial structures. Financial and technical assistance to businesses. Technical assistance to income-eligible micro-entrepreneurs. Will also include program income provided by the City.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 350 microenterprise businesses may be assisted under this project. One business with facade treatments.
	Location Description	Citywide.

	Planned Activities	Applications from developers and businesses for real estate and equipment loans are accepted year-round by CPED; application form is available on the City's website. Funds are awarded using ranking/rating criteria by CPED to projects meeting CDBG guidelines. Program income can be realized through this program through revolving loans. Some redeveloped buildings are occupied by a single tenant and some have multiple tenants. Loans are made to developers and businesses. "Businesses" are the end users (occupants). Technical assistance contracts are awarded to qualified non-profit business consulting organizations, many of them designated CDFIs, through a competitive RFP process.
6	Project Name	Home Ownership Support & Development
	Target Area	
	Goals Supported	Provide decent affordable housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$1,424,944.00
	Description	Home repair and code abatement work for low-mod income residents.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated this program will benefit 25 over the next program year.
	Location Description	Citywide.
	Planned Activities	<p>Housing Project Gap assistance through loans and grants for acquisition and rehabilitation of housing where at least 51% of the units are for low/moderate-income level renters or buyers. Project gap assistance for new construction will only be provided through a certified Community Based Development Organization pursuant to 24 CFR 570.204.</p> <p>Homeownership Assistance in the form of affordability gap assistance, closing cost assistance and loans/grants of up to 50% of any required down payment to allow low/moderate-income level buyers to purchase owner-occupied housing for households at 80%, 60%, or 40% of Area Median Income. Homeownership assistance will require either be (1) secured as a junior mortgage to the first mortgage as a deferred loan, repayable upon sale from net proceeds of sale or (2) secured with a declaration of covenants that requires an equity sharing formula so homes are permanently affordable for each resale.</p>

7	Project Name	Vacant and Boarded Building Program
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Neighborhood Stabilization
	Funding	CDBG: \$1,455,197.00
	Description	Acquisition and disposition of vacant and substandard housing to eliminate blight. The parcels may later be packaged for redevelopment as affordable ownership housing.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	No families will directly benefit from this activity as it is the removal of slum/blight influences.
	Location Description	Citywide.
	Planned Activities	Acquisition and disposition of vacant and substandard housing to eliminate blight. In cases where structures are demolished the vacant lots are marketed for development for the fair reuse value. This program also supports the property management expenses with holding the property until disposition occurs. Program income can be realized through this program
8	Project Name	Lead Reduction
	Target Area	
	Goals Supported	Provide decent affordable housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$108,230.00
	Description	Support for lead hazard reduction activities of the City's Healthy Homes and Lead Hazard Control Program.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	60 properties are estimated to be treated with the program.
	Location Description	Citywide

	Planned Activities	Work will include performing risk assessments, lead education, lead safe work practices education, clearance tests, swab cleanings for lead hazards, developing work specs for income eligible families housed in units with children with identified elevated blood lead levels. Qualified homeowners may be supplied with paint and brushes to assist in compliance with lead hazard reduction orders. Assisted units are those referred to city by reports of families with children with elevated blood lead levels. Used as match funds towards a HUD Lead Hazard Control Grant for eligible activities.
9	Project Name	Youth Employment
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$248,588.00
	Description	Provision of summer employment training opportunities for income eligible city youth 14-21 years old.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	The Step Up program under Youth employment is projected to help 125 youths each year for the next five years
	Location Description	Citywide
10	Planned Activities	Services include Step-Up work experience, education, community service and leadership development through community-based organizations and school program partners.
	Project Name	Journey Forward
	Target Area	
	Goals Supported	Expand economic opportunities
	Needs Addressed	Economic Development
	Funding	CDBG: \$106,174.00
	Description	Journey Forward is a pre-employment program. The program serves disconnected, highly barriered and at-risk youth and young adults who are gang or cliqued involved, in the City of Minneapolis.
	Target Date	5/31/2026

	Estimate the number and type of families that will benefit from the proposed activities	52 young adults are estimated to benefit from this project.
	Location Description	Citywide.
	Planned Activities	Providing barrier elimination to employment and education which include but is not limited to: Pre-employment training, Support services, Follow-up services, Housing stability assistance, Support with attaining vital documentation.
11	Project Name	Community Crime Prevention Specialists
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$878,580.00
	Description	Crime prevention public services delivered by the Minneapolis Police Department.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Services provided under this initiative is on an area basis with as estimated 220,955 persons of low- and moderate-income served.
	Location Description	Citywide in city neighborhoods that contain a majority of low- and moderate-income residents.
	Planned Activities	With CDBG emphasis on targeted neighborhoods that are at least 51% low- and moderate-income due to their inverse violent victimization rates based on household income Crime Prevention Specialists work with low- and moderate-income residents, neighborhood organizations and businesses to: Recruit and train block club leaders to get block clubs started; Maintain block clubs; Provide safety and neighborhood livability information to the public through multiple venues; Publish and distribute crime alerts; Promote National Night Out; Resolve complaints about problem properties; Respond to crime trends; Act as a liaison between the police and the community.
12	Project Name	Way to Grow

	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$219,400.00
	Description	Community-based collaboration designed to promote family-friendly communities and the school readiness of its children. Informal and formal support systems for parents are provided to meet child's growth and development needs through age six.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	The City's health department estimates that this project will benefit 337 families per year.
	Location Description	201 Irving Avenue North. Suite 100
	Planned Activities	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.
13	Project Name	Juvenile Supervision Center
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$100,000.00
	Description	The Juvenile Supervision Center (JSC) provides short-term supervision and services for youth under the age of 18 who encounter law enforcement professionals for low level offenses (e.g. assault, theft, disorderly conduct, etc.), truancy, or curfew violation.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	This project estimates serving 335 youth.
	Location Description	350 S 5th St

	Planned Activities	<p>Funds go to Hennepin County as part of a Joint Powers Agreement between City of Minneapolis, Hennepin County, and Minneapolis Public Schools; all JSC Joint Powers Funds are used for staffing and services provided by The Link for curfew and truancy activities as part of broader JSC operations.</p> <p>The JSC provides short-term supervision and services for youth under the age of 18 who encounter law enforcement professionals for low level offenses (e.g. assault, theft, disorderly conduct, etc.), truancy, or curfew violation. The JSC assures that youth are safe until they can be returned to a safe and appropriate environment (i.e. school, home, or shelter if appropriate). While at the JSC, JSC staff conduct a risk and needs screening with youth and offer resources and additional services when applicable. Some youth who visit the JSC and who demonstrate increased needs are engaged in short-term case stabilization or long-term case management. JSC staff identify youth that are currently receiving County services and document communication with Case Manager, Probation Officer, etc. regarding possible follow up. JSC services are provided by The Link, a community-based service provider. The JSC is operated through a Joint Powers agreement between the City of Minneapolis, Hennepin County, and Minneapolis Public Schools. While each Joint Powers entity shares financial and oversight responsibility, Hennepin County serves as the fiscal agent and holds the service contract with The Link. Therefore, City of Minneapolis CDBG funds are contracted to Hennepin County to be incorporated as part of Hennepin County's Joint Powers contract with The Link for operation of the JSC.</p>
14	Project Name	Domestic Abuse Project
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$73,460.00
	Description	Domestic Abuse Project provides advocacy services for victims of domestic violence
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	The City's department of Health estimates this project will benefit 273 persons per year or 1,365 persons over a five-year period.
	Location Description	1121 Jackson Street NE, Suite 105

	Planned Activities	The Domestic Abuse Project works to ensure that each victim has information about how to protect him/herself and their children including developing a safety plan and information about her/his rights and options within the legal system, promoting self-sufficiency and reducing isolation by assisting with meeting victim's basic life needs, and referral for other community services through a city-wide case management system.
15	Project Name	Fair Housing Initiative/Davis Bacon Compliance/Monitoring
	Target Area	
	Goals Supported	Provide decent affordable housing Provide special needs housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$340,857.00
	Description	Administration of city's contract compliance functions, enforcement of city's civil rights ordinance, fair housing education and enforcement, federal labor standards, Davis-Bacon Act and Section 3 wage monitoring and outreach.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administration of city's contract compliance functions, enforcement of city's civil rights ordinance, fair housing education and enforcement, federal labor standards, Davis-Bacon Act and Section 3 wage monitoring and outreach.
	Location Description	350 South Fifth St., Room 239
	Planned Activities	Administration of city's contract compliance functions, enforcement of city's civil rights ordinance, fair housing education and enforcement, federal labor standards, Davis-Bacon Act and Section 3 wage monitoring and outreach.
16	Project Name	CPED Planning - Administration
	Target Area	
	Goals Supported	Provide decent affordable housing Develop housing and services for the homeless Provide special needs housing Expand economic opportunities

	Needs Addressed	Affordable Housing Affordable Rental Housing for Special Needs Neighborhood Stabilization Economic Development Homelessness
	Funding	CDBG: \$903,530.00
	Description	Administration of comprehensive planning activities Consolidated Plan strategies. Includes program income \$427,202
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative Activity
	Location Description	105 Fifth Ave. S., Suite 200
	Planned Activities	Administration of comprehensive planning activities Consolidated Plan strategies.
17	Project Name	Mid-Minnesota Legal Aid
	Target Area	
	Goals Supported	Provide decent affordable housing Improve neighborhood conditions
	Needs Addressed	Affordable Housing Public Services
	Funding	CDBG: \$25,082.00
	Description	Contracted administrative function to provide advice and representation with special emphasis on housing and shelter-related issues to income eligible persons and groups in low and moderate income neighborhoods.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative Activity
	Location Description	111 North Fifth St., Suite 100

	Planned Activities	Assistance assures compliance of housing with city housing ordinances and codes. Emphasis on issues that will protect, promote, and provide fair housing opportunities for public assistance recipients.
18	Project Name	Grant Administration
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$63,097.00
	Description	Grant development and program management for CDBG public service programs.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative Activity
	Location Description	250 S. 4th Street, Room 510
	Planned Activities	Grant development and program management for CDBG public service programs
19	Project Name	Way to Grow Administration
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$4,997.00
	Description	General administration of the Way to Grow program
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative Activity
	Location Description	250 S. 4th Street, Room 510
	Planned Activities	General administration of the Way to Grow program.
20	Project Name	Youth Violence Prevention

	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$160,778.00
	Description	The City's Department of Neighborhood Safety leads and coordinates implementation of violence prevention through policy, planning, community support, and programming.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity
	Location Description	250 S. 4th Street, Room 510
	Planned Activities	Activities include: planning and service coordination with jurisdictional partners, technical assistance to community-based agencies, oversight of the Juvenile Supervision Center for curfew, truancy, and low-level offenders, and individualized case management and mentoring for youth at risk of involvement with violence.
21	Project Name	Finance Administration
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$161,590.00
	Description	Financial administration and accountability for Consolidated Plan programs.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity
	Location Description	350 South Fifth Street, Room 330M
	Planned Activities	Financial administration and accountability for Consolidated Plan programs.
22	Project Name	Grants & Special Projects Administration

	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$177,298.00
	Description	Resource development and program management for Consolidated Plan.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity
	Location Description	350 South Fifth St., Room 307M
	Planned Activities	Resource development and management for Consolidated Plan strategies; Part 58 environmental review process; overall city management of Consolidated Plan. City staffing on HIV Housing Coalition and other community boards such as Fair Housing Implementation Committee, Hennepin County Continuum of Care.
23	Project Name	Mid-Minnesota Legal Aid (Housing Discrimination Law Project)
	Target Area	
	Goals Supported	Provide decent affordable housing Improve neighborhood conditions
	Needs Addressed	Affordable Housing Public Services
	Funding	CDBG: \$40,757.00
	Description	City contracted administration project with Mid-Minnesota Legal Aid serving low-income clients with investigation of housing discrimination claims, negotiation, advice and referrals and representation in court and administrative actions.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity
	Location Description	111 N. Fifth St., Suite 100

	Planned Activities	Services will include complaint intake, investigation, advocacy and litigation for low-income clients encountering fair housing discriminatory actions.
24	Project Name	Youth Coordinating Board Administration
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Public Services
	Funding	CDBG: \$89,427.00
	Description	Advocate, catalyst and developer of comprehensive services and systems benefiting children, youth and families.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity
	Location Description	330 2nd Avenue South, Suite 540
25	Planned Activities	Dedicated to promoting the healthy, comprehensive development of Minneapolis children and youth ages 0-20 through collaborative action and policy alignment.
	Project Name	Access & Outreach (Multicultural Affairs)
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Neighborhood Stabilization
	Funding	CDBG: \$103,756.00
	Description	The Access and Outreach Team provides support for a broad range of engagement activities to cultural communities and under engaged groups in the City enterprise. It also manages various state and federally mandated programs that promote equity in accessibility.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity

