

FINAL

The State of Minnesota Action Plan for Housing
and Community Development FY2011



91.320 Action Plan

91.320(b) Executive Summary	2
91.320(c)(1) Federal Resources	9
91.320(c)(2) Other Resources	9
91.320(d) Activities	13
91.320(e) Outcome Measures and 91.320 (c) (3) Annual Objectives	18
91.320(f) Geographic Distribution.....	19
91.320(g) Affordable Housing Goals	19
91.320(h) Homeless and Other Special Needs Activities.....	21
91.320(i) Barriers to Affordable Housing.....	25
91.320(j) Other Actions	26
91.320(k)(1) CDBG Program Requirements	29
91.320(k)(2) HOME.....	35
91.320(k)(3) Emergency Shelter Grant Program (EGSP)	36
91.320(k)(4) HOPWA.....	38
91.330 Monitoring.....	39

Appendix A: Certifications

Appendix B: Key Persons

Appendix C: Public Notice

Appendix D: Citizen Participation

Appendix E: Comments

§91.320 Action Plan

This section is written pursuant to the requirements of Section 91.320 of the Consolidated Plan regulations and is organized by paragraph citation.

§91.320(b) Executive Summary

Throughout the Consolidated Plan process, the state was mindful of its housing and community development challenges that were identified in public comment and regional public forums and through secondary statistical research. Widespread distribution of invitations to comment on housing and community needs, there were two attendees at the public meetings. The state believes that the housing and community needs are the same as when the 2007-2011 Consolidated Plan was developed; consequently, federal resources will be used to address public facilities projects, commercial rehabilitation, emergency shelters, homeless prevention, affordable housing development, homeownership, and residential rehabilitation in 2011.

Evaluation of Past Performance

HOME

The Minnesota Housing Finance Agency board of directors sets funding priorities in its two-year Affordable Housing Plan (AHP). Funding levels are based on state biennial appropriations, agency reserves that are dedicated to housing activities, and assumptions of federal funding levels at the time the plan is adopted. The current AHP began on October 1, 2009 and continues through September 30, 2011.

Annual allocations of HOME funds to the agency's programs are based on an assumption of an even rate of obligation of the funds among the programs over the two years of the AHP. To the extent funds are not obligated at an even rate, funds may be diverted between programs to satisfy immediate demand in certain programs in the first year of the AHP, assuming that funds usage will accelerate for the other programs later in the AHP cycle. Significant reallocations occurred in 2010 and are described below.

Homebuyer Downpayment and Closing Cost Assistance (HOME HELP)

For 2010, Minnesota Housing initially allocated \$2,800,000 of HOME funds for a downpayment assistance program called HOME Help, or the HOME Homeowner Entry Loan Program. This was subsequently reduced to \$2,723,812 due to funding at slightly lower levels than expected. Additional funds were allocated to the program from unused prior years' awards and unused 2010 funds from the Asset Management program (\$1.37 million); Rehabilitation Loan Program (\$1 million). 562 households were served in 2010 compared to the goal of 280. The number of assisted households is greater than the goal due to the increased demand in the real estate and mortgage markets from the first-time homebuyer tax credit. That increased demand resulted in the agency allocating more funds to HOME Help than anticipated.

HOME Rental Rehabilitation

For 2010, Minnesota Housing allocated \$0 to the HOME Rental Rehabilitation program. Minnesota Housing estimated it would provide rehabilitation assistance to 125 low-income rental units, and committed funds to 327 units with carryover funds from previous years. 282 units were completed due to projects being completed with funds from prior years' allocations.

HOME Asset Management

For 2010, Minnesota Housing allocated \$3,850,000 to this new program. That amount was reduced to \$2,476,157 when additional funds were needed for HOME Help, and asset management projects did not materialize. HOME funds were not used in this program because funds available from McKinney

Act Refundings provided adequate capital for preserving the properties targeted for HOME Asset Management funding.

Rehabilitation Loan Program

For 2010 \$2.8 million was initially allocated to the program. \$1 million was diverted to HOME Help due to high demand in that program and a slow start to the Rehabilitation Loan Program. The Rehabilitation Loan Program had previously been funded with state appropriations. The change to using HOME funds rather than state appropriations required new processes and forms resulting in an initially slower rate of funds usage.

For 2010, \$1.8 million was committed to 72 single family homes, including 30 completed homes with over \$635,000 of improvements.

HOPWA

Having served 155 households in 2010, Minnesota Housing slightly exceeded its projection of serving 150.

Community Development Block Grant(CDBG) Funding

The following needs identified Housing and Community Development within the State of MN Consolidated Plan 2007-2011 continue to be a priority for funding from CDBG with some minor revisions.

The majority of CDBG funds will continue to focus attention on housing rehabilitation and preservation, economic needs of communities and public infrastructure needs. Due to the current downturn of new construction needs, there does not appear to be as much of a demand for the creation of new, affordable housing, but that trend can change quickly, so we will continue to keep a watchful eye on the need for new affordable housing.

Summary of Planned Actions

Based on the information received and the needs documented, the state will focus their attention on the continued needs of communities statewide by:

- Focusing on the findings from the citizen participation efforts (public forums, regional housing advisory committees and continuum of care meetings, and public comments).
- Allocating program dollars to their best use, with the recognition that nonprofits and communities vary in their capacities and that some organizations will require more assistance and resources.
- Recognizing that the private market is a viable resource to assist the state in achieving its housing and community development goals.
- Emphasizing flexibility in funding allocations.
- Maintaining local decision-making and allowing communities to tailor SCDP programs to best fit their needs.
- Leveraging and recycling resources, wherever possible.
- Understanding the broader context within which housing and community development actions are taken, particularly in deciding where to make housing and community development investments.

The above summary is based on the fact that the state continues to have an unmet demand for safe and decent affordable housing units to serve extremely low and very low income households.

That the top regional needs identified in the public forums continue to included affordable housing, housing rehabilitation and preservation, and public infrastructure improvements.

That the housing and service needs of special populations are significant, and resources to address these needs are lacking.

CDBG Comparison

For FFY 2010, DEED awarded funds to rehabilitate 80 residential rental units and rehabilitated 134 units. For new rental units, SCDP goals were 100 but only created 24 new multifamily units(this goal was based on a three year average). Not meeting the goals is a direct result of a slowing of the housing economy, and the rising cost of new housing construction. Contracts are for a three year period and we expect to meet the goals at contract end. The goal for SCDP Owner Occupied Rehabilitation was 375 units with accomplishments of 483 units exceeding the goal. It appears that there is an increased demand by homeowners toward rehabilitation. For homeownership assistance, the goals were 0 with accomplishments equaling 3 households. This was due to disaster demands. For acquisition the goals were 0, accomplishments are 6 units, also due to disaster demands. No adjustments will be made due to the flexibility in the SCDP Program to serve a multiple activities.

CDBG Economic Development Set Aside

Proposed jobs to be created for FY 2010 is 269 with expenditures expected to total \$2,670,544. For 2010, the Economic Development Set Aside program disbursed \$2,442,000. The State funded nine projects with jobs to be created of 289 to be created over a three year period. For the fiscal year ending September 2010, that is year one of the three-year period, 65 new jobs were actually created of which 33 were taken by persons of low-and-moderate income.

Summary of Objectives and Outcomes

SCDP Activities	Objective	Outcome	Objective
Owner Occupied Rehab	2	1	1 Create suitable living environments
Rental Rehabilitation	2	1	2 Provide decent affordable housing
Commercial Rehabilitation	3	3	3 Create economic opportunities
Public Facilities Projects	1	3	
New Construction	2	2	Outcome
Homeownership Assistance	2	2	1 Availability/accessibility
Relocation	2	1	2 Affordability
Acquisition	1	1	3 Sustainability
Clearance	1	1	
Economic Development	3	3	

HOME Activities			
Homeowner Rehabilitation	2	2	
Rental Rehabilitation	2	2	
Downpayment Assistance	2	2	
HOPWA Activities			
Emergency rent, mortgage, utility assistance	2	2	
ESG Activities			
Emergency Shelters	1	1	

Evaluation of Past Performance

HOME Downpayment Assistance (ADDI)/HOME Help		
2007	56 HH(Households)	\$555,000
2008	54 HH	\$794,948
2009	339 HH	\$5,804,630
2010	562 HH	\$6,721,419
HOME Rental Rehabilitation		
2007	441 Units	\$5,970,087
2008	406 Units	\$5,684,000
2009	364 Units	\$6,969,805
2010	327 Units	\$6,463,962
Minnesota Urban and Rural Homestead Program(MURL)		
2007	6 Units	\$608,656
Rehabilitation Loan Program		
2010	30 HH	\$635,571
Asset Management Program		
2010	0 Units	\$0

Small Cities Development Program		
2007		
Owner Occupied Rehabilitation	646 HH	\$8,825,472
Rental Rehabilitation	167 HH	\$892,547
Commercial	167 Units	\$2,865,137
New Housing	32 HH	\$900,000
Homeownership Assistance	17 HH	\$260,862
Relocation	7 HH	\$67,600
Acquisition	11 Units	\$1,494,162
Clearance	1 Unit	\$1,253
Economic Development	101 Jobs	\$1,228,589
2008		
Owner Occupied Rehabilitation	461 HH	\$ 10,096,408
Rental Rehabilitation	90 HH	\$ 1,785,980
Commercial Rehabilitation	100 Units	\$ 3,187,569
Public Facilities Projects	2,586 HH	\$ 3,455,811
New Housing	0 HH	\$ 0 HH
Homeownership Assistance	3 HH	\$ 26,117
Relocation	1 HH	\$ 150
Acquisition	5 Units	\$ 53,366
Clearance	42 Units	\$ 108,911
Economic Development	98 Jobs	\$ 1,434,011
2009		
Owner Occupied Rehabilitation	443 HH	6,547,357
Rental Rehabilitation	169 HH	972,820
Commercial Rehabilitation	127 Units	1,751,529
Public Facilities Projects	3,494 HH	2,642,220

New Housing	18 HH	449,970
Homeownership Assistance	2 HH	29,919
Relocation	0 HH	0.0
Acquisition	6 Units	249,297
Clearance	0 Units	0.0
Economic Development	306 Jobs	704,129
2010		
Owner Occupied Rehabilitation	483 HH	\$8,513,042
Rental Rehabilitation	134 HH	\$868,566
Commercial Rehabilitation	131 Units	\$2,005,130
Public Facilities Projects	981 HH	\$1,441,060
New Housing	24 Units	\$450,000
Homeownership Assistance	3 HH	\$38,536
Relocation	2 HH	\$0.00
Acquisition	6 Units	\$302,442
Clearance	2 Units	\$10,811
Economic Development	269 Jobs	\$2,670,544
Housing Opportunities for Persons with AIDS		
2007	125 HH	\$111,255
2008	139 HH	\$110,033
2009	167 HH	\$122,853
2010	155 HH	\$120,928
Emergency Shelter Grants Program		
2007	26,441 individuals	\$\$1,232,379
2008	30,386 individuals	\$1,237,138
2009	13,114	\$1,240,248
2010	In progress	\$1,240,291

The Citizen Participation and Consultation Process. The state reached out to citizens, advocacy organizations, nonprofits, local governments, business, and the affordable housing industry in general through an official legal notice published in the statewide edition of the September 12, 2010, Minneapolis Star Tribune and the September 13, 2010, State Register, soliciting their participation in public hearings and written comments.

On September 23, 2010, Minnesota Housing emailed a notice of availability of the 2011 draft Action Plan and public comment period and public hearing to over 5,650 organizations and individuals who had signed up for “E-NEWS Alert,” an email publication of items of interest to Minnesota Housing’s stakeholders.

The MN Department of Employment and Economic Development invited the public to attend one of eleven informational sessions provided throughout the state to educate the public about programs available and any modifications that were made. The public was encouraged to provide comment. Over 520 representatives from local governments, non-profits, businesses and state and local government participated. For a complete list of Citizen Participation see Appendix D. Input was also received in six addition workshops that were held in greater Minnesota by the Small Cities staff, two in April 2010, one in May 2010, and three in July 2010. A complete list can be found in Appendix D.

The consultation process involved the following types of organizations:

Source	Yes	No
Health Service agencies	x	
Social Service agencies including those focusing on services to children, elderly persons, persons with disabilities, person with HIV/AIDS and their families, homeless persons	x	
State/Local health and child welfare agencies (LBP)	x	
Health Department data on addresses of housing units in which children have been identified as lead poisoned examined	x	
Local governments in non-entitlement areas (CDBG)	x	
Other public or private agencies	x	

A public hearing was held on Monday, September 27, 2010 and a second public hearing was held on Thursday, November 18, 2010 at the MN Department of Employment and Economic Development Office, 332 Minnesota St. Suite E200, St. Paul MN 55101, Capital Room.

After consideration of public comments, the Minnesota Housing Finance Agency Board on December 16, 2010, adopted a recommendation that the Agency institute a HOME program to provide funds for operating expenses of CHDOs.

Summary of Public Notices see Appendix C.

Summary of Comments or Views see Appendix E.

§91.320(c)(1) Federal Resources

Table 34

2011 Consolidated Plan Funding, by Program and State Agency	
Agency	Allocation
DEED	\$22,000,000 (est.)
DEED Program Income/Reverted	\$ 1,000,000 (est)
MHFA (HOME)	\$ 11,000,000 (est.)
MHFA (HOME) Program income	\$ 200,000
MHFA (HOPWA)	\$ 125,000
DHS (ESGP)	\$ 1,240,248
DHS (Homelessness Prevention and Rapid Rehousing Program)	\$10,437,000
Total	45,002,248

Source: State of Minnesota and HUD, 2010

§91.320(c)(2) Other Resources

The state provides substantial appropriations for affordable housing. Table 35 below identifies the state appropriations for the 2010-2011 biennium.

Table 35

State Appropriations for Housing Programs, FY2010-2011 State Biennium	
Programs	Appropriations
Economic Development and Housing Challenge Program	\$14,786,000
Housing Trust Fund	\$21,110,000
Bridges	\$ 5,276,000
Family Homeless Prevention	\$ 14,930,000
Affordable Rental Investment Fund	\$20,492,000
Rehabilitation Loans	\$ 7,062,000
Homeownership Education, Counseling, and Training	\$ 1,730,000
Capacity Building Grants	\$ 500,000
Homeownership Assistance Fund	\$ 1,720,000
Tribal Indian Housing	\$ 3,077,000
Preservation Affordable Rental Investment Fund	\$14,425,000
High-Risk Adult Demonstration Project	\$ 500,000
Publicly Owned Housing Program	\$ 2,000,000
Urban Indian Housing	\$ 374,000
Emergency Services Program	\$ 687,400
Transitional Housing	\$ 5,867,450
Runaway and Homeless Youth Act(RHYA)	\$ 218,000

Source: Minnesota Housing Finance Agency and Department of Human Services

Minnesota Housing develops a two-year “Affordable Housing Plan” (AHP) that describes all its resources for the period and how they are allocated among the agency’s activities. Resources include not only state and federal appropriations, but also low-income housing tax credits, tax-exempt and taxable bond proceeds, and agency-internally generated resources. For the two-year period from October 1, 2009 to September 30, 2011 Minnesota Housing has identified and allocated \$1.4 billion of new resources to address the affordable housing needs identified in this plan.

HOME Funds

HOME downpayment assistance provides downpayment assistance that permits the homebuyer to obtain a mortgage for the balance of the purchase price. The maximum amount of downpayment assistance is currently \$8,500 but may be changed throughout the program cycle to respond to market needs. The Rental Capital program will leverage other resources of the development, including project reserves, but the amount of non-HOME funds will be determined for each project based on the project's financial needs and capacity. The Rehabilitation Loan Program attempts to maximize its rehabilitation by combining with Weatherization when possible. The Rehabilitation Loan Program requires borrowers to apply for Energy Assistance, which is the portal to Weatherization funds.

HOME Match Funds. Minnesota Housing matches HOME dollars with state-funded tenant-based rental assistance through its Housing Trust Fund and Bridges programs.

Local Resources

In addition to the federal housing resources covered by this Consolidated Plan (i.e., CDBG, HOME, ESGP, and HOPWA), Minnesota benefits from a wide variety of state, local, private, and non-profit resources.

The CDBG Program leverages the following types of resources: Minnesota Housing, Bank Loans, Federal Home Loans, Rural Development, PFA, private funds, etc.

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

The State participates in a number standing meetings with representatives from local government, non-profit and private providers of housing and homelessness services too numerous to list. The State hosts the Minnesota Interagency Council on Homelessness through which all state agencies involved in the provision of services to homeless persons meets monthly. Members of the Interagency Council are assigned to all Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota and Metro area Stewardship Councils to ensure coordination of funding resources.

Local governments can form housing and redevelopment authorities (HRAs), economic development authorities (EDAs), or engage in tax increment financing (TIF). The resources associated with each are detailed below.

HRA. In Minnesota, a city, county, or group of counties may establish an HRA. An HRA's primary area of operation is housing program development and administration. There are four basic areas in which HRAs are active: public housing, rental assistance, single and multifamily housing rehabilitation, and housing development. HRAs may levy a tax and exercise bonding authority to finance housing activities. An HRA may issue general obligation revenue bonds for qualified housing development projects and may pledge the general obligation of the general jurisdiction governmental unit as additional security for the bonds. The qualified housing development project must provide housing either for the elderly or for individuals or families with incomes not greater than 80 percent of the area median family income.

EDA. A city may establish an EDA to assist with and promote housing and economic development within its jurisdiction. An EDA may also act as the city's HRA. EDAs are authorized to levy a tax and issue bonds for housing and economic development.

TIF. A local jurisdiction may use revenue derived from a TIF housing district to finance the cost of housing projects intended for occupancy by persons or families of low- and moderate-income.

Private resources. Besides the number of for-profit developers involved in affordable housing—some of whom have participated in valuable partnerships with nonprofit developers—the primary resource invested by for-profit entities for new rental housing is investment in housing tax credit syndications. Many Minnesota corporations invest in the Local Initiatives Support Corporation's National Equity Fund. In addition, several Minnesota utility companies are investing in tax credit projects throughout the state.

Nonprofit resources. Foundation and private funding play a critical role in the provision of affordable housing in countless communities throughout the state. Although it would be impossible to identify all the different sources, the following are some of the major foundation or private efforts. This list does not include the many private nonprofit development organizations, churches and synagogues, and foundations that play a key role in providing affordable housing.

- **Habitat for Humanity (Habitat).** Relying on volunteer labor and donated materials, Habitat provides homeownership opportunities for very low-income families. Home-buying families participate in constructing their own homes as well as volunteer on someone else's. Habitat support is located in: Bemidji, Brainerd Lakes, Dakota County, Duluth, Fergus Falls, Freeborn/Mower, Lake Aggasiz, Minneapolis North, Minneapolis Southside, Northeast Suburban (Twin Cities), Rice County, Red Wing, Rochester Area, south central Minnesota (Mankato), St. Cloud Area, St. Paul, and Willmar.
- **Minnesota Housing Partnership (MHP).** As part of its Network Project, the MHP has created six regional networks outside the Twin Cities Metropolitan Area. The networks work to improve communication among housing developers, social service providers, local officials, and the public by acting as an information clearinghouse for their regions. They undertake public education activities and coordinate regional CoC planning efforts in the six regions of Greater Minnesota.
- **Family Housing Fund.** Funded originally by the McKnight Foundation, the Family Housing Fund provides financing for a variety of affordable housing projects and provides leadership on many affordable housing issues.

- **Greater Minnesota Housing Fund.** The McKnight and Blandin foundations provided \$25 million in 1996 to support the creation of affordable housing in economic growth centers outside of the seven-county Twin Cities area. This pool of financial resources has been used in several ways, including equity investment or subordinated debt in specific projects; loan guarantees or revolving loan funds for construction financing, site development, or acquisition of senior-occupied single-family homes and their subsequent sale to younger families; and guarantees or other incentives to create a down-payment assistance fund and owner-occupied housing rehabilitation..
- **Local Initiatives Support Corporation (LISC).** LISC is supported by corporate funding from its parent organization to provide equity funding for low-income housing tax credit projects, provide financing for a single family production program in St. Paul, and provide technical assistance and operating support to nonprofit housing developers in St. Paul, Duluth, and Minneapolis.
- **Minnesota Coalition for the Homeless.** The Coalition addresses a variety of homeless issues through a statewide coalition of government officials, service providers, and persons experiencing homelessness.
- **Neighborhood Housing Services (NHS).** NHS programs are located in Duluth, Minneapolis, and St. Paul. The Twin Cities NHS is the umbrella organization in the Minneapolis-St. Paul area. The NHS's are neighborhood lending organizations that are supported by donations from area businesses and other organizations, such as public education, school curriculum, and technical assistance.
- **Heading Home Minnesota (HHM)**
HHM is a public-private partnership to end homelessness in Minnesota. The HHM Steering Committee includes leaders from the philanthropic, faith, business, and governmental communities who have come together out of their concern about the plight of homeless youth, adults, and families with children in the community. The HHM Executive Committee brings together the coordinators of all state, regional, and local plans to end homelessness in the state.

§91.320(d) Activities

HOME Program Activities

The state's HOME programs provide funds directly to borrowers, with or without the assistance of contractors employed by the state to assist in delivering the program, as in the case of HOME Homeowner Entry Loan Program and the HOME Rehabilitation Loan programs.

Minnesota's HOME funds will be allocated in the proportions described below for each program. Additionally, 10% will be allocated for administrative expenses. MHFA's Board is empowered to make allocations of funds. It is MHFA's Board that would reallocate HOME funds between programs described in the action plan; allocate additional funds that might become available either through a greater grant amount or the receipt of program income; or unallocate funds in response to a lesser-than-anticipated grant amount.

Rental Capital Program. This program would be used with or without other Agency financing to fill financing gaps of new construction, rehabilitation, or acquisition/rehabilitation projects and would have the following characteristics:

- The assistance would be a zero percent interest rate deferred loan,
- The projects would be larger scale to provide economies of scale in monitoring and administration,
- Per-unit assistance would typically be less than \$15,000, but could equal or exceed \$15,000 if there is other assistance that requires ongoing compliance monitoring beyond 5 years that could be paid from non-HOME sources.
- New construction would be permissible, but compliance monitoring would be required for 20 years and paid with non-HOME sources for compliance years 6 through 20.
- Loans would be provided directly to owners by the Agency after the projects are determined to qualify for other agency financing, such as first mortgage financing or low-income housing tax credits, and that they meet HOME income and rent eligibility requirements. Exception: Federally-assisted projects with existing Minnesota Housing first mortgages are not required to receive other agency financing to qualify for Rental Capital.

Preservation of assisted housing will have priority of funding. Applications for funding will be considered in a competitive process, except for federally-assisted housing where Minnesota Housing has a first mortgage.

Thirty-five percent of 2011 funds would be allocated to the program, as well as \$2.5 million of Asset Management carry forward funds from 2010.

Rehabilitation Loan Program. The Rehabilitation Loan Program will be provided 40% of the 2011 HOME funds for deferred repayment loans with zero percent interest for low-income homeowners to finance basic home improvements that directly affect the safety, habitability, energy efficiency or accessibility of their homes and to bring them into compliance with Minnesota Housing's rehabilitation standards. Eligible applicants must occupy the home as their principal residence for 15 years, or 10 years if it is a mobile home located in a mobile home park; have assets not in excess of \$25,000; and have a gross annual income of no greater than 30% of the 11-county metropolitan area median income, adjusted for family size, except that in no case may it exceed the HOME income limits. At successful completion of the loan requirements, their deferred loan is forgiven.

The minimum loan amount is \$1,000 and the maximum loan amount is \$24,999. However, up to \$10,000 of additional funds may be provided if necessary for required lead hazard reduction.

When the Rehabilitation Loan Program is used to respond to a disaster, gross annual income of borrowers shall not exceed 80% of area median income, adjusted for family size, and the amount of HOME assistance, including soft costs, may not exceed the maximum per-unit subsidy amount of 24CFR §92.250. Authority to use HOME funds in a disaster response and the income limits, loan amounts, and loan terms will be determined by the Minnesota Housing Board.

Eligible soft costs will be paid from HOME funds, but not included in the loan amount.

HOME Downpayment Assistance. Ten percent of the 2011 HOME funds will be allocated to the HOME Homeowner entry loan program (HOME Help). HOME Help provides assistance for downpayment and closing costs, including eligible soft costs, to low-income first-time homebuyers. Assistance is in the form of a zero percent interest rate deferred loan. If the property is sold or ceases to be the principal residence of the homebuyer within five years, the full amount of the loan must be repaid. After the sixth year, 30% of the original loan amount remains owing and must be repaid when the property is sold or ceases to be the homebuyer's principal residence or the loan matures.

CHDO Operating Support Program. Five percent of the 2011 HOME funds will be allocated to providing operating support to CHDOs that serve multi-county areas in Greater Minnesota to defray their operating expenses. Support will be for one year in an amount no greater than \$50,000. Eligible CHDOs must either currently receive CHDO set-aside funds, or will receive such funds within 24 months of receiving operating support. Applicants must demonstrate a financial need for the funds, have affordable housing plans and goals, demonstrate how the funds will help them achieve their plans and goals, and have been a successful partner of Minnesota Housing in the past as an owner or developer.

Rationale for Allocations. HOME downpayment assistance, and preservation of affordable rental housing benefits low- and extremely low-income renter households. The consolidated plan needs assessment demonstrates that those households are the most likely to be cost burdened, to be more severely cost-burdened, and to have other housing problems.

The need for homeowner rehabilitation is also demonstrated by the consolidated plan needs assessment, which indicates that 54% of low-income households are owners, 46% have housing problems, 44% are cost-burdened, and 18.5% are severely cost-burdened.

Therefore, MHFA will allocate the one-half of its HOME funds to activities that provide affordable rental housing or first-time homebuyer housing primarily to low- and extremely low-income renter households, and the balance to owner-occupied rehabilitation and agency administration.

HOME Tenant-Based Rental Assistance (TBRA). The Minnesota Housing Board may allocate program income or reallocate a portion of HOME funds from one or more activities for use in a TBRA program to address long-term homelessness. TBRA may be provided to assist households experiencing homelessness through qualified nonprofits or local governments. Alternatively HOME TBRA may be made available to Public Housing Agencies to assist any eligible household as incentive for the PHA to provide a comparable number of project-based vouchers for permanent supportive housing. In either case, the administrator must arrange for the availability of supportive services for the formerly homeless tenants whether they are receiving HOME TBRA, or project-based voucher assistance. Local market conditions for use of TBRA would be such that there would not be a readily available supply of permanent supportive housing for homeless households.

Portability of assistance would be limited to housing within the jurisdiction of the entity through which the rent assistance is provided.

The level of HOME TBRA that Minnesota Housing would provide to households experiencing long-term homelessness would be sufficient to move the homeless household into decent housing, but provide adequate incentives for the household to accept Section 8 rent assistance or public housing when it becomes available.

HOME Disaster Response. The Minnesota Housing Board may allocate program income or reallocate a portion of HOME funds from one or more activities for use in a disaster response. The type of response will be determined based on the needs in the disaster area and the other resources that may be available. All recipients of assistance and their housing will be HOME-eligible.

HOPWA Program Activities. All HOPWA funds are allocated for use outside the EMSA. In consideration of the fact that almost all persons with HIV/AIDS in Greater Minnesota are housed, the state will fund activities to assist persons to stay in their housing. Those activities are emergency assistance with rent, mortgage, and utility payments. Priority for funding will be given to the Minnesota AIDS Project to continue existing programs. Minnesota Housing will use 3% of the HOPWA grant for administrative expenses.

ESGP Activities.

Under the reauthorization of the McKinney/Vento Homeless Assistance Act (HEARTH Act), beginning in FFY 2011, the amount of ESGP funds that can be used for shelter activities is limited to 60% of the awarded amount or the amount of FFY 2010 ESG funds expended on emergency shelter, whichever is greater. This latter amount is called the "Hold Harmless" amount. In federal fiscal year 2010, the State of Minnesota spent the entire ESG award amount, excluding five percent for program administration, on shelter activities.

For FFY 2011, the State of Minnesota intends to expend the maximum amount allowable under the Hearth Act for shelter operations and services. Any award amount that exceeds this amount will be used for other ESG eligible activities.

Funding for the operating and service costs of shelters will benefit approximately 13,144 individuals. The number of persons served other ESG eligible activities will depend on the amount of funding available for these activities. The projects do not anticipate receiving any program income during this period

The target date for completion of these activities is June 30, 2012.

SCDP Activities. The SCDP portion of CDBG funds are made available to the state for distribution to develop viable eligible communities by providing financial assistance to address the need for decent, safe, and affordable housing, and economic development and public facility needs; and provide a suitable living environment by expanding economic opportunities, principally benefiting low- to moderate-income households.

Eligible applicants are cities with a population under 50,000 and counties and townships with an unincorporated population of fewer than 200,000.