	Location Description	105 Fifth Avenue South, Suite 425
	Planned Activities	Access and outreach provide the logistical and office support for cultural engagement services and federally mandated programming. This includes the following services: Americans with Disabilities Act (ADA) compliance; Continuation of Limited English Proficiency planning, interpretation and translation services; Administration of the One Minneapolis Fund, the Hello Neighbor program among other community support activities; Core infrastructure support to eliminating barriers to participation in neighborhood organizations, boards and commissions, and City programing.
26	Project Name	Problem Properties Strategy
	Target Area	
	Goals Supported	Improve neighborhood conditions
	Needs Addressed	Neighborhood Stabilization
	Funding	CDBG: \$89,549.00
	Description	The Problem Properties Unit (PPU) is housed in the Housing Inspections Services division of Regulatory Services and is charged with identifying the City's worst properties and developing an action plan to resolve their issues. PPU includes staff from various City departments that work together to reduce the number and severity of problem properties in Minneapolis.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity
	Location Description	250 S. 4th Street, Room 400
	Planned Activities	The Problem Properties Unit identifies the city's worst properties in terms of meeting housing code standards and develops effective solutions to reduce or eliminate problems and establish long-lasting goals of quality housing. Solutions include mitigation steps up to securing buildings with boards, winterizing condemned properties, entering into restoration agreements to rehab vacant properties, or demolishing buildings under the provisions of Chapter 249 on the city's code of ordinances. CDBG funds pay for the administrative aspects of planning and evaluation.
27	Project Name	Arts and Cultural Affairs

	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$30,185.00
	Description	The Arts and Cultural Affairs department exists to advance, support, stimulate and promote a diverse and active arts and cultural environment that recognizes and draws on the full potential of Minneapolis' artists and arts organizations, reflects and responds to civic concerns and aspirations, and enriches the lives of all people who live in, work in and visit Minneapolis. This CDBG funding reflects the transfer of former CPED planning staff to the new Arts and Cultural Affairs department and the portion of their work that falls within CDBG neighborhoods of the City. The staff administer the City Public Art program, which includes: the commissioning of public art works through art in public places, conservation, technical assistance to other agencies, public art policy, proposals for art on City property, proposals for art on private property, and working with cultural communities.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity.
	Location Description	505 Fourth Ave. S., Room 320
	Planned Activities	
28	Project Name	HOME Program- Affordable Housing Trust Fund (AHTF)
	Target Area	
	Goals Supported	Provide decent affordable housing Develop housing and services for the homeless Provide special needs housing
	Needs Addressed	Affordable Housing Affordable Rental Housing for Special Needs
	Funding	HOME: \$1,250,808.85
	Description	Funding for multifamily affordable rental development. PI of \$769,676.79 to be budgeted.
	Target Date	5/31/2026

	Estimate the number and type of families that will benefit from the proposed activities	An estimated 20 housing units to be rehabbed. Estimated 12 units constructed.
	Location Description	Citywide.
	Planned Activities	Funding for affordable multifamily rental development. Program income can be realized through this program. A minimum of 15% of the grant will be used to support CHDO-sponsored activities. HOME funds will be used as development gap financing on new and rehabilitated rental projects. Further details on delivery of HOME funds for multifamily rental development is contained in the Appendix.
29	Project Name	HOME- Home Ownership Works (HOW)
	Target Area	
	Goals Supported	Provide decent affordable housing
	Needs Addressed	Affordable Housing
	Funding	HOME: \$666,432.00
	Description	Funding for single family homeownership buyer assistance and development. Program income of \$64,999 to be budgeted.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 10 households will be assisted.
	Location Description	Citywide.
	Planned Activities	Funding for affordable homeownership development. Program income can be realized through this program. HOME funds will be used as development gap financing on new and rehabilitated ownership projects and as affordability gap assistance. Further details on delivery of HOME funds for single family homeownership is contained in the Appendix.
30	Project Name	HOME- CPED/Grants & Special Projects Administration
	Target Area	
	Goals Supported	Provide decent affordable housing
	Needs Addressed	Affordable Housing

	Funding	CDBG: \$213,026.00
	Description	Administration of the HOME program. Includes \$117,987 of program income.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	Administrative activity.
	Location Description	105 Fifth Ave. S. Suite 200
	Planned Activities	Administrative activity.
	31	
	Project Name	ESG25 Minneapolis
	Target Area	
	Goals Supported	Develop housing and services for the homeless
	Needs Addressed	Homelessness
	Funding	ESG: \$966,262.00
	Description	Emergency Solutions Grant funding for Emergency Shelter Rehabilitation/Renovation/Essential Services, Street Outreach, Rapid Rehousing and Homelessness Prevention services.
	Target Date	5/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	As estimated 90 households will be served with rapid rehousing services, 150 persons with street outreach services, and 1,000 persons through the emergency shelters.
	Location Description	Citywide.

	Planned Activities	Rehabilitation of emergency housing shelters and shelter essential services serving families and persons with homelessness (est. \$432,812). Shelter projects are selected through periodic request for proposals process. Funding is also provided to Avivo for street outreach programming at a level of \$150,000. ESG Rapid Re-housing/Homelessness Prevention funds are provided to Hennepin County to be distributed to eligible rapid re-housing and homelessness prevention community-based service providers (est. \$291,655). Two percent of the grant is provided to Institute for Community Alliances to support Homeless Management Information Systems (HMIS) administration and maintenance (\$19,325). Funding of 7.5% of the grant is reserved for ESG administration (\$72,470).
32	Project Name	2025-2028 City of Minneapolis MNH25F001 (Mpls)
	Target Area	
	Goals Supported	Provide special needs housing
	Needs Addressed	Affordable Rental Housing for Special Needs
	Funding	HOPWA: \$3,061,848.00
	Description	Housing Opportunities for Persons with AIDS (HOPWA) programming to assist those living with HIV/AIDS at risk of homelessness, living across the 13-county Eligible Metropolitan Statistical area in Minnesota, achieve and maintain housing stability and improve health care access.
	Target Date	5/31/2028
	Estimate the number and type of families that will benefit from the proposed activities	Estimated service levels are at 175 households with rental assistance and 125 households with site-based supportive services.
	Location Description	Metropolitan Twin Cities Area.
	Planned Activities	The City is allowed 3% of program year HOPWA funding to administer the program of which the City will use \$81,000, and Subrecipients are allowed 7% of their respective funding amount to administer their programs. The City will prioritize renewals of existing projects. Existing projects with renewable funding are Metropolitan Council HRA tenant-based rental assistance; Aliveness Project tenant-based rental assistance; and Clare Housing tenant-based rental assistance and site-based supportive services. Any balance of funds available will be issued through a request for proposals for priorities consistent with MN HIV Housing Coalition priorities.
33	Project Name	Affordable Housing Preservation -Regulatory Services

	Target Area	
	Goals Supported	Provide decent affordable housing
	Needs Addressed	Affordable Housing
	Funding	:
	Description	CDBG program income allocation to provide fix-up renovation work on residential homeowner properties at risk of condemnation due to conditions.
	Target Date	5/31/2026
	Estimate the number and type of families that will benefit from the proposed activities	5 households to be assisted.
	Location Description	citywide
	Planned Activities	City will work through a contractor to deliver minor renovation treatments on properties.

AP-50 Geographic Distribution – 91.220(f)

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

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

HOME rehabilitation funds are spent throughout the City for income-eligible units. If a new construction project receives HOME funds out this program, that project is sited in an area that is non-impacted by race or poverty.

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

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

The City will continue to work with the MPHA for opportunities to develop its public housing programs throughout the City. The City works with MPHA to site new units in areas of the City with low numbers of assisted units in order to help the MPHA meet its objectives.

Rationale for the priorities for allocating investments geographically

The City locates its funded projects in line with approved city policies and priorities with respect to CDBG, ESG and HOME. The City has an interest in the comprehensive redevelopment and stabilization of its neighborhoods where a majority of residents are at or less than 80% of median income. New affordable housing is targeted for designated growth areas that can benefit from and support increased housing density and can diversify the housing costs in a neighborhood. HOPWA funds are required to be spent on programming of benefit for HIV positive, low-income residents of the Twin Cities metropolitan area and thus provided throughout the metropolitan area.

Discussion

The City locates its funded projects in line with approved city policies and priorities with respect to CDBG, ESG and HOME. The City has an interest in the comprehensive redevelopment and stabilization of its neighborhoods where a majority of residents are at or less than 80% of median income. New affordable housing is targeted for designated growth areas that can benefit from and support increased housing density and can diversify the housing costs in a neighborhood. HOPWA funds are required to be spent on programming of benefit for HIV positive, low-income residents of the Twin Cities metropolitan area and thus provided throughout the metropolitan area.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

This section details how the City will meet the following Consolidated Plan goal of Provide decent affordable housing. The City will use programming to maintain and produce decent, safe and affordable housing options for extremely low-, low- and moderate-income households. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income (AMI) through new construction/positive conversion, preservation, acquisition and substantial rehabilitation. With this work, the City will also seek to address racial disparities in housing and affirmatively further fair housing.

One Year Goals for the Number of Households to be Supported	
Homeless	90
Non-Homeless	0
Special-Needs	300
Total	390

Table 59 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	265
The Production of New Units	37
Rehab of Existing Units	349
Acquisition of Existing Units	10
Total	661

Table 60 - One Year Goals for Affordable Housing by Support Type

Discussion

Since 2000, Minneapolis has lost roughly 15,000 housing units that are considered affordable for those earning 50 percent of the area median income. These units generally still exist, but they cost more to own or rent, making them unaffordable to this demographic. The City will 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 sustainability of existing affordable housing units. In cooperation with public and private partners, the City has adopted and implemented policies to provide lifecycle housing throughout the city, providing all residents with safe, quality and affordable housing. A recent step is the approval of inclusionary zoning which should allow the development of more affordable multi-family units. Single family zoning has also been eliminated to increase housing density.

The City's Unified Housing Policy outlines the following affordable policies. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income (AMI) through new construction/positive conversion. Any residential project of ten or more units that receives financial or property development assistance from the City shall meet the following affordable housing requirements:

- For rental projects, at least 20% of the units shall be affordable to and occupied by households earning 60% or less of AMI. For ownership projects, at least 10% of the units shall be affordable to and occupied by households earning 80% or less of the AMI.
- Any affordable units shall be reasonably distributed throughout the project and comparable in size, number of bedrooms, quality and finish to the market rate units in a project.
- Unless a shorter affordability period is specifically approved by City Council adopted program criteria, the affordability period shall be for a period not less than 30 years for new construction, substantial rehabilitation, or recapitalization projects.
- New affordable housing will be targeted for designated growth areas and commercial and transit corridors that can benefit from and support increased housing density.
- All owners of rental housing projects subject to the Unified Housing Policy shall accept tenant based rental housing assistance, including, but not limited to, Section 8 Housing Choice Vouchers, HOME tenant-based assistance, and State Housing Supports.
- The City requires owners of City-assisted housing projects to affirmatively market affordable housing opportunities. All rental housing providers must submit an Affirmative Fair Housing Marketing Plan at least every 5 years, and a Survey and Certification regarding outcomes annually.

AP-60 Public Housing – 91.220(h)

Introduction

The City recognizes the important role that public housing plays in the provision of affordable housing. Minneapolis and MPHA continue to work with each other in the development of housing policies and strategies to implement a range of housing options in support of mutual goals of providing quality affordable housing choice and opportunity to residents. The City and MPHA have entered into a memorandum of understanding that commits the City to work with the MPHA to identify and retain resources that preserve public housing properties and extend long term public ownership. The memorandum of understanding also commits to informing public housing residents of planned actions and how their rights to public housing are to be retained.

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

Minneapolis will continue to partner with MPHA in joint housing developments that need project-based housing vouchers to finance low-income units. A recent example is the development of Minnehaha Townhomes where the building site was acquired and assembled by the City. Where opportunities exist, the City may assist in land assembly under its High Density Corridor Housing program for new development of public housing. The City continues to partner with MPHA in the Stable Homes Stable Schools program supporting families facing homelessness or experiencing homelessness.

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

The City will work to support these efforts as it can through means such as staff support and consistent with the memorandum of understanding.

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

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

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

Introduction

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

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

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

The City of Minneapolis funds Avivo's Outreach Team through Emergency Solutions Grant (ESG) funds to provide street outreach services to individuals experiencing homelessness, particularly those with high barriers, as defined under Categories 1 and 4 of homelessness. These services include engagement, case management, emergency and mental health support, transportation, and connections to housing and other eligible services. Hennepin County's Streets to Housing team, consisting of seven outreach staff and one manager, has shifted its focus to housing outcomes, resulting in year-over-year improvements in connecting individuals to stable housing. County staff also participate in Street Voices of Change meetings to hear directly from people with lived experience, provide information, and receive feedback on the Homeless Response System for continued improvement.

The City continues its involvement in the Stable Homes initiative in partnership with Minneapolis Public Housing Authority, Hennepin County, and Minneapolis Public Schools, which supports unstably housed families with children in the public school system by providing assessments and housing vouchers.

The City's Homeless Response Team, housed in Regulatory Services, plays a central role in addressing unsheltered homelessness. The team includes three Outreach Coordinators, one Lead Coordinator, and one Manager. Their work includes proactively engaging individuals experiencing homelessness, offering immediate shelter, addressing urgent needs, and connecting them to long-term housing and support services. New encampment locations identified by the team are shared with the County's Streets to Housing team, which then completes Homeless Management Information System (HMIS) entries and Coordinated Entry System (CES) assessments at those sites.

To further enhance outreach and service delivery, the City's Homeless Response Team is working to gain direct access to HMIS and the ability to conduct CES assessments. This will streamline services, improve data collection, and speed up the housing connection process. The team's goals include strengthening partnerships with outreach organizations, expanding internal capacity for conducting assessments, increasing direct housing connections, and reducing the number of unsheltered individuals through proactive and trauma-informed engagement.