DEED anticipates the funding level for this program to be approximately \$22,000,000 annually. Funds are made available through a competitive selection process throughout the state.

SCDP Disaster Response. DEED may allocate program income and/or reverted dollars from previous or current CDBG awards for use in a federally and/or state declared disaster response. The type of response will be determined based on the needs in the disaster area and the other resources that may be available. All recipients of assistance will need to meet CDBG requirements.

Lead Remediation. In 2003, the MN Department of Employment and Economic Development (DEED) and Minnesota Department of Health (MDH) partnered to implement a Lead Hazard Control grant in the amount of \$2.43 million dollars and remediated lead in over 300 properties.

In 2007 Minnesota Department of Health (MDH) was awarded \$1.41 million in Lead Hazard Control Grant (LHCG) funds. This second round of funding will help remediate lead in 138 properties. As of June 2009, the LHCG grant in partnership with MN Department of Employment and Economic Development (DEED) has completed 38 properties. The Lead Hazard Control funds provided over \$184,000 in lead remediation along with Deed's Small Cities Development Program (SCDP) providing over \$176,000 in funds for lead remediation. This grant will end in September of 2010.

The purpose of the program is to identify and correct lead based paint hazards in pre-1978 homes occupied by low and moderate income families with children under six years of age and/or pregnant women. The primary responsibility for managing the grant program is with the Minnesota Department of Health (MDH) in partnership with the MN Department of Employment and Economic Development (DEED). Agencies administering Small Cities Development Program grants through DEED will be eligible for funding and will carry out the implementation and administration of the Lead Hazard Control Grant Program on the basis of executed grant agreements with MDH. In order for better coordination of state programs, DEED has adopted MDH's and Environmental Protection Agency's priority of addressing only those homes pre-1978 with children under six years of age and/or pregnant women.

Obstacles to Meeting Underserved Needs

A major obstacle to meeting underserved needs is insufficient funding. The need continues to exceed available resources, especially resources that are the most useful for providing housing for extremely low-income families; i.e., funds that do not require debt service payments.

Increases in the cost of housing outpace income growth, making home ownership more difficult to attain. The virtual collapse of the mortgage market and the availability of private mortgage insurance has made mortgage financing difficult and costly to obtain.

Local market conditions have also affected values. Foreclosures have driven values down, substantially in many neighborhoods, making some housing more affordable, but putting others at risk of foreclosure and abandonment, and reducing or eliminating equity against which a property owner could borrow to improve the property or to use to purchase a new home.

Cost burden continues to be a substantial obstacle in meeting the need for decent affordable rental housing. The prices for low-income housing tax credits have rebounded somewhat, but not to their previous high levels, requiring additional infusions of capital which, if not deferred loans, increases debt service and reduces affordability.

Federal Regulations such as Davis Bacon present higher costs to a project. This regulation has not been changed since inception. As a result, fewer rehabilitation of rental and commercial projects are occurring due to project dropouts creating an underserved need. Emphasis needs to be put on changing this legislation in order to reverse the down trend of participation due to higher costs associated with Davis Bacon requirements.

§91.320(e) Outcome Measures and 91.320(c)(3) Annual Objectives

HOME and HOPWA

The objective for all HOME and HOPWA activities is decent housing, and the outcome category is affordability. Affordability will be provided through affordable HOME financing for the rehabilitation and preservation of affordable rental units and affordable deferred-loan assistance for downpayment assistance and rehabilitation of owner-occupied single family homes; and affordable emergency assistance from the HOPWA program to help low-income persons with HIV/AIDS remain in their housing.

- Rental Capital Program: 150 units rehabilitated for low-income renters;
- Owner Rehabilitation: 160 rehabilitated units of owner-occupied housing.
- HOME Downpayment Assistance: 110 households will receive downpayment assistance.
- HOPWA: 150 low-income households will receive emergency assistance to remain in their homes.

ESGP

The objectives of the ESGP funding will be to create suitable living environments for the households that use the shelters receiving these funds. The outcome measure that will be used to determine success will be to maintain the availability of shelter space.. The specific indicator used to measure this outcome will be the number of persons served in shelters receiving this funding.

SCDP

The objective and expected outcomes for the **SCDP** program activities are as follows:

Activity	Objective	Outcome	Objective
Owner Occupied Rehab	2	1	Objective 1 Create suitable living environments 2 Provide decent affordable housing 3 create economic opportunities
Rental Rehab	2	1	
Commercial Rehab	3	3	
Public Facilities Projects	1	3	Outcome 1 Availability /accessibility 2 Affordability 3 Sustainability
New Construction	2	2	
Homeownership Assistance	2	2	
Relocation	2	1	
Acquisition	1	1	
Clearance	1	1	

Any new activities not currently being addressed will be reviewed for outcome measures at the time they are being addressed.

§91.320(f) Geographic Distribution

HOME project funds are available for use throughout the State. CHDO Operating Support is limited to Greater Minnesota where nonprofits have fewer resources available to them.

Any HOME disaster response that may be necessary will be limited to the area of the disaster.

HOPWA funds are allocated for use outside the EMSA because these are the only funds available in those areas specifically for persons with HIV/AIDS.

ESGP

The ESG application process will be open to programs statewide. A priority will be given to applications from programs in non-ESG entitlement areas. The funds will be targeted according to need as measured by the incidence of poverty, housing burden (households paying more than 50 percent of income for housing), and public assistance caseloads.

SCDP

SCDP funds are allocated to cities with a population less than 50,000, and counties and townships with an unincorporated population of fewer than 200,000. The flexibility of this program ensures that eligible applicants are able to prioritize and address the needs of their communities. The goal is to serve Low to Moderate Income Households.

§91.320(g) Affordable Housing Goals, 2011

Rental Capital Program:	150 units will be rehabilitated and occupied by low-income households. The program has no goals for serving homeless, non-homeless or special needs households, though most households will be non-homeless.
Rehabilitation Loan Program	160 single family owner-occupied houses will be rehabilitated for low-income households that are non-homeless. The program has no goals for serving homeless or special needs households.
HOME Downpayment Assistance:	110 low-income households will purchase affordable existing housing. The program has no goals for serving homeless or special needs households.
HOME-TBRA (contingent goal):	20 homeless persons/households obtain affordable rental housing. This goal is contingent on the Minnesota Housing Finance Agency implementing a TBRA program. The program is targeted to serve homeless households.
HOPWA:	150 non-homeless special needs households with HIV/AIDS will remain in their houses and avoid homelessness.
ESG:	13,144 individuals in households
SCDP Rental Rehab:	80 households rehabilitated and maintain fair market rents

SCDP Owner Occupied Rehab: 375 low to moderate income families/units
SCDP Down payment assistance: 0 low to moderate income households
SCDP New Housing Rental: 25 low to moderate income units at fair market rents

CDBG:

For 2011, SCDP does not set goals for homeless households, non-homeless households, or special needs households. Although our funds may serve many of those households, our goal is serving Low to Moderate Income Households.

Rental goals are as follows:

Acquisition of existing units = 0
Production of new units = 25
Rehabilitation of Existing = 80
Homebuyer Assistance = 0

Homeowner Goals:

Acquisition of existing units = 0
Production of new units = 0
Rehabilitation of Existing = 375
Homebuyer Assistance = 0

Combined Goals

Acquisition of existing units = 0
Production of new units = 25
Rehabilitation of Existing = 455
Homebuyer Assistance = 0

Overall Goals Rental = 105

Overall Owner Housing = 375

§91.320(h) Homeless and Other Special Needs Activities

Addressing the Emergency Shelter and Transitional Housing Needs of Homeless Persons

Funding will be provided from the state of Minnesota to address the shelter and transitional housing needs of homeless persons under the following programs:

Emergency Services Program – The 2010 Minnesota Legislature provided \$343,700 for SFY 2011 for the Emergency Services Program (ESP). ESP funds the operating and service costs of shelters for a variety of populations. It also funds some supportive services-only programs such as drop-in centers and voice mail.

Transitional Housing Program – The 2010 Minnesota Legislature provided \$2,933,725 for SFY 2011 for the Minnesota Transitional Housing Program. Program funding is provided to 65 transitional housing programs across the state, including programs that serve a variety of populations such as singles, families with children, youth, veterans, battered women, persons with mental illness issues, persons with chemical dependency issues, women escaping prostitution, and others. This funding is used to pay for the services and operating costs of transitional housing programs.

Runaway and Homeless Youth Act Program- The Minnesota Legislature provided \$218,000 for SFY 2010-11 for the Runaway and Homeless Youth Act. Program funding is provided to four youth emergency shelter programs, three drop-in center programs and two street outreach programs.

Preventing Low-income Singles and Families from Becoming Homeless

Minnesota operates the state-funded Family Homeless Prevention and Assistance Program (FHPAP) to assist those households at imminent risk for homelessness to maintain and retain their housing, and also to assist those households who are already homeless to obtain permanent housing. Currently, FHPAP funding is provided in 80 of Minnesota's 87 counties.

As described elsewhere in this plan, HOPWA prevents homelessness by providing emergency assistance for rent or mortgage payments and utility costs.

Assisting Homeless Families to Obtain Permanent Housing

The goal of the Minnesota Transitional Housing Program is to assist participants in obtaining and maintaining permanent housing. The FHPAP also assists homeless participants with the first month's rent and damage deposit to locate and stabilize in permanent housing. The Bridges program provides a rental subsidy for up to five years to persons with mental illness until they can obtain a permanent rental subsidy.

Specific Action Steps to End Chronic Homelessness

See Section 91.315 of the 2007-2011 Consolidated Plan for Minnesota's Business Plan to End Long-Term (and Chronic) Homelessness. For a complete description of specific steps the State will take to end long-term and chronic homelessness, see the "Business Plan for Ending Long-Term Homelessness" which may be found at the Minnesota Housing website www.mnhousing.gov and clicking "Homelessness/Housing Assistance Emerging Markets Local Government" on the red navigation bar.

The Business Plan to end long-term homelessness had as a goal providing 4,000 units of permanent supportive housing to individuals and families experiencing long-term homelessness by 2010. The business plan will not achieve its goal in 2010 due largely to the downturn in the economy, though it did provide 2,867 units. The Minnesota Housing Board in August reaffirmed its commitment to the initiative through 2015. As in past years, the State will emphasize the provision of permanent supportive housing that may be created through new construction or rehabilitation, including units for households experiencing long-term homelessness in mixed-income developments, providing rental assistance or subsidizing operating costs, and providing housing through the Group Residential Housing program. The State's goal for 2011 is to provide 170 additional housing opportunities.

SCDP Special Needs Activities

SCDP funds may be used for affordable housing development that assists special needs populations. The SCDP is flexible and can assist special-needs populations in a variety of ways, including rehabilitation of homes, shelters, or community centers that serve these populations.

Affirmatively Furthering Fair Housing

DEED requires all grantees to develop a fair housing plan that affirmatively furthers fair housing. SCDP grantees also must consider equal employment opportunity and affirmative action throughout the life of their grants in all activities and grant administration. At the annual Implementation Workshop held for new grantees, equal employment opportunity requirements are discussed and a handbook is distributed which details the statutory requirements and the actions which need to be taken or suggested be taken. Grantees are required to include equal opportunity language in all contracts; engineers and architects include equal opportunity materials (including EO 12846, Section 3 Clause, Uniform Administrative Requirements, and a list of applicable laws) in all bidding and contract documents. Equal employment opportunity actions and requirements are discussed at pre-construction conferences and other forums as appropriate. Grantees report to DEED, annually, on the number and amount of contracts that were awarded to women- or minority-owned businesses and Section 3 businesses.

The Minnesota Housing HOME team assesses the success of affirmative marketing efforts in the HOME Rental Rehabilitation Program. In counties with significant populations of people of color, Minnesota Housing staff compare predetermined occupancy goals with actual occupancy data maintained by local administrators and Census data for the city or county in which developments are located, e.g., data on renters of color, people with disabilities, and female-headed families. Minnesota Housing may require corrective actions, such as more extensive outreach efforts to appropriate communities or organizations, to achieve the rental occupancy goals representative of the demographics in an area. Examples of outreach efforts to inform and solicit applications from those least likely to apply include the use of: community organizations, churches, employment centers, fair housing groups, housing counseling agencies, or other organizations that provide services to, or have as members, people in groups considered least likely to apply.

Minnesota Housing's Administrative Procedures Manual, Administrative Monitoring Checklist, and File Compliance and Property Inspection Checklists for the HOME Rental Rehabilitation Program promote the understanding of affirmative fair housing compliance 13 (including monitoring of Affirmative Fair Housing Marketing Plans). Minnesota Housing has required that property owners submit Affirmative Fair Housing Marketing Plans for the marketing and occupancy of units assisted in developments of five units or more. Owners must update these marketing plans at least once every three years.

The state has prepared an *Analysis of Impediments to Fair Housing Choice* that identifies conditions that may act as impediments to fair housing in these main areas:
homeownership: access to credit and to information about the buying process and limited affordability in some areas of the state;

private rental housing: discrimination during the application process, the costs of application, outreach to communities of color;
subsidized rental housing: limited usability of housing vouchers, the cost of rental housing.

The State will conduct a new *Analysis of Impediments to Fair Housing Choice* in calendar year 2011.

The *Analysis of Impediments to Fair Housing Choice* is available from Minnesota Housing upon request. Annual summaries of actions the state has taken to address impediments have been included as part of the CAPER report beginning in 2002. The following is a summary of actions the state has taken to address impediments to fair housing in 2010:

Homeownership

Homeownership Education, Counseling, and Training (HECAT), funded through state appropriations, federal appropriations, and Minnesota Housing resources, has served an average of more than 16,000 households annually in the last five years (2006-2010). At least one person in each household securing mortgage financing under CASA (a targeted mortgage program provided by Minnesota Housing) must complete a qualified homebuyer education class prior to loan closing. Program initiatives provide pre- and post-purchase information to homebuyers and counseling assistance to homeowners who may be facing foreclosure. HECAT programs target traditionally underserved communities and communities most easily victimized by predatory lending practices. In 2010, 27 percent of households participating in HECAT (55 percent in Minneapolis and Saint Paul) were of color.

According to information from the Mortgage Bankers Association's *National Delinquency Survey*, at the end of June 2010 Minnesota ranked 16th highest among states in the U.S for home mortgage foreclosures started during the quarter. In response to continuing problems of foreclosure in communities around the state, Minnesota Housing has provided homebuyer education, foreclosure counseling, financial assistance to homeowners, and remediation assistance to communities to rehabilitate and resell foreclosed properties.

Minnesota Housing, the Family Housing Fund, and more than a dozen other public and private participants have funded —Don't Borrow Trouble, a public information campaign that provides education for homebuyers and homeowners, as well as consumer guidance to avoid predatory lending.