These efforts reflect Minneapolis's continued commitment to ending homelessness through a

coordinated, person-centered, and compassionate approach.

Addressing the emergency shelter and transitional housing needs of homeless persons

Hennepin County has established the Hennepin Shelter Hotline (HSH) wherein folks can call and will complete a diversion conversation, if it is determined at that time that a household requires emergency shelter, the HSH will transfer the call to either the Family Shelter Hotline (families with minor children) or the Adult Shelter Connect (ASC) for single adults and youth (age 18-24 years old). Once in the shelters, the household will receive individualized services. This may include a Coordinated Entry (CES) assessment or other non-CES housing interventions as well as ensuring basic needs are met, goal planning and other such case management services.

Hennepin County is the primary funder of emergency shelter in Hennepin County focused on operations that are housing focused, person centered, and trauma informed. The County coordinates with service providers to use the Homeless Management Information System as a care coordination tool and use real-time data to try and better serve shelter guests.

Historically, the City has had a longstanding commitment to addressing the capital rehabilitation and renovation needs of the Continuum's emergency shelters with Hennepin County focused on funding of shelter operations and providing services. However, there has been an influx in capital funding over the last five years at both the local and state. As a result, the City has chosen to use its ESG funding to support shelter operations and emergency shelter essential services in the form of case management as an allowable use and priority of its formula ESG funds. The City seeks to budget the greater of its Hold Harmless amount (\$582,812) or 60 percent of the grant annually to shelter rehabilitation/essential services and street outreach activities. Fuller details on essential services are provided in the Appendix with the Emergency Solutions Grant program description. The City may issue an RFP for shelter rehabilitation/renovation projects located in the City or Hennepin County. ESG funds may also be used for furniture, security systems and/or equipment in a new construction, positive conversion or renovation/rehabilitation project consistent with compliance with Minneapolis Consolidated Plan and applicable HUD regulations.

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

The City prioritizes funding rapid re-housing over homeless prevention. Rapid re-housing will serve people experiencing homelessness in the city of Minneapolis. Rapid re-housing is used to serve households experiencing homelessness in the City of Minneapolis, either in emergency shelter or unsheltered settings. Homeless families, single adults without children, and unaccompanied youth who

are verifiably homeless according to the HUD definition found at 24 CFR §576.2 are eligible. City of Minneapolis ESG funding for rapid re-housing is delivered through service providers selected under Hennepin County's request for proposals process that is combined with other family homelessness assistance funds to maximize coordination and results. Homelessness prevention must be last resort funds to keep a person/household at risk of homelessness in housing.

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

All housing referrals are made through the Coordinated Entry System which identifies people most appropriate for permanent supportive housing and those who can benefit from rapid rehousing or transitional housing. Priority is given to veterans who cannot be served through veteran specific resources, chronically homeless individuals and families, persons with disabilities and those with long histories of homelessness and medical fragilities. Length of time homeless is also a factor in prioritization and single adult shelters are regularly updated with their current length-of-stay report (out of HMIS) to help them target assistance within the shelter. The family shelter system offers additional supports and uses a case conferencing model for families.

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

Hennepin County and its partners, including the City of Minneapolis, administer a coordinated homelessness prevention system with strategies and services oriented towards preventing homelessness among residents across three high-risk housing situations: (1) low-income renter households at imminent risk for eviction; (2) households residing in precarious housing (i.e. unstable, temporary housing with family or friends or paying for temporary stays in motels/hotels); and (3) people exiting justice and human service systems (i.e. incarceration, mental health and substance use treatment, hospitals, foster care, etc.). These strategies include emergency rental assistance and universal legal representation to support low-income tenants facing eviction to remain in their leased housing, housing focused case management and medium-term rental assistance to support households in precarious housing to move into permanent leased housing, and long-term housing subsidies paired

with support services for various at-risk populations. Across all these interventions, assistance is targeted to households at or below 30% area median income.

Hennepin County's Housing Stability and Corrections departments have established a cross-system workgroup to facilitate cross-training and identify new strategies for disrupting the incarceration-to-homelessness pipeline (accounting for 3% of all homeless response system entries). New strategies include the integration of Housing Stabilization Services, a statewide Medicaid service, among Corrections-funded transitional housing programs. Hennepin County's Housing Stability and Child Protection departments also partner formally through coordination and service delivery contexts including special voucher programs such as the Family Unification Program and Foster Youth to Independence program serving child protection-involved families and youth exiting or exited from the foster care system, respectively.

Discussion

The City is and will continue to be an active participant in supporting the capital housing strategies of developments adding designated units for homelessness and will address the housing needs of special needs populations. This work includes providing capital funds to the creation of additional housing units to the supportive housing inventory or the creation of additional affordable housing units at the very low-income level. The City will continue to utilize its ESG resources in support of Continuum of Care priorities and strategies.

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

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	175
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	5
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	180

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

Introduction:

Minneapolis is sensitive to the effects that public policies have on the cost of housing, or serve to dissuade development, maintenance or improvement of affordable housing. Although some of the barriers to the cost of producing affordable housing are beyond the control of local government, it is hoped that city policies do not create more barriers. The city works to establish positive marketing strategies and program criteria increasing housing choices for households with limited incomes, to provide geographical choice in assisted housing units, and to improve the physical quality of existing affordable housing units. As of 2018, the Minneapolis Civil Rights Ordinance prohibits discrimination against Housing Choice Vouchers (also known as “Section 8”) as a form of income for tenants seeking housing in the city. The City has adopted and implemented policies to provide lifecycle housing throughout the City, providing all residents with safe, quality and affordable housing, as a priority, in cooperation with public and private partners.

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

The City will 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 sustainability of existing affordable housing units. In cooperation with public and private partners, the City has adopted and implemented policies to provide lifecycle housing throughout the city, providing all residents with safe, quality and affordable housing. A recent step is the approval of inclusionary zoning which should allow the development of more affordable multi-family units. Single family zoning has also been eliminated to increase housing density and provide a variety of housing types in all neighborhoods.

The City continues to address its regulations to eliminate barriers to affordable housing. It works to avoid cost burdens in the maintenance and development of housing in areas of building codes, permitting, fee structures and to provide improved documents for marketing and closing. City staff work closely with buyers of condemned properties assisting with code compliance inspections and fees. It works to improve mechanical permitting and supports comprehensive testing to ensure the competency of individuals performing all work on housing to improve the quality of the housing stock.

The City addresses transportation barriers for low-income residents and access to job opportunities that promote economic self-sufficiency. The city’s multifamily funding programs have established priority points ranking for proximity to jobs and transit. The comprehensive plan states that Minneapolis will implement steps to integrate development with public transit opportunities, concentrating highest densities and mixed-use development near transit stations.

In spite of the decrease in federal entitlement budget levels, the City has worked to increase its local commitment to funding affordable housing efforts. CPED continues to operate its Low-Income Housing Tax Credits, Housing Revenue Bond, Affordable Housing Trust Funds programs which financially assist in the development and stabilization of affordable housing. The City continues to advocate for full federal and state financial participation in its affordable housing efforts through legislation.

AP-85 Other Actions – 91.220(k)

Introduction:

The actions described in the following sections support the outlined strategies outlined in SP-05, the Five-Year Strategic Plan Overview. The actions will work to address the following Consolidated Plan Goals:

Provide decent affordable housing

Work to maintain and produce decent, safe and affordable housing options for extremely low-, low- and moderate-income households. The City will prioritize the creation of units affordable to households with incomes less than 30% and 60% of Area Median Income (AMI) through new construction/positive conversion, preservation, acquisition and substantial rehabilitation. With this work, the City will also seek to address racial disparities in housing and affirmatively further fair housing.

Develop housing and services for the homeless

Assist persons experiencing homelessness in realizing safe and accessible shelter and housing. This work will be done consistent with Continuum of Care priorities and strategies.

Provide special needs housing

Support development of affordable housing options for households with special needs including HIV/AIDS.

Expand economic opportunities

Invest in high-quality community-based, culturally appropriate, and accessible employment strategies and business creation efforts that serve to remove barriers to holding a living-wage job and achieving economic self-sufficiency with a focus on eliminating race-based employment disparities.

Improve neighborhood conditions

Implement city housing, economic development and public service strategies to improve access to affordable housing, jobs, transit, amenities and services for Minneapolis residents.

Actions planned to address obstacles to meeting underserved needs

In order to address obstacles to meeting underserved needs, the City will continue to commit its full Consolidated Plan resources to addressing priority needs identified earlier in the plan. The City will use Consolidated Plan resources along with other resources made available to address the goals of Provide decent affordable housing; Develop housing and services for the homeless; Provide special needs housing; Expand economic opportunities; and Improve neighborhood conditions.

Actions planned to foster and maintain affordable housing

The City will pursue the following strategies over the next year to preserve and create rental housing.

- Preserve and improve the physical condition of existing subsidized housing, both publicly and privately owned.
- Preserve the inventory of naturally occurring affordable housing units through targeted investment and regulatory strategies.
- Emphasize development of new three- or more bedroom rental units for large families.
- A minimum of 20% of all city-assisted (HUD and local funds) rental project units be affordable at 50% AMI.
- A minimum of 10% of all non city-assisted rental project units be affordable at 60% AMI.
- Create additional housing units with appropriate supportive services as an alternative to extended shelter use.
- Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- Encourage development of mixed-income housing serving a broad and continuous range of incomes.
- Link housing programs to supportive service programs, income assistance programs and public housing initiatives to facilitate affordability.

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

- Preserve and improve the physical condition of existing ownership housing through home improvement offerings.
- Support in-fill development of new houses for large families through a combination of construction gap financing and affordability loans.
- A minimum of 20% of all HUD-assisted ownership projects be affordable at 50% AMI.
- Identify opportunities for placing new housing on transportation corridors to take advantage of transit opportunities and job markets.
- Prioritize and support first-time homeownership opportunities and outreach for traditionally underserved populations (Black, Indigenous, People of Color).
- Streamline City development review, permitting, and licensing for easier property development.
- Develop and foster close dialog with community participants about appropriate locations and design standards for new housing and growth.
- Promote the development of housing suitable for people and households in all life stages, adaptable to accommodate changing housing needs over time.
- Promote accessible housing designs to support persons with disabilities.
- Create permanent affordability options for developed ownership housing.

In the area of housing quality, the City will continue to work through its Regulatory Services and CPED departments to ensure that the City's market and affordable housing supply is safe in compliance with the housing code. The City's Problem Properties Unit (PPU) is a cross-departmental group that works with housing properties that consume many City resources in the areas of inspections and public safety.

PPU responds to and develops strategies to monitor and resolve, or eliminate issues associated with nuisance and boarded and vacant properties. Solutions can include up to securing buildings with boards, entering into restoration agreements to ensure timely rehab of properties, or demolish buildings under the provisions of Chapter 249 of the City's code of ordinances. These activities will be pursued with recognition of the potential of displacement of protected class residents and the need to mitigate any displacement through appropriate actions.

Actions planned to reduce lead-based paint hazards

The City will work to address lead poisoning in city housing stock through continued lead hazard reduction and education activities using available city, CDBG, HUD and other funding. The City will continue to undertake the following strategies to treat lead-based paint hazards:

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

The City implements policies that support primary prevention without reduction in the efforts for secondary prevention response. The City will continue to identify and reduce lead hazards through the efforts of City departments, including the Healthy Homes and Lead Hazard Control program, and Community Planning and Economic Development, and through agencies such as Minneapolis Public Housing Authority. Federal Title X (Section 1012/1013 and 1018) rules are incorporated into their policies and procedures. The City's housing inspections process continues to emphasize paint condition during rental license inspections and requires property owners issued interior corrective orders on paint condition to take the Renovation, Remodeling and Painting rule. CPED requests lead risk assessments in assisted properties and has incorporated lead safe hazard reduction practices into properties undergoing rehabilitation.

Actions planned to reduce the number of poverty-level families

Minneapolis continues to review issues of concentrated poverty, housing choice and the needs of its low and moderate-income residents when designing its housing and economic development programs. The city work to deconcentrate poverty, increase the variety of housing options and support residential displacement and relocation policies through project selection criteria in funding solicitations. The city focuses resources and efforts on developing a skilled and employable resident workforce capable of receiving living wage jobs and works to support industries that can pay a living wage. It is important to raise incomes of residents to lower their housing costs and to increase their housing options. The CPED department works to assist local businesses in navigating financing and regulatory issues while seeking

or expanding a site in the city. CPED pursues Brownfield redevelopment initiatives from federal, state and local levels to clean up old industrial sites to prepare them for business investment. These efforts seek to broaden the availability of business opportunities providing jobs to the city's low and moderate-income residents. Annually the city expects to address contaminated sites with cleanup funds.

The city supports the work of various community-based employment training, human development and social service agencies. The city also reaches out to agencies that represent the city's new foreign-born populations to assure that no segment of the city's population lacks accessibility to culturally appropriate human development strategies. The Neighborhood and Community Relations Department leads this effort. The department has in place culturally specific outreach staff to serve the community.

The city mandates businesses that receive financial assistance from city agencies in excess of \$100,000 hire city residents at livable wage levels. The city defines a living wage as a worker earning 110% of the federal poverty level for a position with health benefits, 130% of federal poverty level for positions not offering health benefits. As a HUD recipient, the city offers Section 3 assistance through project notification procedures, bid requirements, and monitoring applicable projects. The Section 3 promotion and enforcement monitoring is delivered through the Civil Rights Department.