Minnesota Housing has supported Habitat for Humanity homeownership efforts since 1991. In September of 2009, Minnesota Housing's Board of Directors approved a \$4 million allocation of agency resources to Habitat to be disbursed during the 2010-2011 biennium. 14 Homebuyers funded by Minnesota Housing through Habitat in 2010 had a median income of \$34,730 in the Twin Cities metro area and \$24,403 in Greater Minnesota. Ninety-five percent of the homebuyers in the Twin Cities region in 2010 and 29 percent in Greater Minnesota were households of color.

HOME HELP provides entry cost assistance for lower income borrowers for whom the entry cost of homeownership is unaffordable. This assistance, offered to households with the greatest need, has been available only through Minnesota Housing's Community Activity Set-Aside (CASA) first mortgage program. Forty-nine percent of homebuyers receiving HOME HELP in FFY 2010 were households of color.

The Emerging Markets Homeownership Initiative (EMHI) is funded by a consortium of agencies led by Fannie Mae, the Federal Reserve Bank of Minneapolis, and Minnesota Housing. EMHI's business plan, which calls for 40,000 new homeowners from communities of color by 2012, is based on three basic strategies: improve trusted guidance to emerging market communities, provide opportunity to expand and tailor outreach efforts, and offer innovative structural support to enhance mortgage products and processes. A copy of the final business plan is available at www.mnhousing.gov/

Multifamily Rental Housing

Information available in 2010 on nearly 9,000 tenant households occupying Minnesota Housing-assisted developments shows that 47 percent throughout the state (62 percent in the Twin Cities region) were headed by a person of color, i.e., identified as of a race other than White or of Hispanic

or Latino ethnicity. Data indicate that 49 percent of households in the developments for which owners claimed federal Housing Tax Credits (61 percent in the Twin Cities region) were households of color.

Minnesota Housing funded rental assistance vouchers for more than 2,100 low-income households under the Housing Trust Fund (a state-funded account) in 2010; more than 65 percent were households of color (69 percent in the Twin Cities region). The median annual income of households receiving vouchers under the Housing Trust Fund was less than \$7,300.

As of 2010, the Minnesota Legislature had appropriated for the 2010-2011 biennium: \$14.4 million for the preservation of affordable rental housing, \$21.1 million for the Housing Trust Fund, and \$14.8 million for the Economic Development and Housing Challenge Fund. Households of color typically comprise 50 percent or more of the tenant households assisted under each of these programs.

The Obama Administration has offered budgets that renew and strengthen HUD's commitment to affordable housing. Public housing capital funds increased in 2010 and operating funds are recommended for increase in 2011. Funding also increased for tenant based rental assistance programs in 2010 and are recommended for increase in 2011. The proposed budget recognizes the need to incent property owners not to opt out of the Section 8 program by fully funding the program. In 2010, 31 percent of the households occupying Section 8 units throughout the state were households of color; in the cities of Minneapolis and Saint Paul, 70 percent of the households occupying Section 8 units were households of color; in the cities of Minneapolis and Saint Paul, 70 percent of the households occupying Section 8 units were households of color. For more information on households of color as a percentage of total households assisted through Minnesota Housing, visit: www.mnhousing.gov/news/reports/index.aspx (see Housing Assistance in Minnesota).

Homelessness

In 2004, staff from DEED, DHS, Minnesota Housing, and other public and private stakeholders participated in a working group that developed the state's first Business Plan to End Long-Term Homelessness in Minnesota by 2010. The plan identified the state's strategies to achieve the goal of 4,000 new supportive housing opportunities by 2010. In 2010, Minnesota Housing announced a —recalibration of the business plan due to difficult economic conditions that stalled housing development, including the development of supportive housing. The state's goal has been revised to 4,000 new supportive housing opportunities by 2015. More than 3,000 supportive opportunities for the long-term homeless have been funded as of September 2010. Cumulative progress was ahead of annual targets until 2009 as shown here: www.mnhousing.gov/initiatives/housing-assistance/index.aspx

The Minnesota Legislature has funded the Family Homeless Prevention and Assistance Program (FHPAP) since 1993. In 2007, the legislature nearly doubled the amount of the appropriation for this program, from \$7.4 million to \$14.9 million for the 2008/2009 biennium. FHPAP has assisted an average of 8,500 households a year over the last five years with a high of more than 11,000 households in 2009. Available data indicate that between 50 percent and 60 percent of the household assisted under FHPAP during that time have been households of color.

Data from the most recent Wilder Research survey (2009) of homeless people indicate that half of homeless people in the Twin Cities are African American, 20 percent in Greater Minnesota are American Indian, and 39 percent of all homeless households in the state are of color.

§91.320(i) Barriers to Affordable Housing

As explained in Section 91.315(h), the state has acted to reduce the effects of its tax policies by reducing the tax rate on affordable rental units. Minnesota Housing will continue to give preference points in its RFPs to projects for which concessions are given by local government to enhance the affordability of the project.

The state will mitigate the effect of zoning, land use, and impact fee barriers by giving preference points in its selection process to LIHTC projects that rehabilitate existing housing, thereby avoiding these barriers; and to new construction projects that use existing sewer and water lines without substantial extensions.

Preference points are also awarded for LIHTC projects for which development-specific assessments or infrastructure costs are donated or waived or that have been approved for reduced setbacks, reduced parking requirements, decreased road widths, flexibility in site development standards and zoning code requirements, WAC/SAC reductions, and fast-track permitting and approvals.

The state continues to address how to eliminate or ameliorate the effects of the Jobs-Housing-Transportation (J-H-T) Mismatch described in 91.310(d), "Barriers to Affordable Housing." Between spring 2005 and 2006, the state participated in the National Governors Association policy academy on housing and economic development to develop proposals for addressing the J-H-T mismatch. The participants included the Minnesota Housing commissioner, the assistant commissioner of DEED, the Metropolitan Council regional administrator, and a representative of local government and philanthropy. The participants recommended a competitive communities pilot program for linking working families to housing and transportation. Minnesota Housing is using the Economic Development and Housing Challenge Program to focus linking new housing investments to other quality of life outcomes related to the environment, energy, transportation, and education. With the adoption in 2008 of the Green Communities criteria with the Minnesota Overlay, Minnesota Housing investments are targeted to new construction and rehabilitation that reduces energy consumption, is located and sited to align with the natural environment, and reduces travel time and allows for multiple modes of transportation by prioritizing locations near jobs and services. A new priority has also been added for transit-oriented development in the Economic Development and Housing Challenge Program to encourage activities that are in close proximity to specific fixed-route transit stops. The effectiveness of these policies that address the J-H-T mismatch will continue to be evaluated and refined to achieve improved results.

§91.320(j) Other Actions

As discussed in the Strategic Plan, the primary obstacles to meeting underserved need are resources and a growing gap between housing costs and incomes. The state will continue to use its housing resources in ways that reduce the effect of the gap.

Virtually all the state's housing programs foster and maintain affordable housing through either their development or rehabilitation. New developments are often funded in part with the low-income housing tax credit. Coordination of the credit with other funding resources achieves affordability for the lowest-income tenants possible.

Coordination of housing and social service agencies occurs in the HOME Rehabilitation Loan Program when applicants are required to apply for Energy Assistance. Other beneficiaries of Minnesota Housing's HOME programs do not typically require the services of social service agencies, so Minnesota Housing has not taken and does not plan to take any steps to enhance coordination between social service agencies and lenders delivering HOME Help or rental building owners who apply for rehabilitation funding.

The Rehabilitation Loan program attempts to coordinate with Weatherization and energy assistance providers. See page 10. Other beneficiaries of Minnesota Housing's HOME programs do not typically require the services of social service agencies, so Minnesota Housing has not taken any steps to enhance coordination between those entities.

Minnesota Housing reinforces the concept that while owners of supportive housing are required to ensure that appropriate services are available for their target population, participation in such services are voluntary and not a requirement of maintaining one's tenancy. The agency reinforces this when it provides TA, in the application (supportive housing narrative questions) materials, the MOU that the owner, property management company and supportive service provider enter into as well as thru the Agency's asset management functions. The MOU is a document that Minnesota Housing requires each of its permanent supportive housing developments to enter into. The document provides evidence of a mutual understanding between the owner, property management and supportive service provider of the purpose, terms, definitions and roles and responsibilities.

In the HOPWA program, MAP coordinates HIV services with the Rural AIDS Action Network who have HIV case managers in Little Falls, Mora, Bemidji, Hibbing, Mankato, Moorhead and Alexandria; Mayo Clinic's HIV case management program that serves Rochester and surrounding counties; Minnkota Health Project serving Moorhead and surrounding northwestern counties; and in some cases, with local county social service providers.

As discussed in the Strategic Plan, the state not only evaluates and reduces lead-based paint hazards in its federally funded programs, Minnesota Housing evaluates and reduces lead hazards in state and agency-funded programs that have requirements to evaluate units for health and safety. Lead-hazard reduction is now a part of those programs.

The state is not a public housing agency, so it will not take actions to encourage public housing residents to become more involved in management.

Public Housing Authorities (reg. 91.315(c))

Public Housing Needs. The legislature appropriated \$2 million of General Obligation bonds to preserve public housing owned and operated by PHAs with a standard rating or higher. Minnesota Housing awarded the funds in early 2010.

Troubled Public Housing Agencies. As mentioned above, the financial assistance for PHAs that the legislature has made available is prohibited by statute from being provided to troubled PHAs. However, Minnesota Housing provides support for the Minnesota NAHRO conferences and the annual "Working Together Conference," which provide training that is available to troubled PHAs and others.

Reducing the Number of Persons Below the Poverty Line

Minnesota's Office of Economic Opportunity (OEO) was created in 1965 with federal and state support to assist local communities to battle poverty and administer anti-poverty programs. OEO has consistently worked to promote local capacity and efforts to develop and provide a range of services and advocacy solutions for Minnesotans experiencing poverty. OEO's mission is to be a voice for the poor within state government. OEO annually administers nearly 200 grants totaling approximately \$25 million to more than 100 grantee organizations.

Operating within the Minnesota Department of Human Services, OEO links with a diverse array of partners, including Community Action Agencies, Indian Reservations, food and shelter programs, the Minnesota Community Action Partnership, the Minnesota Indian Affairs Council, the Minnesota Head Start Association, Hunger Solutions Minnesota, the Minnesota WorkForce Center System, Minnesota Financial Fitness Network, AccountAbility Minnesota, United Way, the University of Minnesota Extension and the Department of Family Social Science, Lutheran Social Service of Minnesota, Wilder Research, Minnesota Elder Economic Security Initiative and the Minnesota Coalition for the Homeless.

Community Action Agencies (CAA) enhance the well-being, economic independence and growth of low-income individuals, and fosters community empowerment and development. CAA's provide fast, flexible, and local solutions. CAA's determine current community needs and strengths to prioritize services and advocacy efforts for the increasingly diverse mix of Minnesotans experiencing poverty.

Minnesota's statewide network of 28 Community Action Agencies (CAA) and 11 Indian Reservations work to fight poverty and the effects of poverty on communities. Minnesota's CAA's reach out to low-income individuals in their communities, address multiple needs through comprehensive approaches, develop partnerships with other community organizations, involve low-income clients in agency operations, and administer a range of integrated and coordinated services designed to have a measurable impact on poverty alleviation. Community Action is best known by the services offered, which include:

- Asset development, including Family Assets for Independence in Minnesota (FAIM)
- Benefit enrollment
- Emergency services
- Emergency shelter and transitional housing
- Energy assistance
- Financial fitness, including budgeting, credit repair and improving access to mainstream financial products and services
- Food shelves
- Food Support Outreach and Nutrition Programs (SNAP Ed)

- Free tax prep and tax credit outreach
- Head Start and child care
- Housing construction and rehabilitation
- Mortgage foreclosure prevention
- Senior services
- Transportation
- Weatherization
- Youth services

Minnesota grantees lead and participate in local collaborative efforts involving health departments, educational institutions, employment and training providers, governmental agencies, faith-based organizations, businesses and other entities.

Funding from the federal Community Services Block Grant (CSBG) and the state Minnesota Community Action Grant supports local programs. These resources are allocated statewide using a statutory formula based on the number of people living in poverty in each community and base funding.

§91.320(k)(1) CDBG Program Requirements

The SCDP portion of CDBG funds are made available to the state for distribution to develop viable eligible communities by providing financial assistance to address the need for decent, safe, affordable housing, and economic development and public facility needs; and to provide a suitable living environment by expanding economic opportunities, principally benefiting low- to moderate-income households.

Eligible applicants are cities with a population under 50,000, and counties and townships with an unincorporated population of fewer than 200,000.

DEED anticipates the funding level for this program to be approximately \$22,000,000 annually. Funds are made available through a competitive selection process throughout the state.

Of the amount available for awards, DEED intends to provide SCDP funds in accordance to the following approximate allocations: thirty percent (30%) for Single Purpose Applications, fifty-five percent (55%) for Comprehensive Applications. The remaining fifteen percent (15%) allocation is designated for DEED's federal economic development set-aside which includes the 5% for Microenterprise. Administration allocations are approximately five percent of HUD's awarded amount. Allocation percentages may be modified by DEED if DEED determines that there is a shortage of fundable applications in any category.

Timely Distribution

The SCDP portion of the CDBG dollars (85%) are obligated and announced within 30 days of the signed agreement with HUD. The Economic Development portion (15%) is announced and obligated by June 30 of the following year, in this instance June 30, 2012.

Program (i.e. Generated) Income:

Program Income is any income received by a grantee or a sub-recipient as a result of the activities supported by State of Minnesota Small Cities Development Program (SCDP) funds. Grantees or sub-recipients will follow the requirements set by DEED (SCDP) in addition to all HUD program income regulatory requirements. DEED requirements are described in the A-Z guide on the DEED website. HUD Requirements can be found at 570.489(e).

Program/Generated Income is defined as income generated by the SCDP-funded activities, which include, but is not limited to:

- loan repayments (with interest, if applicable),
- proceeds from the sale of property purchased with SCDP funds,
- interest earned on the Program/Generated Income itself, once back under the control of the Grantee.

Types of SCDP Application(s)

Single Purpose Application: Aggregate funding amount cannot exceed \$600,000. (Two or more activities cannot exceed \$600,000 in total).

Defined as one or more activities designed to meet a specific housing, public facility, or economic community development need, within a defined geographical area.

Comprehensive Application: Aggregate funding amount cannot exceed \$1.4 million and each activity within the application is limited to a maximum amount of \$600,000.

Defined as a combination of at least two interrelated activities which are designed to address community development needs, which by their nature must be carried out in a coordinated manner and/or require a coordination of housing, public facilities, or community development/revitalization activities. It must be designed to benefit a defined geographical area.

SCDP Application Criteria

The review process for the SCDP is designed to ensure that the limited amount of available funds is awarded to communities that:

- Meet a federal objective.
- Demonstrate a significant need for the proposed activity.
- Show a substantial impact to the community:
 - In regard to housing activities, each applicant must determine the approach best-suited to increase and/or stabilize the supply of safe, affordable housing to low-moderate-income (LMI) residents. Based on the prevalence of substandard housing conditions within a community, the applicant must determine whether a non-targeted or targeted approach best addresses the needs of the community. A non-targeted approach may be used to address the most severe needs on a scattered site basis. A targeted approach may be used if a neighborhood within a particular community suffers from severely deteriorated housing.
- Provide evidence that the proposed activities make cost-effective use of the grant funds provided. Financial costs/budgets must be provided for each proposed activity.
- Provide evidence of leveraging from non-DEED resources to make the project viable.
- Provide evidence of administrative capacity to complete the activity in a timely manner. The application must include information documenting an applicant's history in administering prior SCDP funds and/or other programs similar in nature, to determine whether the applicant has the ability to complete the proposed activity. Prior SCDP performance will be taken into consideration for future funding.
- Have completed the necessary due diligence indicating a strong degree of readiness for the activity proposed within the application.

Applicants should not apply for funding for those activities/projects that cannot be completed within the term of the funding agreement.

SCDP Scoring Criteria

Up to 240 of the points will be awarded based on evaluation of the proposed project to serve low- and moderate-income persons in relationship to housing, alleviate slum and blight in commercial areas, and/or address public facility activities. The scoring is based on the need, impact, capacity, and cost effectiveness of the activities and state demographic points will be used for a tie-breaker.

Need/Impact/Capacity: Up to 180 points will be awarded based on evaluation of need, impact and capacity for the proposed project.

Need:

- number of low- and moderate-income persons in the program area.
- percentage of residents in the program area which are of low- or moderate-income.

- need for the proposed program as evidence by at least two of the following: the need for improvements or additions to the housing stock serving low- and moderate-income persons,
- need for new or improved public facilities in the program area, or economic community development problems in the program area.

Impact:

Evaluation of the extent to which the proposed project will eliminate or reduce the need identified and to which the proposed program will improve the long-term physical or economic condition of the program area and its residents.

Capacity:

Points will be awarded based on the evaluation of administrative capacity to complete the activity in a timely manner. The application must include information documenting an applicant's history in administering prior SCDP funds and/or other programs similar in nature, to determine whether the applicant has the ability to complete the proposed activity. Prior SCDP performance will be taken into consideration for future funding. Organizational capacity plays a large role in the ranking of applications.

Cost-Effectiveness: Up to 30 points

Based on evaluation of the extent to which the proposed project will make cost-effective use of grant funds, including consideration with, and use of, funds from other public and private sources.

State Demographics: Up to 30 points

- the number of poverty-persons in the area under the applicant's jurisdiction.
- the percentage of persons residing in the area under the applicant's jurisdiction.
- the per capita assessed valuation of the area under the jurisdiction of the applicant, such that points are awarded in inverse relationship to the applicant's per capita assessed valuation.

Applicants will be notified in writing of the award decisions made within this competition. DEED will ensure that documentation and other information regarding each application submitted under this notice of funding availability is sufficient to indicate the basis upon which assistance was provided or denied.

SCDP Economic Development Loan Funds

Method of Distribution

Applications for economic development funding may be submitted and approved throughout the application year or until the funds reserved have been exhausted. Applications are accepted for projects that will be started in a reasonable period of time i.e. "shovel ready".

Economic Development Criteria: Criteria for the economic development portion of SCDP funds is structured to ensure funds are targeted to companies that:

- Provide jobs to the low and moderate income populace
- Stimulate private capital investment
- Generate an increase in local tax base
- Provide improved employment and economic opportunity for Minnesota citizens to create a reasonable standard of living

- Meet a financial need
- Satisfy general accepted standards for financial feasibility,
- If appropriate, reduce excessive infrastructure costs which are beyond the means of the community and the private participants
- Meet acceptable lending standards
- “Favor” communities that experience greater economic distress i.e. higher unemployment and/or lower income levels compared to State averages.

Economic Development Scoring

Applications must attain at least 400 of the 600 available points for the project to be recommended for funding. Projects are evaluated based on an assessment of need, impact and the capacity of the applicant to complete the project in a timely manner. Points are broken down as follows:

Community Need –maximum of 190 points.

- Demographics. Up to 80 points may be awarded based on unemployment levels, percent of poverty persons and medium income compared to the State average.
- Economic Needs. Up to 110 points may be awarded based on economic vulnerability of the community, chronic unemployment, out-migration due to lack of jobs. Counted is the increase in the local property tax base and the degree economic diversification is improved.

Impact and Capacity-maximum of 210 points

- The number of jobs created, the ratio of grant funds to each full-time equivalent job, immediacy of impact and the level of commitment to train LMI persons.
- The applicant must demonstrate capacity to administer and monitor state and federal requirements.

Financial capacity-maximum of 200 points

- Up to 200 points may be awarded based on an evaluation of the effective use of CDBG funds to induce economic development. Projects must demonstrate that a gap exists and show a high level of private funds to economic development grant funds.

Note: Applications must score at least half of the points available in each of the two rating categories.

Disbursements

At disbursement, invoices and construction costs are secured and compared to the application information for reasonableness. Loan documents and lien agreements plus other legal documents are reviewed for compliance with lending standards.

Annual reports

Progress Reports are annualized to determine if adequate progress is being made. Particular attention is given to the number of jobs created, percentage of LMI persons hired and the level of compensation.

Final closeout

On-site monitors visits to determine full compliance with state and federal requirements are undertaken. LMI job information forms are analyzed. A review of the applicants grant management file, the depth of loan management, copies of security filings and financial management of SCDP funds is completed.

Microenterprise Assistance-Economic Development Funds

A portion of Minnesota's annual CDBG funds will be used to support the provision of technical assistance and financial support for owners of microenterprises and developers of microenterprises. Funds will be used in non-entitlement areas of the state, and provided to a local government on a competitive basis. A local government will contract with regional or multi-county organizations to provide assistance to owners of qualifying businesses.

Application/Work Plan. Each application for funds would contain a work plan that provides performance measures for assisting microenterprises. Businesses receiving assistance must be commercial enterprises that have five or fewer employees, one or more of whom owns the business.

National Objective. This assistance must support the achievement of a recognized national objective, particularly creation and retention of jobs for low and moderate income persons and assistance to LMI persons who are developing a microenterprise.

Eligible Projects. General classroom training and technical support, including training in marketing, accounting, business planning, financial analysis, and employment law and providing financial assistance to microenterprises.

Grant Amount. The maximum grant is \$100,000.

Entitlement Areas. If the service area of an assistance organization would include an entitlement area, the organization would be required to develop screening policies and documentation procedures to ensure that residents of non-entitlement areas are served.

Service Providers. Regional development corporations, Minnesota initiative foundations, SBDC's, and nonprofit business development organizations may be used as service providers through contract with the local government.

Oversight. DEED would continue to be the program manager and fiscal agent in distributing state funds and assuring program compliance. Funds must be used to achieve a recognized federal objective, esp. assistance to low and moderate income persons. Annual progress reports must be provided including information

regarding the number of persons and businesses served and the growth of microenterprises.

Purpose. Minnesota DEED would dedicate 3% of its annual CDBG funds for Microenterprise Assistance, as provided by Section 105 (a) (22). The funds would support the provision of technical assistance and financial support for owners of microenterprises and developers of microenterprises. This assistance must support the achievement of a recognized national objective, particularly creation and retention of jobs for low and moderate income persons and assistance to LMI persons who are developing a microenterprise.

Structure. Funds would be used in non-entitlement areas of the state of MN, and provided to a local government on a competitive basis. A local government would in turn contract with regional or multi-county organizations to provide assistance to owners of qualifying businesses. Each application for funds would contain a work plan that provides performance measures for assisting microenterprises. The maximum grant is \$100,000.

Qualified Business. Businesses must be commercial enterprises that have five or fewer employees, one or more of whom owns the business.

Eligible Projects. General classroom training and technical support, including training in marketing, accounting, business planning, financial analysis, employment law and providing financial assistance to microenterprises.

Entitlement. If the service area of an assistance organization would include an entitlement area, the organization would be required to develop screening policies and documentation procedures to ensure that residents of non-entitlement areas are served.

Potential Partners. Regional Development Corporations, Minnesota Initiative Foundations, SBDC's, and nonprofit business development organizations may be used as service providers through contract with the local government.

Oversight. DEED would continue to be the program manager and fiscal agent in distributing state funds and assuring program compliance. Funds must be used to achieve a recognized federal objective, esp. assistance to low and moderate income persons.

Fund Status. MN currently received approximately \$17 million in FY 2008. The state would dedicate 3% of its CDBG funds for microenterprise development, or \$500,000 annually.

§91.320(k)(2) HOME

(ii) Resale and Recapture of HOME Funds used for Homebuyers

HOME downpayment assistance (HOME HELP) will enforce affordability restrictions by a zero percent interest rate deferred payment subordinate mortgage that requires repayment of some or all of the HOME assistance if the home is sold or ceases to be the borrower's principal residence during the term of the mortgage. The amount that is subject to recapture will be reduced from 100 percent to 30 percent of the original amount of assistance after the sixth anniversary of the loan.

The amount that is subject to recapture is limited to the amount of net proceeds available (sales price minus payment of superior claims against the property and closing costs). Net proceeds are first used to repay downpayment assistance before distributing the balance to the homeowner or other claimants.

(iv) HOME HELP

HOME HELP provides assistance for downpayments, closing costs, and eligible soft costs to first-time homebuyers receiving a Community Activity Set-Aside (CASA) Minnesota Housing mortgage. The program's goals are increasing homeownership among households of color and providing incentives to stabilize neighborhoods by providing assistance to households that purchase foreclosed properties or homes in foreclosure-impacted areas.

Rehabilitation costs are not an eligible expense for projects funded with HOME HELP.

To ensure the suitability of families to undertake and maintain homeownership, Minnesota Housing will mandate that, at minimum, buyers complete training in the "Home Stretch" curriculum or its equivalent. "Home Stretch" is the curriculum of the Home Ownership Center, a nonprofit organization dedicated to promoting sustainable home ownership for low- and moderate-income Minnesotans through the development and delivery of quality, standardized education, counseling, and related support services. The following organizations have homebuyer education requirements and have approved Home Stretch as fulfilling those requirements: Minnesota Housing, Fannie Mae, Freddie Mac, FHLMC, FHA, Rural Development, Mortgage Guaranty Insurance Corporation, and a number of private mortgage insurers.

§91.320(k)(3) Emergency Shelter Grant Program (ESGP)

ESGP funds are administered by DHS and allocated through a competitive funding process in conjunction with Minnesota Transitional Housing Program (THP), Runaway and Homeless Youth Act (RYHA), and Emergency Service Program (ESP) funds each biennium.

Fund allocation. ESGP funds are awarded as part of a funding allocation process that combines the grant with available money from ~~two~~ three other programs: ESP, RHYA and THP. Together, ESGP and these other programs provide about five million annually in funding for homeless activities.

The application process for ESG funding is open to programs from all areas of the state including faith based organizations. Priority will be given to applications from the Balance of State areas (non-entitlement areas). The allocation of funding to specific programs is based on the overall quality of responses to the evaluation criteria and in accordance with regional and local priorities as established by each CoC committee.

Due to the availability of funding for transitional housing and homeless prevention activities from other sources, the maximum allowable amount of ESGP funds will be used to pay for the provision of emergency shelter. If additional ESG funding is made available, it will be used for other ESG eligible activities.

Priorities for the use of ESG funds may change depending on the availability of other homeless program funds. The state will use the flexibility of ESG funds to create the most appropriate balance of prevention, shelter, transitional housing and supportive service resources depending on what resources are available in the state as a whole.

Evaluation criteria. Applications for funding are divided into CoC regions and are reviewed by DHS staff. DHS staff may also seek input from other state agencies regarding proposals pertaining to their particular area of expertise. DHS seeks input from CoC Committees by allowing each CoC to

review and rank proposals and make funding recommendations based on the following criteria:

Threshold criteria*

- Application received on time
- Complete application submitted

Scored Criteria**

- Concise summary of proposed activities
- Administrative and programmatic capacity
- Geographic location
- Reasonableness and effectiveness of program design
- Need for the program in the geographic area
- Need for State funding by the program
- Reasonableness of the budget and budget narrative

*Criteria must be met for application to be reviewed

**Points will be awarded depending on how well each criteria is addressed in application.

Notice of RFP. RFP's are sent to all current Office of Economic Opportunity homeless programs grantees, all Continuum of Care Committees throughout the state, and all other interested parties who have contacted OEO during the course of the year and express interest in the homeless program funding. This group of organizations includes local units of government, community based and faith based organizations. DHS also publishes the RFP in the State Register and posts the RFP on the DHS website

Leveraging. The state will provide the required amount of matching funds in Transitional Housing Program funding and in Emergency Services Program funding These state provided funds should also be considered as leverage.

Awards Adjustment if Funding is More or Less than Initially Estimated

If the amount or ESG funds actually received are more or less than the amount of funding originally estimated in the initial fund allocation, the DHS will adjust awards as follows:

If a greater or lesser amount of funding is received, the review committee will reconvene and will adjust awards to the proposals that received funding.

Homelessness Prevention and Rapid Rehousing Program

Homelessness Prevention and Rapid Rehousing Program (HPRP) funding has been awarded to 31 grantees in non-entitlement areas for ESG for the time period of October 1, 2009 through September 30, 2011 for the following activities: Requests to extend the grant period will be entertained on a case by case basis.

Homelessness Prevention

Financial assistance and stabilization services to keep singles, families or unaccompanied youth at imminent risk of becoming homeless in their current living situation, **OR**

Financial assistance and relocation and stabilization services to re-house singles, families or unaccompanied youth who are at imminent risk of becoming homeless.

Funds are being used for:

- Up to six months rental and utility arrears (if payment enables program participant to remain in that housing unit, or move to another unit ;)
- Temporary rental and utility assistance up to 18 months (including any arrears);
- Moving costs, including up to three months storage fees, but excluding furnishings
- Motel vouchers up to 30 days if no appropriate shelter beds are available and subsequent rental housing has been identified but is not yet available for move-in; and,
- Housing relocation and stabilization services designed to assist people in maintaining or obtaining stable housing

Rapid Re-Housing

Financial assistance and relocation and stabilization services to re-house singles, families or unaccompanied youth who meet HUD's definition of homelessness: (see Target Population below).