In 2017, Minneapolis passed a municipal minimum wage ordinance mandating a \$15/hour minimum wage. A changing economy has vastly eroded the value of the minimum wage at the federal and state level and have pushed more Minneapolis families into economic challenges in securing housing and financial stability. The rising cost of housing in Minneapolis is threatening the stability of individuals and families to both access and maintain a home. The cost of living in Minneapolis is among the highest in the state. Without action to raise the wage floor, the problems caused by incomes that are inadequate to sustain working families will become more acute and the gap between low wages and the cost of a basic standard of living in Minneapolis will continue to widen. The city recognizes that income inequality, particularly between white and non-white workers, is one of the most pressing economic and social issues facing the city. Increasing the minimum wage is one of the primary ways the city can act to reduce economic and racial disparities. The other policy action passed by the city has been mandated paid family leave policies for employers.

Actions planned to develop institutional structure

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

These partnerships have allowed the City to realize progress on its housing and community development work. However, much remains to be done especially in the area of delivering the benefits

of progress equitably throughout the community. Communities of color and very low-income continue to realize unequal outcomes in housing and service delivery compared with the broader community. The City will continue to work at developing and evaluating programs and partnerships in addressing equity concerns.

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

The City will continue to build in the strengths of the delivery system which include a diverse and experienced base of housing, community development, and social service providers and organizations. Coordination among the state, the county, and regional and local governments has resulted in significant planning initiatives and working policy groups.

The City seeks to resolve any gaps in the delivery of services through its commitment to its institutional relationship partners 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. An example is periodic staff meetings with Hennepin County Office to End Homelessness staff to review, plan and coordinate actions around the City's delivery of Emergency Solutions Grant funding.

Discussion:

Affirmatively Furthering Fair Housing-

With its annual Action Plan submittals, Minneapolis is required to certify to HUD that it will affirmatively further fair housing, which includes completing an Analysis of Impediments (AI) to Fair Housing Choice, taking appropriate actions to overcome the effects of any impediments identified through that analysis, and maintaining records reflecting that analysis and actions. Minneapolis participates, along with twelve other entitlement jurisdictions, in the Fair Housing Implementation Council (FHIC) to complete a regional AI. In 2020 the Lawyers' Committee for Civil Rights Under Law completed for the City and its partners on the Fair Housing Implementation Council a Regional Assessment of Fair Housing. The 2020 Assessment informed the City in how to affirmatively further fair housing in its housing and community development programming through a set of recommended goals and actions that will be reviewed and reported upon in the annual performance report (CAPER) to HUD. The City will continue to work with its governmental and non-governmental partners to increase affordable housing funding and regulatory and policy approaches that work to increase the availability of affordable housing and fair housing choice.

Program Specific Requirements

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

Introduction:

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

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	1,374,027
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	1,374,027

Other CDBG Requirements

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

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

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

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

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

Recapture- It is likely the majority of purchasers buying properties with HOME funds will receive affordability gap (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 first mortgage. No resale provision will apply. Affordability period will be based on the amount of direct assistance received by the buyer.

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

The only instances where the City will use a resale provision will be when properties are sold through a developer who already has mechanisms in place to ensure long-term affordability for target buyers as part of their program such as a land trust. Under a land trust model, the owner-occupied purchaser 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 subsequent Target Buyers because the new owner-occupant only has to finance the improvements and the sale price is restricted by the terms of the ground lease.

- At resale, the purchase price must be affordable to a reasonable range of Target Buyers 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. 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 model provides an affordability investment that makes the home affordable for low-moderate income households in perpetuity. In some cases, additional assistance, based on need, may be provided from other sources when using a land trust model. A ground lease is used as the mechanism to ensure the long-term affordability.

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

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

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

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

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)

N/A

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

N/A

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

N/A

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

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

The ESG Written Standards for Assistance are referenced in the Appendix. The written standards are developed by the Heading Home Hennepin Continuum of Care. These standards will be reviewed periodically and will reflect prioritized standards consistent with developed Continuum of Care standards. Changes to the standards will not be considered a substantial change to the Consolidated Plan.

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

Hennepin County CoC's Coordinated Entry System (CES) is the process by which households experiencing literal homelessness access, are assessed, and are prioritized for homeless-dedicated supportive housing programs. Hennepin has a separate but coordinated CES's for families and singles. Both CES's:

- Cover and serve all of the Hennepin County CoC; use mobile outreach services, partnerships with geographically and culturally focused agencies, and after-hours crisis lines to assure easy access by households; and are promoted widely.
- Follow policies to address needs of households fleeing domestic violence, including privacy and confidentiality, safety planning, emergency management, and appropriate referrals.
- Employ standardized access and assessment. Trained assessors follow Coordinated Entry System standards and priorities. Households prioritized for supportive housing also complete a standard supplemental assessment of housing preferences.
- Use a uniform referral process to refer households to participating projects, which include rapid rehousing (including ESG-funded projects), transitional housing, and permanent supportive housing through the Coordinated Entry System. Housing Referral Coordinators employ a standard process and preference for households with the longest periods of homelessness and households who are chronically homeless.
- Offer referral denial protocol for both projects and households.
- Require housing providers to limit barriers to enrollment, such as income, disability status, substance use, and criminal history.

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

Shelter projects are selected through an annual request for proposals process open to county-funded public and private emergency shelters. Awards will be made by end of 2020. Funding is provided to St. Stephen's Human Services for street outreach programming for a five year performance-based term based on a competitive proposal awarded in 2018. Rapid Re-housing/Homelessness Prevention funds are provided to Hennepin County to be distributed to eligible rapid re-housing and homelessness prevention community-based service providers through a biennial request for proposal process.

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

The Emergency Solutions Grant coordinates with the local Heading Home Hennepin Continuum of Care planning process that is countywide including Minneapolis. The Continuum of Care 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 operations board, planning committees and subcommittees include homeless/formerly homeless individuals. The role of the Executive Committee is to provide overall policy direction and oversight to the implementation of the Heading Home Hennepin plan.

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

5. Describe performance standards for evaluating ESG.

Street Outreach:

- HMIS data will be entered in accordance with local HMIS data quality policies on timeliness, completeness and accuracy, per the community's Data Quality Plan
- At least 50% of persons contacted and who are eligible for the street outreach project, will be engaged within 30 days of initial contact by the outreach team
- All clients who become engaged will be offered a coordinated entry assessment completed within 30 days of their date of engagement
- At least 50% of engaged Street Outreach clients will be referred to a housing program within 90 days of their date of engagement.

Emergency Shelter:

- HMIS data will be entered in accordance with local HMIS data quality policies, per the community's Data Quality Plan
- After 14 days, 100% of emergency shelter clients should be connected to the coordinated entry system to ensure that they are assessed.
- Single adult emergency shelter clients (persons 18 years of age and older) should be offered a referral to the local coordinated entry system within 45 days of their entry into the emergency shelter
- Decrease length of time homeless: 1047 days (baseline – decrease over time)
- Increase exits to stable housing (TH, PSH, RRH): 7.2% (baseline – increase to 10%)

Rapid Re-housing

- HMIS data will be entered in accordance with local HMIS data quality policies, per the community's Data Quality Plan
- Exits to Permanent destinations: Permanent Housing Exits > 84 %
- Maintain or increase Employment Income: Qualifying adult participants > 41%
- Maintain or increase Non-Employment Income: Qualifying adult participants > 53%
- Maintain or Increase Total Income: Qualifying adult participants > 78%
- Number of days from program start to housing move in date 54 days

Homelessness Prevention:

- HMIS data will be entered in accordance with local HMIS data quality policies, per the community's Data Quality Plan
- No shelter entry within 6 months > 97%
- No shelter entry within 12 months > 95%
- Reduce First time homeless

HOPWA Project Sponsor Selection Criteria

The City of Minneapolis issues a request for proposals for its Housing Opportunities for Persons with HIV/AIDS (HOPWA) formula funding. Allocated from HUD to the City of Minneapolis, HOPWA funds provide housing options to persons diagnosed with HIV/AIDS. Eligible applicants include nonprofit organizations or governmental housing agencies that can contract with the City of Minneapolis, be in compliance with Federal regulations, and have capacity to carry out eligible activities serving the 15-county Eligible Metropolitan Statistical area (EMSA).

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

Appendix

Contents

Consolidated Plan Public Comments	2
Minneapolis Consolidated Plan Citizen Participation Plan	4
Maps	11
Minneapolis HOME Program Description	15
Emergency Solutions Grant (ESG) Program Description	27
Community Preference Policy: Affordable Housing Trust Fund (AHTF)	45

Consolidated Plan Public Comments

Summary of Consolidated Plan Public Comments:

Three public hearings were held for the purpose of obtaining comment on the City of Minneapolis proposed 2025 City Budget including the 2025 Consolidated Plan Action Plan budget. The hearing dates were September 23, November 12, and December 10, 2024. An additional public hearing is tentatively scheduled for May 20, 2025, and will solicit public comment on this 2025-29 Consolidated Plan. Public comments as of this draft are summarized as:

- **Support for Community-Based Initiatives:** Many speakers advocated for reallocating funds from the MPD to community-led public safety programs. **Concerns Over Police Funding:** There was criticism of the proposed budget cuts to the MPD, including a decrease in police recruitment funding. Opponents of these cuts argued that they could hinder efforts to address public safety effectively.
- Many organizations aiming to redirect resources toward initiatives such as housing, mental health services, and violence prevention.
- **Advocacy for Homelessness and Housing Support:** Residents expressed deep concern over homelessness, witnessing individuals living outdoors in harsh conditions. Support was voiced for amendments directing funds toward community-owned social housing and programs like Avivo Village, which offers shelter to unhoused individuals
- **Property Tax Concerns:** Retired residents expressed concerns about the 6.8% property tax increase, fearing it would make it difficult for them to remain in their homes.

Minneapolis Consolidated Plan Citizen Participation Plan

Consolidated Plan Citizen Participation Plan

1. Background

City of Minneapolis staff has developed a citizen participation plan designed specifically for the Consolidated Plan. The City of Minneapolis provides its residents many opportunities to provide input to its decision-making process. Residents are encouraged to attend and participate in City Council committee meetings, neighborhood/community revitalization meetings, and numerous public boards and public meetings/hearings designed to solicit public comments. These community engagement practices are designed to meet the needs and requirements of various municipal programs and planning processes.

As a business planning strategy, City departments commit to a resident engagement framework. The City provides alternative means of public involvement through its community engagement framework via various community advisory groups, technical assistance, requests for proposals (RFPs) and use of internet communications and community surveys. Participation from the local and regional stakeholders garners broad relationships, and through the broad network of relationships, resources are leveraged with new and existing partnerships including federal, private and non-federal public sources.

The federal government and the state are key funding sources to supplement local resources for housing and non-housing activities. Primary public entities are the City of Minneapolis, the Minneapolis Public Housing Authority (MPHA), Hennepin County, and Minnesota Housing. Nonprofit organizations include developers and community housing development organizations, and advocacy, affinity and policy groups. 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 city business planning process and annual budget for City Council input and deliberation. This work informs the Consolidated Plan and its development through the collection of performance data through subrecipient relationships, which provide the necessary feedback for planning and budget-setting priorities. Nothing in the Consolidated Plan, however, shall be construed to restrict the City's responsibility and authority for the development of its application to the HUD and the execution of its Community Development Plan.

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

2. Schedule

FY 2025-29 Consolidated Plan/Action Plan Development Schedule	
August 20, 2024	Public Hearing on City 2023 Consolidated Annual Performance and Evaluation Report (CAPER)
September 23, 2024	Public Hearing on City 2025 Proposed Budget & Levy
November 12, 2024	2025 Council-Adopted Budget & Public Hearing
December 10, 2024	2025 Council-Adopted Budget & Public Hearing
April 24-May 26, 2025	Public Comment period 2025-29 Consolidated Plan Action Plan public comment draft
May 20, 2025	Public Hearing on 2025-29 Consolidated Plan Action Plan
June 9, 2025	Anticipated submission of 2025-29 Consolidated Plan Action Plan to HUD
June 1, 2025	Start of 2025 Consolidated Plan Program Year
August 2025	Public Comment Period and Public Hearing on 2024 Consolidated Annual Performance Report (CAPER)

3. Public Hearings

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

The City's Business, Housing and Zoning Committee holds the public hearings for the Consolidated Plan and the Consolidated Annual Performance Report (CAPER), and the full City Council holds the public hearings and receives comments on the proposed budget during annual budget hearings.

In the case of a declared public health emergency or other challenge and there is concern about significant public health or other risks that may result from holding in person public hearings, the City may be determined it best to undertake a virtual public hearing (alone, or in concert with an in-person hearing) and ensuring that the virtual hearing allows comments and questions in real time, with answers coming directly from the elected representatives or staff to all "attendees". As with an in-person hearing, the City will select a virtual hearing method or platform that provides for accessibility for persons with disabilities and LEP to participate. The City will attempt to comply with HUD citizen participation requirements in all circumstances calling for the need for a virtual public hearing.

4. Notification and Access to Hearings

Public notices for both public meetings and hearings are published in Finance and Commerce and the City's public website, in accordance with City notification practices. Electronic copies are also available on the City's website at

<https://www.minneapolismn.gov/government/departments/finance/reports/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 whether in person or in the case of a need for alternative virtual hearings, through email/chat/telephone options as outlined by the City. Public meetings and hearings are accessible and sign language interpretation is available for public hearings and meetings. All Consolidated Plan materials that are subject of the public meeting/hearing can be provided beforehand through the contact information listed under section 10. Access to Records.

The City can provide all Consolidated Plan materials in alternative formats upon request. If you need this material in an alternative format, or if you need disability related accommodations, please contact Matt Bower at (612) 673-2188 or email Matthew.Bower@minneapolismn.gov. Deaf and hard-of-hearing persons may use a relay service to call 311 agents at (612) 673-3000. TTY users may call (612) 263- 6850.

Para asistencia 612-673-2700

Rau kev pab 612-673-2800

Hadii aad Caawimaad u baahantahay 612-673-3500

5. Technical Assistance

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

If a significant number of non-English speaking residents wish to participate in an aspect of the Consolidated Plan citizen participation process, a request for assistance should be made to the City Clerk's Office, or the Office of Grants and Special Projects.

6. Proposed Funding Processes

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

<u>Fund</u>	<u>City Awards Funds to:</u>	<u>For Further Information Call:</u>
CDBG	Public Agencies and Private Non-profits	Matt Bower, Finance – Grants & Special Projects (612) 673-2188
HOME	Project Developers	Carrie Goldberg, CPED (612) 673-5240 Multifamily Rental; Cherie Shoquist, CPED (612) 673-2794 Single Family Homeownership
ESG	Shelter Rehabilitation/Essential Services Projects, Street Outreach, Homelessness Prevention and Rapid Re-Housing Services	Tiffany Glasper, CPED (612) 673-5221
HOPWA	Public Agencies and Private Non-profits	Todd Kroviak, Finance & Property Services – Grants & Special Projects (612) 673-3599

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 practice 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 and or 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.

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 Consolidated Plan “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 Consolidated Plan activity “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 this Consolidated Plan citizen participation plan (i.e., need for public hearing before the Business, Housing and Zoning or other Committee, 30-day public comment period). Changes to the Consolidated Plan not rising to the level of formal amendment will be treated as an informal or minor amendment to the Consolidated Plan through existing City review and approval processes whether legislatively or administratively. These informal changes will be reported in the annual performance report to HUD and the public for the subject Consolidated Plan year.

10. Access to Records

Current draft Consolidated Plans are made available for review at the Minneapolis Grants and Special Projects Office, all Public Libraries in Minneapolis, and at the Mid-Minnesota Legal Aid office. A limited number of copies of the Consolidated Plan will be made available for pickup.

Consolidated Plan information is also placed on the following website link for review <https://www.minneapolismn.gov/government/departments/finance/reports/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) 673-2083 to request information, or to arrange an appointment.

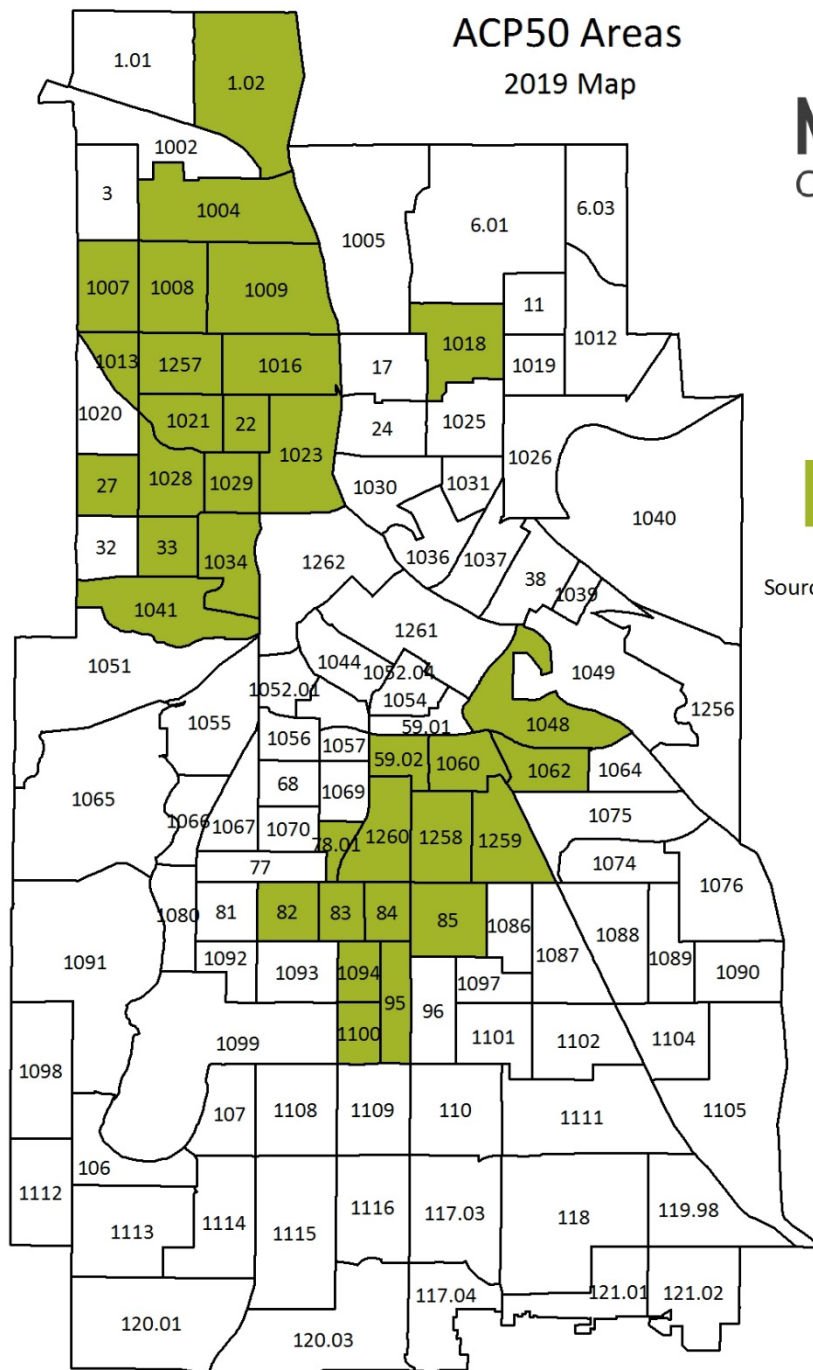
Orders for copies of the Consolidated Plan, comments on the Consolidated Plan process, requests for technical assistance and additions/changes to the mailing list should be sent to Matt Bower, Finance and Property Services- Office of Grants and Special Projects, 350 South Fifth Street, Minneapolis, MN 55415, or call (612) 673-2188, email matthew.bower@minneapolismn.gov.

Maps

Minneapolis ACP50 Map- 2019

CPD Maps- Extremely Low-Income Areas

CPD Maps- Extremely Low-Income with Housing Problems



ACP50 Areas
2019 Map



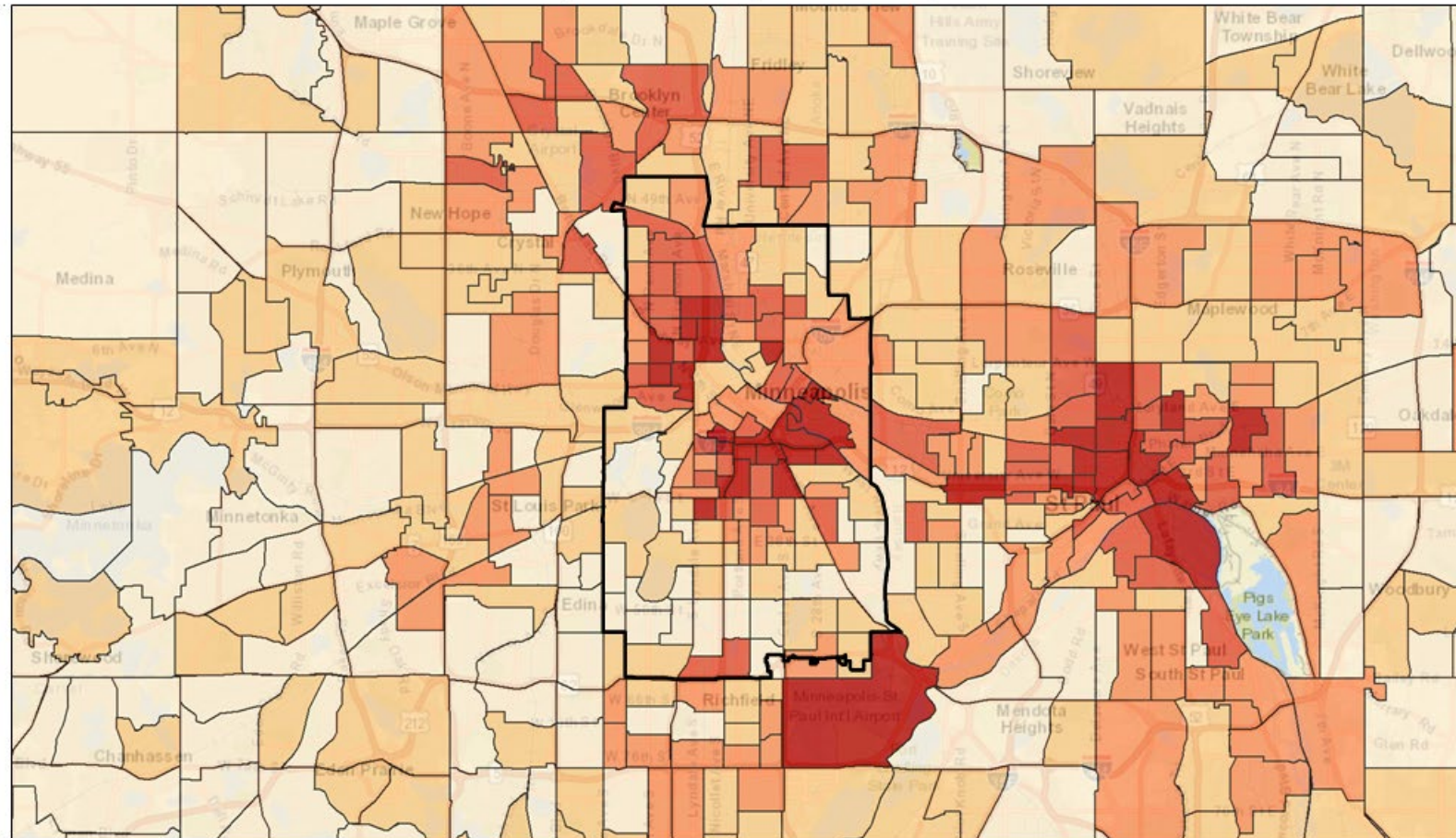
Legend



Source: Metropolitan Council analysis
of U.S. Census Bureau data

The Metropolitan Council defines Areas of Concentrated Poverty (ACPs) as census tracts where 40% or more of the residents have family or individual incomes that are less than 185% of the federal poverty threshold. Data are also controlled to remove tracts with high proportions of college students who are not in poverty. To identify areas where people of color experience the most exposure to concentrated poverty, the Council further differentiates Areas of Concentrated Poverty where 50% or more of the residents are people of color (ACP50s, shown here).