Funds are being used for:

- Up to six months rental and utility arrears (if payment enables program participant to move to another unit ;)
- Temporary rental and utility assistance up to 18 months (including any arrears);
- Moving costs, including up to three months storage fees, but excluding furnishings
- Motel vouchers up to 30 days if no appropriate shelter beds are available and subsequent rental housing has been identified but is not yet available for move-in; and,
- Housing relocation and stabilization services designed to keep people in housing

§91.320(k)(4) HOPWA

Minnesota Housing will award its HOPWA allocation to continue its program of temporary emergency rent, mortgage, and utility assistance for persons and families with HIV/AIDS by extending the funding of the Minnesota AIDS Project, which provides this assistance outside the EMSA.

The state anticipates that 150 household will be assisted in the 2010 program year.

§91.330 Monitoring

Minnesota Housing

Rental Programs

Minnesota Housing will monitor HOME Rental Rehabilitation and HOME Rental Capital properties for compliance by annually requiring owners to submit tenant income and rent information for review for compliance with HOME regulations. Minnesota Housing multifamily division staff will physically inspect each property at least as frequently as required by 24 CFR §92.504(d) for compliance with property standards and to verify the accuracy of information owners submitted regarding tenant incomes and rents, and continued use of a HOME-eligible lease form.

Minnesota Housing employs a “HOME Rental Rehabilitation Loan Program Compliance Manual” that it provides to owners and management agents of HOME-assisted rental properties. Minnesota Housing has not yet implemented the HOME Rental Capital program, but a similar compliance manual will be employed in that program as well. The manual covers all HOME compliance issues, including leases, rents, incomes, maintaining unit mix, affirmative marketing, and property standards.

Minnesota Housing has completed development of and has implemented a “Compliance Monitoring System” for tracking required submissions from owners, instances of non-compliance, and reporting on whether compliance is achieved. The system is automated with pre-determined times for follow-up reminders to staff to complete identified tasks and jobs according to the required schedule, reporting to managers when internal standards for correcting non-compliance are not met, and automatic notices to owners and property managers when non-compliance is found.

Downpayment Assistance

Minnesota Housing monitors compliance in its HOME Help program by reviewing each downpayment assistance file for eligibility before funding it, and annually reviewing the performance of each lender that originates the loans. Results of each lender review are shared with the lender, both verbally and in writing. Areas requiring improvement and strategies for performance improvement are discussed with the lender.

The Agency’ staff will monitor the work of each of its contract inspectors by re-inspecting a sample of homes, but no fewer than one house per contract inspector. The size of the re-inspection sample for each contract inspector will depend on the outcome of re-inspections previously conducted. In addition to this re-inspection protocol, each inspection is reviewed by Agency staff to ensure that visual assessments of paint are conducted for properties that are built before 1978, that if paint stabilization is required a clearance examination demonstrates clearance, and that items identified as deficient in the initial inspection are indicated as corrected in the follow-up inspection report. This review is completed before HOME funds are committed and disbursed.

CHDO Operating Support

Minnesota Housing will review a CHDO’s compliance with the HOME regulation’s definition of CHDO before entering into a written agreement for operating support. Monitoring will occur as invoices are received to ensure that operating costs charged to the program are only for the purposes identified in the CHDO’s application, and do not include costs associated with a project that has received CHDO set-aside funds or costs incurred as an administrator in any HOME program.

Single-Family Rehabilitation Loan Program

All loan documents and verifications are submitted to Minnesota Housing for review for compliance before HOME funds are committed. Loans are reviewed for:

- HOME compliance;
- Minnesota Housing program/policy compliance;
- Fraud or misrepresentation on the part of any party involved in the transaction; and
- Trends and/or other indicators that may have an impact on the financial viability of the loan program in part or in whole.

This will occur via a four stage loan review process throughout the life of the loan origination, rehabilitation and loan purchase approval process, specifically:

- The first stage will be the environmental review;
- The second stage will be at time of loan commitment;
- The third stage will be half way through rehabilitation; and
- The fourth stage will be upon completion of the rehabilitation and before loan purchase approval.

In addition to a complete review of each loan file for compliance with program requirements, Rehabilitation Loan Program Lenders will be monitored on a regular basis. Lenders will be selected for monitoring based on an annual risk analysis, which includes these variables:

- Loan Volume,
- Number of findings during loan review,
- Communication status,
- Staff turnover;
- Last time monitored; and,
- Outcome of last monitoring visit.

Based on this risk analysis, the goal is to monitor five lenders a year. There are currently 44 lenders enrolled in the program, 23 of which are active.

Monitoring will include, but is not limited to:

Ensuring Lenders maintain capital and trained personnel adequate to render the services required as a part of the Lender's participation in the Program;

Ensuring Lenders maintain loan program records;

Ensuring Lenders maintain appropriate insurance coverage; and

Site visits to rehabilitated properties assisted by the Rehabilitation Loan Program.

Errors in any aspect of the loan origination and documentation processes are communicated to lenders as they are identified by Agency staff and must be corrected before the loans are purchased by Minnesota Housing. On-site monitoring results are documented by Agency staff and provided in writing to the appropriate staff at the originating lender's office.

For HOPWA capital projects, monitoring consists of:

- 1) Owners annual submission of a Deferred Loan Owner Certification and Characteristics of Tenant Household Report.
- 2) Property inspections per our Board-approved inspection cycle unless they have compliance issues that require more frequent inspections. The inspection cycle is every two years for properties with \$500,000 or more of deferred loan financing; every five years for deferred loan amounts greater than \$100,000 and less than \$500,000; and every 10 years for deferred loans of \$100,000 or less, unless the property also received Low-Income Housing tax Credits, in which case the property is inspected according to the Tax Credit schedule.

Inspection includes a physical inspection of the property, tenant file review to conform eligibility, and HOPWA Development Review using the checklist that covers whether there are service plans in place; whether HOPWA residents receive the services offered to them; if any adverse actions have been taken against residents since the last HOPWA review; if residents were terminated from the program, review evidence of due process that was provided the tenants; and compliance with audit and record retention requirements.

Monitoring of emergency rent and mortgage assistance includes:

1. Monthly review of administrative budget, production, and utilization of funding.
2. Evidence that the grantee is collecting appropriate demographic data.
3. Biennial site visits to the grantee to review the following:
 - Policies and procedures
 - Compliance with audit and data practices requirements
 - Documentation of compliance with time limits for assistance
 - Documentation of all aspects of tenant eligibility
 - Documentation that each participant was provided an opportunity to receive case management services
 - Source documentation of rental, mortgage, or utility expense

SCDP(not Economic Development or Microenterprise)

Grant Funds

There are two forms of monitoring which are conducted by SCDP staff, Onsite and Desk.

Onsite:

All monitoring aspects are conducted by SCDP staff based on projects in their geographical region including any new projects. Management checks each SCDP representatives monitoring schedule to ensure all monitoring are being completed.

Each grantee will be monitored through an on-site visit at least once during the term of the funding agreement. Follow-up monitoring may occur if there are significant findings of noncompliance with program requirements to ensure that problems have been corrected; or if other indicators of program noncompliance or administrative difficulties become apparent from reviews of program documents, telephone conversations, or other sources. Grantees are notified in writing prior to our monitoring visit. Once on site, an entrance meeting is conducted to discuss the monitoring process, the monitoring is then conducted and once completed an exit meeting is held to discuss the results of the monitoring. DEED staff then produces a written report of the visit to the grantee concerning the monitoring including any concerns or findings with appropriate actions and due dates that are needed to be addressed by the grantee. A monitoring checklist/guide has been developed by DEED as a tool to assist in the monitoring process. All grants are subject to monitoring to ascertain whether the activities stated within the approved application address federal objectives, are eligible activities, and if adequate progress has been made by the grantee within the time period stated in the funding agreement.

The monitoring process would include a review of a sample of files to determine:

- Meeting goals and objectives
- Actions to ensure compliance with rules and regulations
- Actions to ensure timeliness of expenditures

Desk Monitoring

Desk monitoring is conducted on an ongoing basis from start of grant until closeout. The SCDP representative reviews start up documents, ongoing activities, payments to grantees, annual reports, audits, final reporting, and closeouts reporting. Management of SCDP grants allows many opportunities to perform desk monitors.

Economic Development Loan Fund

Monitoring of economic development projects uses the same standards as those established through the state of Minnesota's CDBG competitive program.

Microenterprise

Monitoring includes the following information:

1. Disbursement of funds review
2. Review of the organization providing the assistance, who received it, the cost of the assistance provided.
3. This MAY include completed income verification forms.
4. Annual reporting
5. One site visit during the year to review record
6. Final Reporting

The annual report which will ask for a listing of the person receiving the assistance, the nature of the assistance provided, the name of the technical assistance provider, the cost of the assistance, the outcome of that assistance - esp. in terms of number of businesses started up or expanded - the number of people employed and jobs created, and information regarding any financial assistance secured as part of the business start or expansion, the DUNS number where applicable.

Emergency Shelter Grants Program

Bi-annually, Department of Human Services (DHS) Office of Economic Opportunity (OEO) staff reviews all ESGP grantees using a Grantee Assessment Tool (GAT) based on the HUD risk analysis tool. The tool has three broad areas of analysis:

- General agency information, including such factors as Executive/Fiscal Director turnover, unresolved monitoring findings, agency systems and board function.
- Program Operations including compliance and reporting issues, partnerships and linkages and the quality of programming based on monitoring.
- Fiscal Operations including Audit findings, unresolved fiscal problems, fiscal systems and procedures, program deficits and accurate reporting.

The Grantee Assessment Tool (GAT) allows DHS to determine if a grantee needs immediate attention or can receive on-site monitoring as a part of the regular bi-annual rotation. In either case, the focus of the monitoring will include any risk areas highlighted by the risk analysis tool. The regular monitoring rotation ensures that grantees are monitored at least once during every grant cycle.

Grantee concerns whether identified through the GAT process, risk analysis, or via a monitoring visit are addressed in a timely manner. Some issues must be addressed immediately while others are dealt with over time.

The on-site monitoring tool looks at the overall agency capacity and systems in place to deliver services determined through a guided discussion with program managers and direct service staff. This includes an overview of the strengths and challenges facing the community and participants, coordination and collaboration efforts, major staff or board changes, information systems, outcomes, fiscal systems, supportive service referral and board function. A random selection of participant files is reviewed for specific documentation on homelessness, data privacy, disability status, case management, follow-up and supportive services. There is a verification of homeless participation in policies and project development, ensuring that the expected number of participants is being served and timeliness of grant expenditures.

Desk monitoring including monthly fiscal reporting is provided throughout the grant period and consists of open communication and joint problem solving with grantees, analysis of monthly fiscal reports, annual audits, and required program reports.

Grantees receive a written monitoring report after the visit. Issues such as late reporting must be corrected immediately. Capacity building occurs as the field representative provides assistance to the grantee during the year. Program staff worked collaboratively with monitoring staff to develop the new monitoring instrument, which is reviewed and updated regularly.

DHS conducts a customer satisfaction survey to secure input for program improvement and development. Training and grantee meetings are held periodically as needed. The work plan, customer satisfaction survey, on-going open communication and training events provide grantees with a variety of opportunities throughout the grant period to ask questions and provide feedback.

Appendix A

Certifications

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		*2. Type of Application * If Revision, select appropriate letter(s) <input checked="" type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision *Other (Specify) _____
3. Date Received:	4. Applicant Identifier:	
5a. Federal Entity Identifier:		*5b. Federal Award Identifier:
State Use Only:		
6. Date Received by State:	7. State Application Identifier:	
8. APPLICANT INFORMATION:		
*a. Legal Name:		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 41-6007162		*c. Organizational DUNS: 804832640
d. Address:		
*Street 1:	<u>First National Bank Building</u>	
Street 2:	<u>332 Minnesota Street, Ste. E-200</u>	
*City:	<u>Saint Paul</u>	
County:	<u>Ramsey</u>	
*State:	<u>MN</u>	
Province:	_____	
*Country:	<u>United States</u>	
*Zip / Postal Code	<u>55101-1351</u>	
e. Organizational Unit:		
Department Name: Department of Employment and Economic Development		Division Name: Business and Community Development
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <u>Ms.</u>	*First Name: <u>Christine</u>	
Middle Name: _____		
*Last Name: <u>Schieber</u>		
Suffix: _____		
Title: <u>Grants Specialist</u>		
Organizational Affiliation:		
*Telephone Number: 651-259-7461		Fax Number: 651-296-1290
*Email: christine.schieber@state.mn.us		

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

11. Catalog of Federal Domestic Assistance Number:

14.228 _____

CFDA Title:

Community Development Block Grant _____

***12 Funding Opportunity Number:**

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Areas are non-entitlement cities with populations under 50,000, Counties and townships with an unincorporated population of fewer than 200,000.

***15. Descriptive Title of Applicant's Project:**

Distribution of CDBG Federal allocation for the State of Minnesota. CDBG funds will be competitively awarded to non-entitlement eligible recipients.

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

*a. Applicant: MN-004

*b. Program/Project: MN-001, MN 002, MN-007, MN-008

17. Proposed Project:

*a. Start Date:

*b. End Date:

18. Estimated Funding (\$):

*a. Federal	_____	23,000,000
*b. Applicant	_____	
*c. State	_____	400,000
*d. Local	_____	
*e. Other	_____	
*f. Program Income	_____	
*g. TOTAL	_____	23,400,000

*19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- a. This application was made available to the State under the Executive Order 12372 Process for review on _____
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E. O. 12372

*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)

Yes No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Commissioner *First Name: Dan

Middle Name: _____

*Last Name: McElroy

Suffix: _____

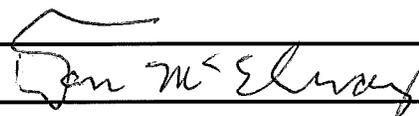
*Title: Commissioner

*Telephone Number: 651-259-7119

Fax Number: 651-296-4772

* Email: dan.mcelroy@state.mn.us

*Signature of Authorized Representative:



*Date Signed: 12-7-11

Application for Federal Assistance SF-424

Version 02

***Applicant Federal Debt Delinquency Explanation**

The following should contain an explanation if the Applicant organization is delinquent of any Federal Debt.