CPD Maps - Extreme Low Income Areas

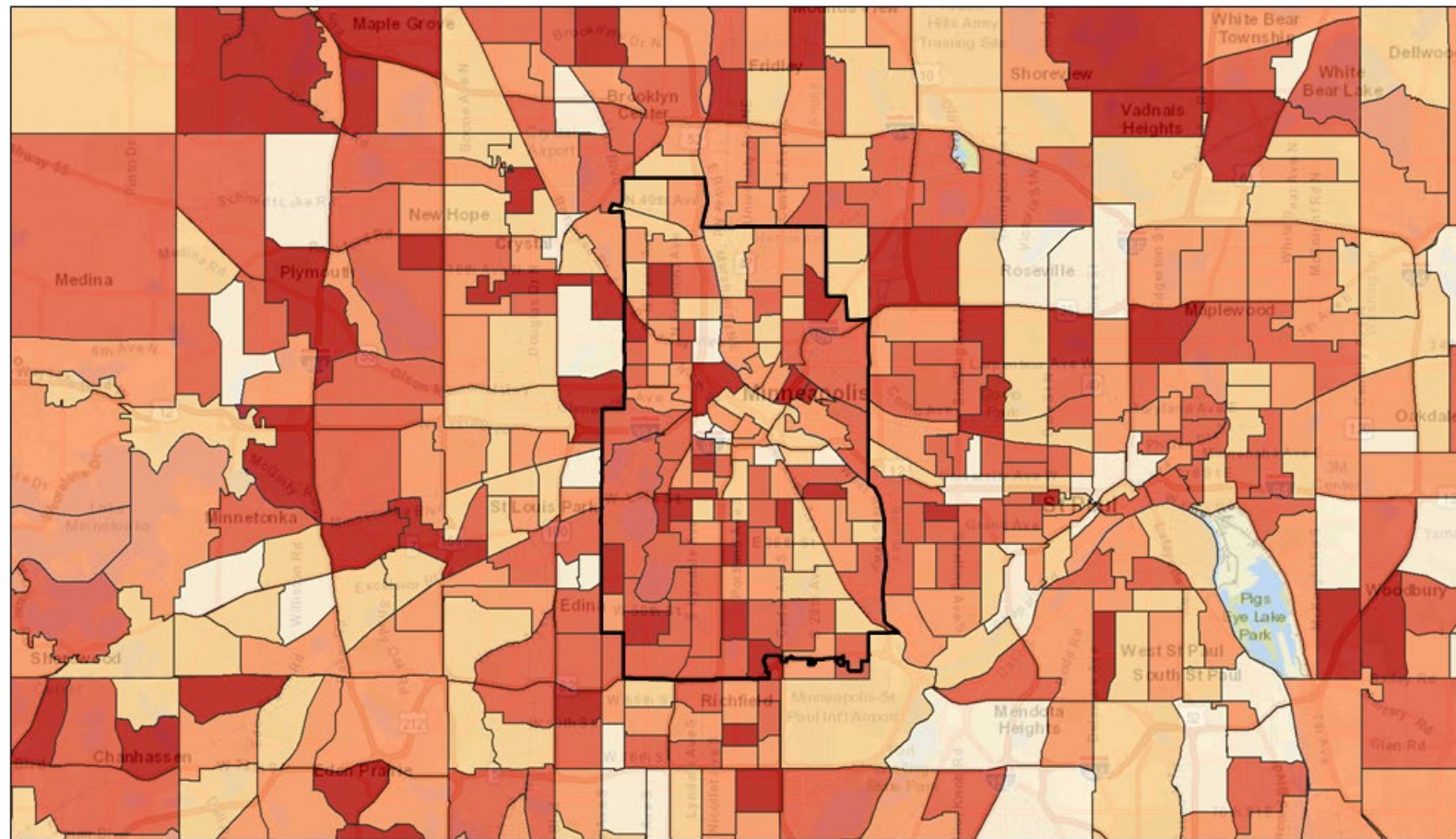


March 3, 2020

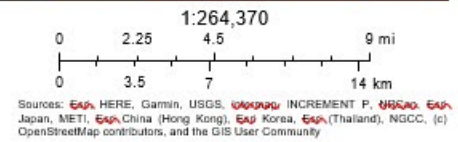


1:264,370
0 2.25 4.5 9 mi
0 3.5 7 14 km
Sources: Esri, HERE, Garmin, USGS, IGN, swisstopo, INCREMENT P, NOAA, Esri, Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

CPD Maps - ELI Households with Housing Problem



March 3, 2020



Minneapolis HOME Program Description

HOME Single Family Programs

HOME funds will be used as a funding source through the City's Minneapolis Homes – Financing program for the acquisition and renovation or new construction and sale of single-family dwellings. HOME funds programmed for single family housing development and sale is administered under the City's Minneapolis Homes Financing Program umbrella, but its uses are restricted to ensure that their use is consistent with federal HOME regulations and the City's Consolidated Plan. HOME funds may be used for any of the following activities: acquisition, demolition, renovation/repairs, or new construction.

The City will not invest any more HOME funds, in conjunction with other governmental (federal, state, and local sources) than is necessary to provide affordable housing as defined by the HOME regulations. The maximum HOME funding included in any ownership project, including any development subsidy and affordability subsidy, will not exceed the Twin Cities Area Maximum HOME subsidy limits established by HUD.

Minneapolis Homes - Financing

Minneapolis Homes Financing using HOME is designed to provide and sustain affordable, owner-occupied housing in 1-4-unit buildings for low and moderate-income purchasers throughout Minneapolis and reduce racial disparities in homeownership. All Minneapolis Homes Financing-assisted projects are expected to be owner-occupied upon completion.

Resale to Another Low-Income Buyer During the Period of Affordability

All units that have been assisted with HOME funding will be under a resale provision and sold through an approved Land Trust model. The Resale method is used for properties City-wide that require a purchase price write down of 20% or more of a home's value and are required to be sold through a Land Trust to ensure perpetual affordability of the unit sold. An example of this option is noted in exhibit A

At resale, the home will be resold at a price that (1) is affordable to a reasonable range of income-qualified homebuyers, and (2) give a reasonable return to the seller based on the Ground Lease formula described below, which provides for the value of improvements and a portion of the appreciation.

The resale requirements are spelled out in the Ground Lease that includes a City- required addendum rider to the ground lease in most projects (or a housing subsidy covenant when legally required such as condominium developments.) The ground lease addendum (or housing subsidy covenant) will be signed by the Land Trust, the homebuyer, and the City, and will provide the City with the rights enforce the Land Trust and City requirements if the Land Trust fails to do so.

There will be a 15-year HOME Period of Affordability whereby the unit must comply with these HOME resale requirements, but the City additionally requires an extended local use restriction period that runs for as long as the unit is subject to the Land Trust's ground lease. Purchasers will be required to maintain the property as their principal residence for as long as they own the property which is enforced with the executed ground lease and addendum rider attached to the property.

Affordable to a Reasonable Range of Buyers

All housing units funded with HOME funds will be affordable and will be sold initially, and at subsequent sale during the period of affordability, to an eligible homebuyer in a reasonable range between 41-80% AMI. The homebuyers must have an annual income at or below 80% of Area Median Income as established by HUD and adjusted by household size and must meet the program's homebuyer underwriting and responsible lending standards, which include a minimum of 25% and maximum 40% of their income for principal, interest, taxes, insurance and any ground lease fees (with City assumptions for average applicable condominium fees, where applicable) and a total debt ratio not exceeding 50% of income.

Any subsequent homebuyer will need to be approved by the City to ensure that the homebuyer meets Minneapolis Homes requirements, including the program's underwriting and responsible lending policies.

During the HOME Period of Affordability, the home will be made available to a qualified buyer with income below 80% AMI and meets Program requirements, including the underwriting and responsible lending standards. Because the resale price is restricted by the terms of the ground lease and addendum, the resale price is anticipated to be affordable to a subsequent homebuyer within the reasonable affordability range without additional assistance. However, the City will make available additional assistance as needed to make the resale price affordable to buyers.

If additional HOME assistance is provided to a subsequent purchaser, the HOME Period of Affordability will be extended to reflect the total investment. If no additional assistance is provided or if the additional assistance is a non-HOME source, the subsequent buyer will be subject to program requirements for the remainder of the original HOME Period of Affordability.

Reasonable Return

Under the Land Trust's model, the homebuyer only purchases the improvements, while the Land Trust retains fee title to the land. Upon resale, the homeowner may recover its purchase price, the value of any qualified improvements and its share of market value appreciation, if any.

The City has determined that the Land Trust's resale restrictions will comply with federal requirements by ensuring the initial purchaser with a fair return on their investment, and by limiting the share of any appreciation to ensure that the resale of any eligible property will not exceed the then-applicable HOME Homeownership Value Limit for Existing Homes during the HOME Period of Affordability.

The Land Trust calculates the fair return on investment using the following methodology:

- 1) A calculation of Market Value Appreciation will be performed. An independent 3rd party appraiser will establish the Current Appraised Value of the property and separately identify the current value of Qualified Capital Improvements.

Qualified Capital Improvements means those certain improvements made to the Improvements on the Premises at initial purchaser's expense which add significant value to the Improvements, and which are capital in nature.

Improvements which would qualify as Qualified Capital Improvements include, without limitation: the construction of additions, rooms, garages, bathrooms and kitchen remodeling. However, expenditures for maintenance, such as roof replacement, and the updating or replacement of appliances such as furnaces, water heaters and kitchen appliances, would not qualify as Qualified Capital Improvements herein.

The Initial Appraised Value of the property (which was determined at time of original purchase) will be subtracted from the Current Appraised Value to establish the Increase in Market Value Appreciation.

- 2) A 25% Shared Appreciation Factor will be applied to the Increase in Market Value Appreciation to determine the initial purchaser's Share of Market Value Appreciation. (The 25% Shared Appreciation Factor was determined through community engagement upon the founding of CLCLT and has proven to both provide homebuyers a fair return on investment and to successfully maintain affordability in perpetuity.)
- 3) Fair Return on Investment will be calculated by adding the Share of Market Value Appreciation, plus down payment costs, plus the appraised value of Qualified Capital Improvements.

See **Exhibit A** for an example of a sample calculation for resale of a Land Trust assisted unit.

EXHIBIT A

The “Initial Appraised Value” is \$200,000._____

“Homeowner’s Purchase (Base) Price” is \$150,000._____

Based on the above, the following formula is used to calculate the Maximum Formula Price:

- a) *Calculation of Market Value Appreciation:* For the purpose of determining the Maximum Formula Price, Market Value Appreciation shall be determined by subtracting Current Appraised Value from the Initial Appraised Value. Following is a table for calculating Market Value Appreciation:

Current Appraised Value (at time of resale)	\$280,000
Minus Capital Improvements Appraised Value	– \$8,000
Minus Initial Appraised Value(at date of Ground Lease)	– <u>\$200,000</u>
Equals Market Value Appreciation	= \$72,000

- b) *Calculation of Homeowner’s Share of Increase in Market Value:* For the purpose of determining the Purchase Option Price, the Homeowner’s Share of Market Value

Appreciation shall be determined by multiplying the Market Value Appreciation by 25% (twenty-five percent) Following is a table for calculating the Homeowner’s Share of Increase in Market Value of the Home:

Market Value Appreciation	\$72,000
Multiplied by Shared Appreciation Factor	x <u>25%</u>
Equals the Homeowner’s Share of Market Value Appreciation	= \$18,000

- c) *Calculation of Maximum Formula Price:* The Maximum Formula Price shall be determined by adding the Homeowner’s Share of Market Value Appreciation to the Homeowner’s Purchase Price.

Following is a table for calculating the Maximum Formula Price:

Homeowner’s Base Price	\$150,000
Plus Capital Improvements Appraised Value	+ \$8,000
Plus Homeowner’s Share of Market Value Appreciation	+ <u>\$18,000</u>
Equals Maximum Formula Price	= \$176,000

In the scenario above, the homeowner/seller would receive net proceeds of a market value appreciation of

\$18,000 plus a credit of \$8,000 for capital improvements made during their homeownership period and additionally receive any principal buy down of their first mortgage. The total net proceeds would be

\$18,000 appreciation, plus the \$8,000 capital improvement credit. The next purchaser would buy the home for an affordable price of \$176,000 instead of paying the full appraised value of \$280,000.

Buyer Financing

First Mortgage Lending

Under the Minneapolis Homes program, eligible households may be able to apply for a mortgage loan through one of the 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 \$500 down payment, plus an estimated 3% for closing costs and pre-paid.

Affordability – Direct Buyer Assistance

Most of the Minneapolis Homes 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 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 Minneapolis Homes 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 Minneapolis Homes Program Guidelines which mirror the Consolidated Plan language.

Rehabilitation

Rehabilitation standards would include the housing maintenance standards, Minneapolis Homes 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 Minneapolis Homes 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

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

Development Subsidy Layering Guidelines

City programs will not invest any more HOME funds, in conjunction with other governmental (federal, state, and local sources), than is necessary to provide affordable housing as defined by the HOME regulations. The subsidy amount is determined by subtracting the sales price from the cost of development (sum of acquisition, construction and soft costs). The maximum HOME funding included in any single-family housing project will not exceed the Twin Cities Area Maximum HOME Subsidy Limits {Metro Area 221(d)(3)(ii) limits} established by HUD.

Direct Assistance to the Purchaser Subsidy Layering Guideline

Single family programs may provide direct assistance for affordability and closing costs to buyers of a single-family home. Affordability assistance will be used to bridge the gap between the buyer's maximum affordable first mortgage amount as determined by the mortgage lender underwriting process and the sale price. In addition, direct assistance can be provided to cover the buyers' eligible closing costs. The City has set a maximum housing debt ratio of 33% and a total monthly debt to income ratio of 50% as the standard for determining if it is appropriate to provide direct subsidy to the purchaser. The City will not invest any more HOME funds, than is necessary to make the single-family housing project affordable to an income eligible household as defined by the HOME regulations. The maximum HOME funding included in any single-family housing project will not exceed the Twin Cities Area Section 234 Condominium Housing with an elevator limits established by HUD.

Borrower Debt to Income Ratios

Qualified Buyer whose annual income is at or below 80% Area Median Income to render an Improved Property affordable, i.e. housing-related debt ratio not to exceed 25% and total combined debt ratio not to exceed 50%.

Evaluating the development and fiscal capacity of developers

All eligible developers have been vetted through a request for qualifications process and approved by the Minneapolis City Council. However, before any new developer is added, they will be vetted by City staff based on their experience on successfully taking on similar projects, experience with the Minneapolis Plan Review process, experience with the Minneapolis Department of Civil Rights and familiarity with the use of public funds. This process will be evaluated by a team of City's Housing Division staff—a project coordinator, a senior project coordinator and the unit's manager. Based on the decision rendered, the senior project coordinator will present a recommendation for acceptance as an eligible developer to the Minneapolis City Council.

Regarding the fiscal capacity of the developer, on an annual basis, each eligible developer will submit their audited financials for review. Upon receipt, a representative from Minneapolis Finance Department will review and provide recommendations related to the soundness of the entity. Should there be any significant red flags, the developer will be required to provide a satisfactory response to enable the City to continue to contract with them under the Minneapolis Hommes program.

Ensuring there is adequate need for projects based on neighborhood market conditions

City has determined that for the purposes of this section, we will limit this program to the "Targeted Communities" within its borders (see attached map). Embedded in the resulting area is a geography that has lost housing units due to abandonment, foreclosure and demolition so there continues to be a need for redeveloping (rehabilitation or new construction) single family units in these areas. The criteria in designating the target communities are based on Minnesota Statutes, Section 469.202, subdivisions 2 and 3:

- Census tracts in the City where the unemployment rate for the tract as determined by the 2020 Federal Decennial Census exceeds twice the unemployment rate for the Minneapolis and Saint Paul Standard Metropolitan Statistical Area;

- Census tracts in the City where the median household income in the tract is no more than 80 percent of the median household income for the Minneapolis and Saint Paul Standard Metropolitan Statistical Area;
- Census tracts in the City where 70 percent or more of the residential dwelling units in the area were built before 1960;
- Neighborhoods in the City that have a disproportionate number of vacant residential buildings and mortgage foreclosures as evidenced by a foreclosure rate of at least 1.5% in 2008.

The City has layered the aforementioned designated areas to create a map that identifies the portions of the City that meet at least three of the four criteria (the “Core Area”). In addition, Minnesota Statutes, Section 469.202, subdivision 3, permits the City to add to the qualifying area, an additional area extending up to four contiguous city blocks in all directions from the Core Area.

HOME/CDBG Multifamily Guidelines

Affordable Housing Trust Fund

Administrative Guidelines

The primary sources of funds for this program are HOME and CDBG monies. This program provides funds to affordable rental projects that need gap financing assistance to cover the difference between total development costs and the amount that can be secured from other sources. Applications for program funds will be solicited through a Request for Proposals scheduled to be advertised in June annually. CPED staff evaluates the projects against pre-determined application review and underwriting criteria further described in the Request for Proposals and make recommendations for funding commitments to the City Council.

Program Goals

The primary purpose of the Affordable Housing Trust Fund Program is to assist in the financing of the production and preservation/stabilization of affordable and mixed-income rental housing projects in Minneapolis. The Affordable Housing Trust Fund Program is designed to assist with the implementation of the Unified City of Minneapolis Housing Policy, the Consolidated Plan, and the housing goals in the Minneapolis Plan for Sustainable Growth. Program funds are available on a competitive basis to projects that need gap financing to cover the difference between total development costs and the amount that can be secured from other sources. All rental housing projects of 10 units or more funded by the Affordable Housing Trust Fund Program funds of CDBG or

HOME shall have at least 20% of the units affordable to households at or below 50% of Metropolitan Area Median Income (AMI) for the term of the loan.

Minimum affordability Periods are as follows:

Per unit dollar-amount of HOME funds for Rehab or Acquisition of Existing Housing	Minimum Period of Affordability
Under \$25,000	5 Years
\$25,000 - \$50,000	10 Years
Over \$50,000 or rehabilitation involving refinancing	15 Years
New Construction or Acquisition of newly constructed housing	20 Years

Compliance with Policies and Regulations

Further details can be found at <http://www.minneapolis.gov/ahtf> on how the program complies with federal policies and regulations as well as project selection criteria used by CPED, or can be obtained through request to CPED. For more information, please contact Carrie Goldberg at 612-673-5240.

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 in any geography provided no bedrooms are added to those units in geographic areas that are not minority concentrated. 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 eligible soft costs and relocation

costs. No disbursement of funds under this program is made until total project financing is in place and project closing has occurred.

Administration

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

Procedure

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

Repayment of Program Funds

The repayment of program funds is structured on a project-by-project basis. Repayment may take the form of an amortized loan, distribution from annual project cash flows, repayment at time of sale, refinancing or conversion, or other acceptable forms of repayment such as a shared loan. Repayment of program funds is expected of all developers, both for profit and non-profit, who use the Affordable Housing Trust Fund. However, if the City Council may approve modifications to or forgiveness of the repayment requirements to maintain affordability or achieve additional affordability or alternate public purposes provided that in every event, federal affordability period requirements are met.

HOME Other Forms of Assistance (Match)

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

- ◆ Cash contributions (e.g. housing trust funds, foundation grants, and private donations)
- ◆ Proceeds from Housing Revenue Bonds with the automatic 4% Low Income Housing Tax Credit entitlement
- ◆ Cost of supportive services provided to the families residing in HOME-assisted units during the period of affordability.

HOME Affirmative Marketing Program plus Minority and Women Business Outreach

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

Emergency Solutions Grant (ESG) Program Description

Emergency Solutions Grant (ESG)

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

Further discussion of the needs of and strategies for persons experiencing homelessness and those threatened with homelessness are covered in respective sections of the 2025-29 Consolidated Plan and respective annual action plans.

1. ESG Consultation Process

Minneapolis coordinates its use of Emergency Solutions Grant with the Hennepin County Continuum of Care (CoC) planning process. Hennepin CoC is under the direction of the Heading Home Hennepin Executive Committee and is staffed by the County Office to End Homelessness. The 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 through various committees to implement Continuum policies, strategies, programming, evaluation and public reporting. The Hennepin CoC Executive Committee ensures that HUD requirements, critical tasks and initiatives are put into action. The CoC Executive Committee is consulted with by Hennepin County and Minneapolis staff on use of ESG.

Continuing consultation on the issues pertaining to the implementation of the ESG grant continues with City seats on the CoC Executive Committee and service on its respective committees.

2. Summary of Citizen Participation

The City uses its Consolidated Plan citizen participation process for receipt of any comments on its ESG programming. Minneapolis relies on the Hennepin CoC structure and its community engagement processes to inform itself of the needs and strategies of the local Continuum of Care.

3. Proposed Activities

The city prioritizes ESG to the renovation/rehabilitation of emergency and transitional shelters in the city and provision of emergency shelter essential services, and providing funding for homelessness prevention, rapid re-housing and street outreach services. Between rapid re-housing and homelessness prevention services preference is given to rapid re-housing services.

Under ESG, the City will seek to budget the greater of its Hold Harmless amount (\$558,377) or 60 percent of the annual grant to shelter rehabilitation, essential services, and street outreach activities. Funds outside of this amount will be budgeted to administrative activities (up to 7.5% of grant amount) and to rapid re-housing activities and homelessness prevention. Two percent (2%) of the City's ESG funds are reserved for the HMIS system administration costs. The State HMIS Board has agreed on a HMIS funding model that requests Grantees/Sub-grantees (such as the City) receiving direct Federal funds from programs required to participate in HMIS (e.g. ESG) provide HMIS funding equal to 2% of the grant amount to the State HMIS administrator. Some occasional funding may be reserved for any HMIS costs that the City may incur in participation in ESG.

Homelessness Prevention and Rapid Re-housing, Street Outreach and Essential Service activities are determined from project solicitations received from periodic Request for Proposals (RFP) issued by City and/or Hennepin County. Projects funded under these eligible activities may provide housing relocation and stabilization financial assistance/services and/or rental assistance. Street outreach and emergency shelter funds may also be awarded through RFPs issued by the City for those services.

The activities addressed with the City's ESG funds are consistent with needs identified by the Hennepin Continuum of Care.

The City will need to select projects and obligate funds to these projects within 180 days of a signed HUD grant agreement. Projects have up to 24 months after the date of the signed HUD grant agreement to expend ESG funds.

4. ESG Match

A one-for-one funding match is required for the ESG grant. Match is obtained by eligible match contributions received and expended by sub recipients during the program year that applies to the ESG funding. Match is only qualified 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 projects that it funds and the match 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 the federal funds must not prohibit these funds 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

The following sections outline ESG funding priorities and activities of the City of Minneapolis. All projects funded under these priorities must at minimum meet the following requirements.

- ◆ Project applicants must demonstrate the ability to enter into contracts with the City of Minneapolis within sixty days of City Council approval.
- ◆ The contracted work must be completed, and funds spent no later than 24 months after the date of the signed HUD grant agreement applicable to the program year.
- ◆ ESG projects must participate in a Homeless Management Information System (HMIS) or for victim service providers, comparable database and will be required to collect data on all universal elements as defined in HMIS and consistent with the local HMIS data quality policies and standards.
- ◆ Projects must comply with the Hennepin Continuum of Care's Written Standards as amended for the ESG awarded service type.
- ◆ Applicant must provide the organization's most recent audited financial statements.
- ◆ A match equal to the program award is required for the performance period and can be in the form of operating costs funds provided by other entities to recipient projects. Match (either committed or pending) needs to be identified and a plan for documenting and reporting match detailed in any application.

Shelter Rehabilitation/Renovation

The City has traditionally used its ESG for rehabilitation and renovation assistance to emergency shelters in the city, or to positively convert buildings for use as emergency shelter. Neither property acquisition nor new construction is an eligible

use of these funds. Historically, the City has received ESG funding requests exceeding available funding, demonstrating a high demand for this program. A shelter's physical condition has a shorter life span than similar structures and necessitates frequent rehabilitation to keep shelters in safe and sanitary condition and code compliant.

Assisted rehabilitation/renovation/conversion emergency shelter properties must be in the City of Minneapolis or Hennepin County. Grant match can be in the form of operating costs funds provided by other entities to the project. Other match sources for projects can include rehabilitation-specific contributions from Minnesota Housing, foundations, and private sources. ESG program funds may also be used for furniture, security systems and/or equipment in either a new construction, positive conversion or renovation/rehabilitation project. Proposals requesting ESG funding for furnishings, security systems and equipment will be thoroughly analyzed for compliance with City of Minneapolis Consolidated Plan and applicable HUD regulations. Any Minneapolis ESG shelter RFP is not intended to solicit proposals for any other operating costs as defined under §576.102 (3).

City representatives with other knowledgeable community representatives including to the extent possible, a person who is/was homeless will review proposals and recommend staff project selections. In addition, City rehabilitation staff will conduct a physical inspection of the property. City staff make recommendations to the City Council for their funding decisions.

Required qualifications of proposals are:

- ◆ Shelter must be operated by a private non-profit corporation or a government entity.
- ◆ Applicant must provide evidence that the property is properly zoned with necessary conditional-use permits in place. If a zoning change or a conditional-use permit is needed, proposer must obtain a letter from CPED Planning describing what must be done and the timetable for obtaining the approvals and submit with the funding application.
- ◆ Projects assisted with ESG emergency shelter funds cannot require occupants to enter into lease or occupancy agreements of any kind unless it is a project that was funded with FY 2010 ESG funds.
- ◆ Applicant must demonstrate sufficient knowledge, experience and capacity to undertake and complete the development project.
- ◆ The grant-eligible work items must be completed, and funds spent no later than the applicable 24-month expenditure deadline.
- ◆ The building must be maintained as an emergency for a period of either 3 or 10 years depending on the degree of renovation and the value of the building consistent with HUD minimum standards for shelters receiving rehabilitation funds outlined in § 576.102 (c) Minimum Period of Use.
- ◆ Applicant must provide evidence of sufficient revenue/income to operate the project.
- ◆ Shelters assisted must at minimum meet the shelter and housing standards as outlined in 24 CFR 576.403, as well as state and local government safety and sanitation standards, as applicable, including the requirements for lead-based paint and energy-efficient appliances.
- ◆ Recipients of ESG funds must participate in the Hennepin County Coordinated Entry System.
- ◆ Competitive bidding must occur in accordance with the City's bidding instructions included in the RFP materials.
- ◆ All development funding sources, in addition to the ESG funds, must be secured before a closing can occur.

- ◆ Environmental testing, including lead-based paint risk assessment and remediation, will be required, in most projects funded with ESG.
- ◆ Federal relocation regulations and local relocation rules apply to all projects funded through the Affordable Housing Trust Fund and the ESG Program.

Emergency Shelter Essential Services

In 2018 the Minneapolis City Council directed that the City's Consolidated Plan permit emergency shelter essential services delivered through case management to be an allowable use of the City's ESG. Case management is defined as the cost of assessing, arranging, coordinating and monitoring the delivery of individualized services to meet the immediate housing placement needs of shelter program participants. The outcome of this work is to increase the availability of emergency shelter beds and to transition long-term shelter users into permanent housing.

ESG program information and requirements for the provision of essential services include:

- Applicant must demonstrate sufficient knowledge, experience and capacity to undertake and complete intensive housing-focused case management for long-term, single adult shelter users
- Applicant must demonstrate long-term experience operating large shelter programs with priority for shelters with high client to case manager caseloads and clients with longest stays in shelter
- Applicant must demonstrate extensive experience in case management for frequent/long-term shelter stayers
- Applicant must demonstrate the ability to increase existing case management capacity or ramp up and hire a case manager to perform the work
- Services and activities must consist of:
 - When appropriate, connecting frequent/long-term shelter stayers to the Hennepin County Coordinated Entry System by either ensuring that the person receive an assessment if the person is experiencing chronic homelessness or making the connection to housing providers if a referral for the person is made as well as utilizing all other available housing options which include (but are not limited to) public housing, senior housing, board and lodges, market-rate housing, shared housing, etc.
 - Coordinate with Adult Shelter Connect or other approved parties for verifying and documenting eligibility
 - Securing and coordinating services and obtaining appropriate federal, state and local benefits for clients
 - Monitoring and evaluating client progress
 - Assist in making needed referrals by facilitating a warm handoff between the person and the service or agency
 - Developing an individualized housing and service plan leading to permanent housing stability for each person on the case manager's case load
 - Utilize the Length of Stay report in Homeless Management Information System (HMIS) to determine who to target and bring onto case load.