Applicant Assurances and Certifications

U.S. Department of Housing and Urban Development

OMB Approval No. 2501-0017
(expires 03/31/2011)

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual must provide the following assurances and certifications. By submitting this form, you are stating that to the best of your knowledge and belief, all assertions are true and correct.

As the duly authorized representative of the applicant, I certify that the applicant [Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature]:

Name: Dan McElroy Title: Commissioner
Organization: Dept. of Empl & Econ Dev. Date: 12/7/10

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.
2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR Part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).
3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR Part 8, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.
4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.
6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.
7. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

These certifications and assurances are material representations of the fact upon which HUD can rely when awarding a grant. If it is later determined that, I the applicant, knowingly made an erroneous certification or assurance, I may be subject to criminal prosecution. HUD may also terminate the grant and take other available remedies.



CPMP State Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted

in paper form to the Field Office.

- | | |
|-------------------------------------|--|
| <input type="checkbox"/> | This certification does not apply. |
| <input checked="" type="checkbox"/> | This certification is applicable. See signature on the last page. |

STATE CERTIFICATIONS

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

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

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

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

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about --
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will --
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted --
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

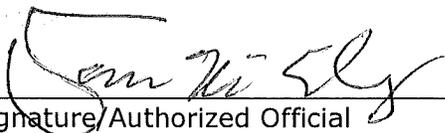
Anti-Lobbying -- To the best of the state's knowledge and belief:

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

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

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

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



Signature/Authorized Official

12-7-10
Date

Dan McElroy
Name
DEED Commissioner
Title
332 Minnesota Street Suite 200
Address
St. Paul, MN 55101
City/State/Zip
651-259-7114
Telephone Number

- This certification does not apply.
 This certification is applicable. See signature on the last page.

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

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

1. Maximum Feasible Priority - With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit - The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2011, 2n/a, 2n/a, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments - The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital

Jurisdiction

costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

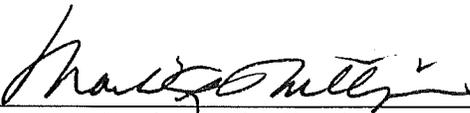
It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an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

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

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

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



 Signature/Authorized Official

02/10/2011

 Date

Mark Phillips

Name

DEED Commissioner

Title

332 Minnesota Street Suite E200

Address

St. Paul, MN 55101

City/State/Zip

651-259-7114

Telephone Number

- This certification does not apply.
 This certification is applicable. See signature on the last page.

APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

Lobbying Certification

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

Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: Place of Performance (Street address, city, county, state, zip code) Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

Place Name	Street	City	County	State	Zip
DEED	332 Minnesota St	St. Paul	Ramsey	MN	55101
Dept of Human Services	444 Lafayette St	St. Paul	Ramsey	MN	55155
Minnesota Housing	400 Sibley St	St. Paul	Ramsey	MN	55101

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules: "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant,

Jurisdiction

including:

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

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

1. Analysis of Impediments to Fair Housing
2. Citizen Participation Plan
3. Anti-displacement and Relocation Plan


Signature/Authorized Official

12-7-2010
Date

Dan McElroy

Name

DEED Commissioner

Title

332 Minnesota Street Suite 200

Address

St. Paul, MN 55101

City/State/Zip

651-259-7114

Telephone Number

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		*2. Type of Application * If Revision, select appropriate letter(s) <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision *Other (Specify) _____
3. Date Received:	4. Applicant Identifier:	
5a. Federal Entity Identifier:		*5b. Federal Award Identifier:
State Use Only:		
6. Date Received by State:	7. State Application Identifier:	
8. APPLICANT INFORMATION:		
*a. Legal Name: Minnesota Housing Finance Agency		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 41-1599130		*c. Organizational DUNS: 878895093
d. Address:		
*Street 1:	<u>400 Sibley Street, Suite 300</u>	
Street 2:	_____	
*City:	<u>St. Paul</u>	
County:	<u>Ramsey</u>	
*State:	<u>MN</u>	
Province:	_____	
*Country:	<u>US</u>	
*Zip / Postal Code	<u>55101</u>	
e. Organizational Unit:		
Department Name: Minnesota Housing Finance Agency		Division Name:
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix:	<u>Mr</u>	*First Name: <u>James</u>
Middle Name:	<u>Andrew</u>	
*Last Name:	<u>Cegla</u>	
Suffix:	_____	
Title:	<u>Director of Federal Affairs</u>	
Organizational Affiliation:		
*Telephone Number: 651-297-3126	Fax Number: 651-296-8139	
*Email: <u>jim.cegla@state.mn.us</u>		

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.241

CFDA Title:

Housing Opportunities for Persons with AIDS

***12 Funding Opportunity Number:**

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

State of Minnesota

***15. Descriptive Title of Applicant's Project:**

Emergency housing assistance

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

*a. Applicant: MN-004

*b. Program/Project: MN-001, MN-002, MN-006,

17. Proposed Project:

*a. Start Date: Oct. 1, 2010

*b. End Date: Sept. 30, 2015

18. Estimated Funding (\$):

*a. Federal	_____	\$138,000
*b. Applicant	_____	
*c. State	_____	
*d. Local	_____	
*e. Other	_____	
*f. Program Income	_____	
*g. TOTAL	_____	\$138,000

*19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- a. This application was made available to the State under the Executive Order 12372 Process for review on _____
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E. O. 12372

*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)

Yes No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Mr. *First Name: Daniel

Middle Name: M.

*Last Name: Bartholomay

Suffix: _____

*Title: Commissioner

*Telephone Number: 651-296-5738

Fax Number: 651-296-8139

* Email: dan.bartholomay@state.mn.us

*Signature of Authorized Representative:

*Date Signed: Dec. 2, 2010

Application for Federal Assistance SF-424

Version 02

*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	*2. Type of Application * If Revision, select appropriate letter(s) <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision *Other (Specify) _____
--	---

3. Date Received:	4. Applicant Identifier:
-------------------	--------------------------

5a. Federal Entity Identifier:	*5b. Federal Award Identifier:
--------------------------------	--------------------------------

State Use Only:

6. Date Received by State:	7. State Application Identifier:
----------------------------	----------------------------------

8. APPLICANT INFORMATION:

*a. Legal Name: Minnesota Housing Finance Agency

*b. Employer/Taxpayer Identification Number (EIN/TIN): 41-1599130	*c. Organizational DUNS: 878895093
--	---------------------------------------

d. Address:

*Street 1: 400 Sibley Street, Suite 300
Street 2: _____
*City: St. Paul
County: Ramsey
*State: MN
Province: _____
*Country: US
*Zip / Postal Code 55101

e. Organizational Unit:

Department Name: Minnesota Housing Finance Agency	Division Name:
--	----------------

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr *First Name: James
Middle Name: Andrew
*Last Name: Cegla
Suffix: _____

Title: Director of Federal Affairs

Organizational Affiliation:

*Telephone Number: 651-297-3126 Fax Number: 651-296-8139

*Email: jim.cegla@state.mn.us

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.239 _____

CFDA Title:

HOME Investment Partnerships Program _____

***12 Funding Opportunity Number:**

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

State of Minnesota

***15. Descriptive Title of Applicant's Project:**

Rehabilitation of rental and homeownership properties, and homeownership opportunities

Jurisdiction

This certification does not apply.
 This certification is applicable. See signature on the last page.

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

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

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



Signature/Authorized Official

Dec. 2, 2010
Date

Daniel M. Bartholomay

Name

Commissioner

Title

400 Sibley St, Suite 300

Address

Saint Paul, MN 55101

City/State/Zip

651-296-5738

Telephone Number

Jurisdiction

- This certification does not apply.
 This certification is applicable. See signature on the last page.

HOPWA Certifications

The State HOPWA grantee certifies that:

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

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

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.


Signature/Authorized Official

Dec. 2, 2010
Date

Daniel M. Bartholomay

Name

Commissioner

Title

400 Sibley Street, Suite 300

Address

Saint Paul, MN 55101

City/State/Zip

651-296-5738

Telephone Number

Application for Federal Assistance SF-424

Version 02

*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	*2. Type of Application * If Revision, select appropriate letter(s) <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision *Other (Specify) _____
--	---

3. Date Received:	4. Applicant Identifier:
--------------------------	---------------------------------

5a. Federal Entity Identifier:	*5b. Federal Award Identifier:
---------------------------------------	---------------------------------------

State Use Only:

6. Date Received by State:	7. State Application Identifier:
-----------------------------------	---

8. APPLICANT INFORMATION:

***a. Legal Name:** Minnesota Department of Human Services

*b. Employer/Taxpayer Identification Number (EIN/TIN): 41-6007162	*c. Organizational DUNS: 80-389-4203
---	--

d. Address:

***Street 1:** 444 Lafayette Road
Street 2: _____
***City:** Saint Paul
County: Ramsey
***State:** MN
Province: _____
***Country:** United States
***Zip / Postal Code** 55155

e. Organizational Unit:

Department Name: Minnesota Department of Human Svices	Division Name: Community Partnerships
---	---

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr. ***First Name:** Patrick
Middle Name: Thomas
***Last Name:** Leary
Suffix: _____

Title: Homeless Program Specialist

Organizational Affiliation:

***Telephone Number:** 651-431-3824 **Fax Number:** 651-431-7509

***Email:** pat.leary@state.mn.us

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**

A.State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

U.S Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-231 _____

CFDA Title:

Emergency Shelter Grants Program _____

***12 Funding Opportunity Number:**

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

State of Minnesota

***15. Descriptive Title of Applicant's Project:**

Emergency Shelter Grants Program

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

*a. Applicant: Statewide

*b. Program/Project: Statewide

17. Proposed Project:

*a. Start Date: 7/1/2011

*b. End Date: 6/30/2012

18. Estimated Funding (\$):

*a. Federal	_____	\$1,240,248
*b. Applicant	_____	
*c. State	_____	\$1,240,248
*d. Local	_____	
*e. Other	_____	
*f. Program Income	_____	
*g. TOTAL	_____	\$2,480,496

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on _____
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

- Yes No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Director *First Name: Connie

Middle Name: _____

*Last Name: Greer

Suffix: _____

*Title: Director, Office of Economic Opportunity

*Telephone Number: 651-431-3810

Fax Number: 651-431-7509

* Email: connie.greer@state.mn.us

*Signature of Authorized Representative: 

*Date Signed: 12/2/10

ESG Certifications

The Emergency Shelter Grantee certifies that:

Major rehabilitation/conversion -- It will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the jurisdiction plans to use funds for rehabilitation (other than major rehabilitation or conversion), the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services and Operating Costs -- Where assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

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

Supportive Services -- It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance.

Matching Funds -- It will obtain matching amounts required under 24 CFR 576.51.

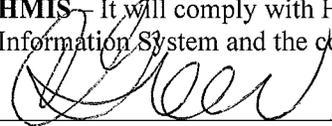
Confidentiality -- It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement -- To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, operating facilities, and providing services assisted through this program.

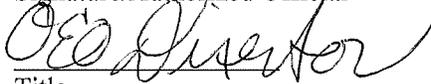
Consolidated Plan -- It is following a current HUD-approved Consolidated Plan or CHAS.

Discharge Policy ---- It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

HMIS -- It will comply with HUD's standards for participation in a local Homeless Management Information System and the collection and reporting of client-level information.


Signature/Authorized Official

12/2/10
Date


Title

Appendix to the Certifications, Item #6.

Minnesota Housing has a list of Rehabilitation Loan Program and HOME Help lenders at its office at 400 Sibley Street, St. Paul, MN 55101.

HOPWA funds are allocated to the Minnesota AIDS Project, 1400 Park Ave., Minneapolis, MN 55404.

DEED's CDBG non-entitlement will not award grants until spring 2011. Once grant are awarded, DEED will maintain a list at the office of Minnesota Department of Economic Development 1st National Bank Building, 322 Minnesota Street, Suite E-200, Saint Paul, MN 55101.

The Department of Human Services has awarded the 2011 grants for ESG. The department will maintain a list of administrators in the office of The Department of Human Services, 444 Lafayette Road, Saint Paul, MN 55155.

Appendix B

Key Persons

Contact information for the Action Plan

12/15/2009

CAPER-Minnesota Housing

Heidi Whitney

651-296-9843

heidi.whitney@state.mn.us

Minnesota Housing

Jim Cegla

400 Sibley St. Ste 300

St. Paul, MN 55101

651-297-3126

jim.cegla@state.mn.us

Department of Human Services

Community Based Partnerships

Pat Leary

444 Lafayette Rd.

St. Paul, MN 55155

651-431-3824

pat.leary@state.mn.us

DEED-CDBG

Christine Schieber

332 Minnesota Street Suite 200

St. Paul, MN 55101

651-259-7461

Christine.schieber@state.mn.us

Appendix C
Public Notices

Official Notices

Department of Employment and Economic Development (DEED) Minnesota Housing Finance Agency (MHFA) Minnesota Department of Human Services (DHS) Notice of Public Hearings and Draft Availability of the 2011 Action Plan of the State of Minnesota's 2007-2011 Consolidated Housing and Community Development Plan and Consolidated Annual Performance and Evaluation Report (CAPER) for 2010

The State of Minnesota announces its process for developing its 2011 Action Plan of the 2007-2011 Consolidated Housing and Community Development Plan (Consolidated Plan), and the 2010 Consolidated Annual Performance and Evaluation Report (CAPER). The State encourages citizens to attend the public hearings and review and comment on the draft reports.

The Consolidated Plan is a report that the State submits annually to the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing and community development funding through the Community Development Block Grant (CDBG), HOME Investment Partnerships, Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs. The Consolidated Plan examines the housing and community development needs of the State, sets priorities for allocation of the HUD funds, and establishes an annual Action Plan for meeting current and future needs in the coming year.

The State submits its CAPER to HUD annually as one of the conditions of receiving federal funds under the programs identified above. The CAPER provides information to measure the State's progress during the past year in meeting assistance goals and priorities identified in the Consolidated Plan. The CAPER includes a summary and analysis of progress made on identified actions that State agencies have elected to undertake to affirmatively further fair housing and overcome impediments to fair housing.

The State will hold its first public hearing about the Action Plan on Monday, September 27, 2010, to gather citizen input on housing and community development needs and how federal funding should be allocated in the State. The hearing will be held at 4:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, E200 St. Paul.

A second public hearing on the Action Plan will be held on Monday, November 18, 2010. This public hearing will be for review and comment on the draft Action Plan and will be held at 4:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, E200 St. Paul. Call: 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900 for more information about these hearings.