Street Outreach

ESG funding is provided for street outreach services made available to individuals meeting the Category 1 and 4 definitions of homelessness. Outreach services provided will consist of engagement, case management, emergency health services, emergency mental health services, transportation and unique services for unsheltered homeless populations that seek to connect them to housing opportunities through Coordinated Entry and support services for which they are eligible.

Rapid Re-housing

The City sub-grants a portion of its ESG grant to Hennepin County for projects that can service the eligible rapid re-housing portion of Minneapolis ESG allocations. Projects may provide homeless prevention services as well, however, the City prioritizes funding rapid re-housing over homeless prevention services.

Rapid re-housing will serve people experiencing homelessness in the city of Minneapolis-- homeless families and single adults without children over 18 who are staying in a shelter, who are unsheltered, or who are fleeing or attempting to flee domestic violence. These clients must have an annual income at or below thirty (30%) of HUD area median family income. Specifically, homelessness is defined by HUD in 24 CFR §576.2 as:

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

(ii) An individual or family living in a supervised publicly- or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence, provided that:

(i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

(ii) No subsequent residence has been identified; and

(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with

children and youth, who do not otherwise qualify as homeless under this definition, but who:

(i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a); (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

(iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention or criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

(i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, and 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 month 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 *(not currently or planned to be funded)*

As described above, the City sub-grants ESG funds to Hennepin County that may fund projects providing eligible homelessness prevention services to Minneapolis families and single adults without children. Homelessness prevention services will be a secondary consideration to rapid re-housing in making project awards. Prospective applicant agencies can offer to provide both eligible uses in their applications. Funding provided to clients under homelessness prevention must be last resort funds required to keep in housing a person/household at risk of homelessness. Similar target populations noted under rapid re-housing are also sought to be served under homelessness prevention. A person/household at risk of homelessness is defined as:

(1) An individual or family who:

- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
- (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "Homeless" definition in this section; and
- (iii) Meets one of the following conditions:
 - a. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

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

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

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

For purposes of the above definition’s paragraph (g), someone who lives in housing that has characteristics associated with instability and an increased risk of homelessness is defined as follows. A renter household with income at/or below 30% of median income adjusted for family size and whose housing costs exceed 50% of their income and upon provider assessment is shown to be at imminent risk of losing existing housing. Use of funds under the Homelessness Prevention eligible activity can be for similar uses as under Rapid Re-housing. Projects can be for short-term or medium-term rental assistance to retain permanent housing and stability. This rental assistance should be for no longer than necessary for the program participant to be stabilized in existing housing.

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

6. ESG Written Standards for Assistance

The following ESG Written Standards for Assistance are presented in outline form and intended to provide a guide to how the City will implement the homelessness prevention and rapid re-housing services aspects of the ESG grant as well as outline the standards used in local emergency shelter rehabilitation/essential services and street outreach projects. *Italicized text is the HUD guidance on what the respective written standards should address as outlined in the 24 CFR 576 amended regulations. These Standards will be reviewed periodically and will reflect prioritized standards consistent with*

developed Continuum of Care written standards. Changes to the standards outlined below 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);

- ◆ Emergency Shelter Essential Services: Coordinate with Adult Shelter Connect for verifying and documenting eligibility
- ◆ 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 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). Client households must have an annual income at or below thirty (30%) of HUD area median income and meet the definition of homeless as set out in 24 CFR §576.2. Clients are to be referred from the Coordinated Entry System.
- ◆ Homelessness Prevention: Minneapolis resident renters who are established as at-risk of homelessness as set forth in 24 CFR §576.2 and the Rapid re-housing paragraph 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 culturally appropriate 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 unsheltered homeless individuals. 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.

Standards for targeting and providing emergency shelter essential services

Emergency shelter essential services are to be delivered through intensive case management with frequent/long-term shelter stayers. Case management is defined as assessing, arranging, coordinating and monitoring the delivery of individualized services to meet the immediate housing placement needs of shelter program participants. The outcome of this work is to increase turnover of emergency shelter bed supply. Potential clients to work with are to be determined through utilizing the Length of Stay report in HMIS.

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. If 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 is accessed through Adult Shelter Connect, a physical location with a telephone number where single adults could present during the day to receive an initial assessment and reserve a shelter bed at any of the five shelter providers for the night. Those already in shelter can reserve their bed on departure in the morning. Shared HMIS provides the platform for the reservation system and enables better tracking people experiencing homelessness in the system and target them for interventions. 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.

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);

Hennepin CoC has several committee workplans demonstrating coordination of services among providers. These 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 implementation of coordinated entry is occurring as the city and county implements ESG and Continuum of Care programming. All projects receiving ESG or CoC assistance are required to use coordinated entry system for referrals. 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 (HP not currently or planned to be funded)

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 through the Coordinated Entry System to determine whether members are eligible to receive ESG-funded housing 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 are prioritized by first, by disability, second by chronic homelessness, and third by number of HUD months homeless.

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 must contribute at least 30% of their total, gross income towards rent. Providers will pay full housing costs for households with no – or very low - income and provide only move-in costs for households with incomes higher than 30% AMI (but up to 200% FPG).
- ◆ Complete re-certifications of need for direct assistance and services at three months from the date the household was housed, and every three months thereafter. Work with households toward 0% subsidies at service end.

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 costs plus utilities (if utilities expected to be paid by tenant) and comply with HUD reasonable rental standards 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 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
 - ◆ 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, housing assistance support will decrease across time. 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 eligible for ESG-funded homelessness prevention or rapid re-housing assistance will receive housing identification and housing stability services.

- ◆ Services cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing.
- ◆ While the program participant is still experiencing homelessness, program will meet with the program participant weekly for first 2-3 months, and at least monthly thereafter.
- ◆ Housing identification services include recruiting landlords, addressing potential barriers to landlord participation, and completing rent reasonableness assessments and Fair Market Rent Determinations to assist households in identifying affordable.
- ◆ Housing stability services include negotiating lease agreements and rental assistance agreements, completing Habitability Assessments and lead-based paint reviews, creating a Housing Stability Plan/Case Plan, and referring to on-going resources
- ◆ Participation in services should not be required to receive rapid rehousing assistance.

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

- ◆ Using the coordinated entry 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.

7. ESG Sub-Award Process

The City sub-grants a portion of its ESG grant allocation to Hennepin County in support of rapid Re-housing, street outreach and essential services programming with responsibilities spelled out through a Joint Powers Agreement. Services are provided by subrecipients selected via a Request for Proposals (RFP) process administered by Hennepin County. Following a community needs assessment and prioritization process, the County distributes an RFP through public distribution lists. The County also hosts a pre-proposal meeting to clearly convey requirements and responsibilities as a subrecipient of ESG funds. Provider agencies can propose new or expanded re-housing services. The County convenes a review panel with representatives from homeless shelters, housing programs, and other community organizations, which rates proposals based upon the provider's qualifications and past performance, the perceived effectiveness and efficiency of the proposal, cost factors, prospects for successful outcome delivery, timeline for implementation, fit with community needs and priorities, and cultural competence. The County executes contract agreements with projects selected through the RFP process. Contracts contain a scope of work, applicable ESG requirements, and performance standards.

The City issues periodic Request for Proposals for its emergency shelter rehabilitation and essential services programming as well as for street outreach services distributed through the City of Minneapolis website. City representatives with other knowledgeable community representatives including to the extent possible, a person who is/was homeless will review proposals and recommend staff project selections. The City's Community Planning and Economic Development Department will present funding determinations to the Minneapolis City Council for final approval. 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 area 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 are designed to select applicants who can work within a broad network of homelessness system response resources that address ESG guidelines and local Continuum of Care priorities. Awards made under the grant will be enforced through a contract outlining ESG program requirements.

8. Homeless Participation Requirements

As described above with the description of the Heading Home Hennepin Continuum of Care 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 are required to involve those who are homeless or formerly homeless in the development and delivery of ESG-funded projects and activities to the maximum extent practicable.

9. ESG Performance Standards

The following ESG performance standards for evaluation are approved by the Heading Home Hennepin Continuum of Care and will be reviewed and revisited by the Continuum of Care periodically.

Street Outreach

- HMIS data will have less than 3% data entry errors, and always correct by the next performance data submission report through their contract with the County.
 - Data is determined by number of eligible individuals enrolled in the program and the “Date of Engagement” field being complete in HMIS.
- Households exit unsheltered homelessness into housing
 - Baseline: 35%
- Households don’t return to homelessness after being housed
 - Baseline: 2,523 exited to permanent housing two years prior. Returns to homelessness are 8.7% in less than 6 months, 3.5% from 6 to 12 months and 7.6% from 13 to 24 months. 407 (29.5%) successful exits from Street Outreach

Emergency Shelter

- Provider will have less than 3% data entry errors and always correct by the next quarterly data check report.
- Households will exit shelter to a permanent destination
 - Baseline: 1239 households exited to permanent housing destinations (data available through 2023 includes ES, TH, SH and PH-RRH) or 17.6

Rapid Re-housing

- HMIS data will be entered in accordance with local HMIS data quality policies, per the community’s Data Quality Plan
- Exits to Permanent destinations: Permanent Housing Exits > 84 %
- Maintain or increase Employment Income: Qualifying adult participants > 41%
- Maintain or increase Non-Employment Income: Qualifying adult participants > 53%
- Maintain or Increase Total Income: Qualifying adult participants > 78%
- Number of days from program start to housing move in date 54 days

Homelessness Prevention (not currently or planned to be funded)

- ◆ HMIS data will be entered in accordance with local HMIS data quality policies, per the community’s Data Quality Plan
- ◆ No shelter entry within 6 months > 97%
- ◆ No shelter entry within 12 months > 95%

- ◆ Reduce First time homeless

Affordable Housing Trust Fund Community Preference Policy

Community Preference Policy:

Affordable Housing Trust Fund (AHTF)

Adopted Community Preference Policy Summary

The City of Minneapolis established a Community Preference Policy that applies to housing units resulting from the sale of City-owned property or financing through City funding programs. Under this policy, up to 50% of the units so created, determined on a program-by-program basis, shall give preference to eligible residents in the sale or rental of those units. Eligible residents are limited to those former and existing residents of the NSP-designated areas of the city who have or are facing involuntary displacement due to extreme economic forces since January 1, 2007.

[Community Preference Policy – Housing Policy and Development RCA-2020-01047.](#)

Policy Goal

The goal of the Community Preference Policy is to disrupt involuntary displacement of Minneapolis residents. Preference policy opportunities will apply to those who have either experienced or are at-risk of experiencing displacement from identified Minneapolis neighborhoods due to extreme economic forces or housing crisis. This Community Preference Policy intends to serve current and previous Minneapolis community members, focusing on anti-displacement of Black, Indigenous, People of Color, and Immigrant (BIPOCI) and low wealth communities, which are disproportionately impacted by involuntary displacement. Involuntary displacement can and has been a result of extreme economic forces, such as gentrification and rapidly increasing housing costs.

Eligible Renter

- City of Minneapolis residents living in the eligible location area, as identified in Exhibit A, beginning January 1, 2007.
- Households shall attest to eligibility by signing an eligibility affidavit.
- Renter must meet tenant selection plan criteria and unit income-restriction requirements.

Applicable Units

To the extent not inconsistent with the requirements of other funding sources for a project, the Preference Policy shall apply to initial leasing of 50% of the total new restricted units¹ (new construction or adaptive reuse) less those units filled through other housing waiting list processes, including Coordinated Entry and/or Project-based Vouchers. The Policy applies to AHTF-funded projects located anywhere in the City.

(Total new restricted units – units filled through other waiting list processes) * 50% = Applicable Units

¹ For purposes of the AHTF, restricted units means the Extremely Low Income Units, the Very Low Income Units, the Sixty Percent Income Units and the Low Income Units.

Applicable units shall be leased to eligible renters through the Preference Advertising Period.

Preference Advertising Period

The property owner shall collect rental applications for 10 business days after the subject property is listed on the HousingLink website prior to commencing contact with non-preference applicants.

Renter Selection

The property owners must sort rental applications received during the Preference Advertising period by those applications claiming preference eligibility and those not claiming preference eligibility. Preference eligible renters must be placed at the front of the list until such time the applicable units are leased. If there are more preference eligible renters than applicable units, remaining preference eligible renters shall be placed back in their original place in the overall lease-up waiting list. If there are fewer preference eligible renters than applicable units, property owners should continue to prioritize any applications received claiming preference after the initial 10-day period, to the extent practicable, but may otherwise continue regular lease-up.

Exhibit A: Community Preference Policy Eligible Neighborhoods and Map

Potential renters must live or have lived in these neighborhoods on or before January 1, 2007, to be eligible for the preference.

Audubon Park	Ericsson	McKinley	Sumner-Glenwood
Bancroft	Field	Midtown Phillips	Ventura Village
Beltrami	Folwell	Near-North	Victory
Bottineau	Harrison	Northeast Park	Waite Park
Bryant	Hawthorne	Northrup	Webber-Camden
Camden Industrial	Holland	Phillips West	Whittier
Central	Humboldt Industrial	Powderhorn Park	Willard Hay
Cleveland	Jordan	Regina	Windom Park
Columbia Park	Lind-Bohanon	Sheridan	
Corcoran	Logan Park	Shingle Creek	
East Phillips	Marshall Terrace	Standish	