Drafts of the 2011 Action Plan and the CAPER for 2010 will be available for public review and comment between October 18, 2010, and the close of business November 19, 2010. The draft Action Plan and CAPER will be available on the Internet at:

www.mnhousing.gov and www.deed.state.mn.us

and in state depositories identified in the Citizen Participation Plan, which may be viewed at the same Internet locations. Hard copies of the Action Plan can be obtained by calling Gloria Stiehl, Department of Employment and Economic Development, 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900. Hard copies of the CAPER can be obtained by calling Minnesota Housing Finance Agency at 1-800-657-3769 or (651) 296-7608, or TTY (651) 297-2361.

Written public comments on the Action Plan can be submitted to:

Action Plan, Attn: Gloria Stiehl
Minnesota Department of Employment and Economic Development
First National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351

Written comments may also be submitted by fax to (651) 296-1290 or by email to gloria.stiehl@state.mn.us. To ensure consideration of your comments, type "Action Plan" in the subject line of your e-mail.

Official Notices

Written public comments on the 2010 CAPER can be submitted to:

CAPER
Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
St. Paul, MN 55101

Written comments may also be submitted by fax to (651) 296-8139 or by e-mail to mn.housing@state.mn.us. To ensure consideration of your comments, type "CAPER" in the subject line of your e-mail.

The Action Plan and CAPER will be submitted to HUD on or before December 30, 2010. The State will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments and the State's responses will be included in the final Action Plan.

Minnesota Department of Human Services (DHS)

Minnesota Board on Aging

CANCELLATION of Alzheimer's Disease Working Group Meeting Previously Announced for September 14, 2010

NOTICE IS HEREBY GIVEN that the meeting of the Alzheimer's Disease Working Group, established by *Laws of Minnesota 2009*, Chapter 159, Section 110, will NOT be held from 2:30 to 4:30 p.m. Tuesday, September 14, 2010 as previously announced. A replacement meeting will be posted at a later time.

For additional information, please call John Selsted at (651) 431-2558.

Minnesota Board of Nursing

REQUEST FOR COMMENTS on Possible Amendment to and Repeal of Rules Governing Professional and Practical Licensure, Professional and Practical Registration, *Minnesota Rules*, Chapters 6305 and 6310

- Chapter 6305
 - Definitions
 - Purpose and Authority
 - Authorization to Practice Nursing
 - Requirements for Licensure by Examination
 - Requirements for Licensure Without Examination
 - Application Nullification
- Chapter 6310
 - Definitions
 - Purpose
 - Registration Renewal Requirements
 - Fetal Alcohol Education
 - Registration Renewal Procedures
 - Substantiation of Participation in Continuing Education
 - Reregistration Requirements
 - Reregistration Procedures
 - Change of name and Address on Records
 - Duplicate and Replacement Documents
 - Verification of Minnesota License
 - Registration Fees
 - Dishonored Checks

STATE OF MINNESOTA

Department of Employment and Economic Development

Minnesota Housing Finance Agency

Minnesota Department of Human Services

NOTICE OF PUBLIC HEARINGS AND DRAFT AVAILABILITY

2011 ACTION PLAN OF THE STATE OF MINNESOTA'S 2007-2011 CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN AND CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR 2010

The State of Minnesota announces its process for developing its 2011 Action Plan of the 2007-2011 Consolidated Housing and Community Development Plan (Consolidated Plan), and the 2010 Consolidated Annual Performance and Evaluation Report (CAPER). The State encourages citizens to attend the public hearings and review and comment on the draft reports.

The Consolidated Plan is a report that the State submits annually to the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing and community development funding through the Community Development Block Grant (CDBG), HOME Investment Partnerships, Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs. The Consolidated Plan examines the housing and community development needs of the State, sets priorities for allocation of the HUD funds, and establishes an annual Action Plan for meeting current and future needs in the coming year.

The State submits its CAPER to HUD annually as one of the conditions of receiving federal funds under the programs identified above. The CAPER provides information to measure the State's progress during the past year in meeting assistance goals and priorities

identified in the Consolidated Plan. The CAPER includes a summary and analysis of progress made on identified actions that State agencies have elected to undertake to affirmatively further fair housing and overcome impediments to fair housing.

The State will hold its first public hearing about the Action Plan on Monday, September 27, 2010, to gather citizen input on housing and community development needs and how federal funding should be allocated in the State. The hearing will be held at 4:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, Suite E200, St. Paul.

A second public hearing on the Action Plan will be held on Thursday, November 18, 2010. This public hearing will be for review and comment on the draft Action Plan and will be held at 4:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, St. Paul. Call 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900 for more information about these hearings.

Drafts of the 2011 Action Plan and the CAPER for 2010 will be available for public review and comment between October 18, 2010, and the close of business November 19, 2010. The draft Action Plan and CAPER will be available on the Internet at www.mnhousing.gov and www.deed.state.mn.us and in state depositories identified in the Citizen Participation Plan, which may be viewed at the same internet locations. Hard copies of the Action Plan can be obtained by calling Gloria Stiehl, Department of Employment and Economic Development, 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900. Hard copies of the CAPER can be obtained by calling Minnesota Housing Finance Agency at 1-800-657-3769 or (651) 296-7608, or TTY (651) 297-2361.

Written public comments on the Action Plan can be submitted to:

Action Plan, Attn: Gloria Stiehl
Minnesota Department of Employment
and Economic Development
First National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351

Written comments may also be submitted by fax to (651) 296-1290 or by email to gloria.stiehl@state.mn.us. To ensure consideration of your comments, type "Action Plan" in the subject line of your e-mail.

Written public comments on the 2010 CAPER can be submitted to:

CAPER
Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
St. Paul, MN 55101

Written comments may also be submitted by fax to (651) 296-8139 or by email to mn.housing@state.mn.us. To ensure consideration of your comments, type "CAPER" in the subject line of your e-mail.

The Action Plan and CAPER will be submitted to HUD on or before December 30, 2010. The State will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments and the State's responses will be included in the final Action Plan.

From: Minnesota Housing [Mn.Housing@state.mn.us]
Sent: Thursday, September 23, 2010 4:13 PM
To: Jim.Cegla@state.mn.us
Subject: Notice of Public Hearing and Draft Action Plan and Consolidated Annual Performance and Evaluation Report

If you're having trouble viewing this email, you may [see it online](#).

Share This: 



Minnesota Housing eNews Alert

September 23, 2010

Notice of Public Hearing and Draft Action Plan and Consolidated Annual Performance and Evaluation Report

Minnesota Housing, the Department of Employment and Economic Development, and the Department of Human Services announce a public hearing to receive comments on the State's housing and community development needs on September 27, 2010. The hearing will be held at 4:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, Suite E200, St. Paul.

Written or verbal comments received will be taken into consideration when the State drafts its 2011 Action Plan as part of the State's application to receive funding for the CDBG, HOME, HOPWA, and ESG programs.

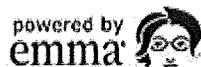
The draft Action Plan and Consolidated Annual Performance and Evaluation Report will be available after October 15 with instructions on how to comment on either report on the [Minnesota Housing website](#). We encourage you to read the documents and submit comments, either in writing or at the public hearing on November 18, 2010.

Minnesota Housing
400 Sibley Street, Suite 300 | Saint Paul, MN 55101
<http://www.mnhousing.gov/contact/enews/> | 651.296.7608 or 1.800.657.3769 | mn.housing@state.mn.us

This email was sent to jim.cegla@state.mn.us. To ensure that you continue receiving our emails, please add us to your address book or safe list.

[manage](#) your preferences | [Opt Out](#) of all mailings from Minnesota Housing using **TrueRemove**®

Got this as a forward? [Sign up](#) to receive our future emails.



October 13, 2010

To: Selected Depositories

From: Minnesota Department of Employment and Economic Development
Minnesota Housing Finance Agency
Minnesota Department of Human Services

Re: Drafts of the 2011 Action Plan of the Minnesota Consolidated Plan and State of Minnesota's Consolidated Annual Performance and Evaluation Report (CAPER) for FFY 2010

The State of Minnesota is requesting public comment on its draft of the 2011 Action Plan of the Minnesota Consolidated Plan. The Consolidated Plan is a report of the state's planning and application process for federal housing and community development block grant funds, which currently covers the five-year period of 2007-2011.

Each year, the state must update and submit to U.S. Department of Housing and Urban Development (HUD) the Action Plan of the Consolidated Plan. The draft 2011 Action Plan is attached. Please include a copy of this page with the Action Plan so observers have an opportunity to make comments.

The Action Plan will be available for public comment from October 18th, 2010 through November 19th, 2010. Public comments may be submitted to:

Consolidated Plan, Attn: Gloria Stiehl
MN Department of Employment and Economic Development
1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101

Comments may also be submitted by e-mail to Gloria Stiehl at: gloria.stiehl@state.mn.us. To ensure consideration of your comments, you need to type "2011 Action Plan" in the subject line of your e-mail.

According to the Citizen Participation Plan for the process, the draft will be available for public review at selected depositories throughout the state. We would appreciate your keeping the draft 2011 Action Plan available to the public until the end of the day, November 19th, 2010. To obtain additional copies of the 2011 Action Plan or for more information about the report, please visit the web sites at http://www.positivelyminnesota.com/Government/Financial_Assistance/Community_Development_Funding/Small_Cities_Development_Program_6.aspx or <http://www.mnhousing.gov/news/reports/index.aspx> or contact us at 651-259-7462.

Business and Community Development Division

1st National Bank Building ■ 332 Minnesota Street, Suite E200 ■ Saint Paul, MN 55101-1351 USA ■ www.positivelyminnesota.com

Toll Free: 800-657-3858 ■ Phone: 651-259-7114 ■ Fax: 651-296-5287 ■ TTY/TDD: 651-296-3900

An equal opportunity employer and service provider.

October 13, 2010

Page Two

Enclosed also is a draft of Minnesota's Consolidated Annual Performance and Evaluation Report (CAPER) for federal fiscal year 2010. The CAPER is a report submitted, annually, to the U.S. Department of Housing and Urban Development as part of the state's planning and application process for federal housing and community development block grant funds.

According to the Citizen Participation Plan for the housing and community development planning process, this draft must be available for public review, including at selected depositories throughout the state. We ask that you keep this draft CAPER report in your office or library and make it available to the public, upon request, from October 18, 2010 through the end of the day November 19, 2010. Please include a copy of this page with the CAPER so observers have an opportunity to make comments.

Interested parties also may obtain copies of the CAPER by visiting the Minnesota Housing Finance Agency's (MHFA) website at <http://www.mnhousing.gov/news/reports/index.aspx> or the DEED website at http://www.positivelyminnesota.com/Government/Financial_Assistance/Community_Development_Funding/Small_Cities_Development_Program_6.aspx or by contacting the MHFA at 1-(800)-657-3769, (651) 296-7608, or TTY (651) 297-2361. The public may submit written comments on the CAPER report during this time to:

Minnesota Housing Finance Agency
400 Sibley Street, Suite 300
St. Paul, MN 55101

Comments may also be sent by fax to (651) 296-8139 or by email to mn.housing@state.mn.us. To ensure consideration of comments, type "CAPER" in the subject line of the e-mail.

Thank you for your cooperation in keeping this report available to the public during the required public comment period.

MN Department of Employment and Economic Development
1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351

Appendix D

Citizen Participation

**Small Cities Development Program
Bemidji Implementation Workshop
Tuesday, April 27, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Almendinger	Mary	Bemidji, Hackensack	✓
Bjorgen	Paul	Riverton	
Bolland	Erin	Alexandria	✓
Buchanan	Ken	Winger, McIntosh	✓
Entwistle	Harry	Bemidji, Hackensack	✓
Flathers	Tim	Bemidji, Park Rapids	✓
Grabko	Nancy	Lake and Cook County	✓
Harbott	Heather	Winger, McIntosh	✓
Haugen	Terry	Bemidji, Hackensack	
Herschbach	Dana	Kootasca	✓
Hiltunen	Dana	Lake and Cook County	✓
Leverson	Gail	Hackensack/Walker	✓
Meixner	Jackie	Bemidji	✓
Thurlow	Stan	Bertha	✓
Thurlow	Una/Mae	Bertha	
Wynne	Irene	Bow, Newfollen, Alvarado	✓

**Small Cities Development Program
Bemidji Implementation Workshop
Tuesday, April 27, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Wynne	John		
Zahorik	Scott	Squaw Lake	✓
Skeie-Crane	Dawn	Winger	✓
Swerson	Teresa	McIntosh	✓
Hayer	Alan	NWCA	✓
Frohrig	Jennifer	Winger	✓
Buchanan	Ken	McIntosh	✓
Bjorkgren	Pete	Riverston	

**Small Cities Development Program
St. Cloud Implementation Workshop
Wednesday, April 28, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Anderson	Jeremy	Brandon	
Berry	Darla	New York Mills	✓
Bjorklund	Susan	Pelican Rapids, New Your Mills	✓
Bouta	Michelle	Appleton	✓
Christenson	Dennis	Pelican Rapids, New Your Mills	✓
Colberg	Justin	Lindstrom	✓
Duenow	Kim	Clay County	✓
Eng	Christopher	Lindstrom	✓
Flemming	Judy	Hutchinson	✓
Folsom	Dan	Brandon	✓
Grommesh	Deb	Brandon	✓
Gruber	Anna	Pierz	✓
Hemmesch	Deanna	Pierz	
Johnson Holzer	Chvale Mary	Perham Perham	✓
Hoy	Sally	Braham	✓
Johnson	Deb	Lindstrom	✓
Jordahl	Barb	Appleton	✓
Krebsbach Krebsbach	Jason	Pierz	✓

**Small Cities Development Program
St. Cloud Implementation Workshop
Wednesday, April 28, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Martin	Karen	Doran	✓
Meyer	Katie	Appleton	
Nathe	Greg	Alexandria	✓
Olinger	John	Lindstrom	✓
Peper	Heidi	Sauk Rapids	✓
Pritschet	John	Bertha/Hewitt and Verndale/Aldrich	✓
Sauter	Lezlie	City of Braham & Pine County	✓
Sletto	Kathy	Bertha/Hewitt and Verndale/Aldrich	✓
Thomsen	Jon	Becker County	✓
Tilbury	Arlene	Appleton	✓
Vandel	Jordan	Doran	✓
Wanek	Linda	Doran	✓
Ward	Jean	Hutchinson	✓
Zwieg	Emajean	Alexandria	✓
Babe	Corinne	Belgrade	✓
KLEVEN	CHRISTINE	MILAN	✓
Schnedele	Amanda	Stearns County	✓
ANDERSON	Jim	SCARRA	✓

Schiffman Jeff
MELEICH Cathy

DCHRA
FINN

✓

**Small Cities Development Program
Mankato Implementation Workshop
Wednesday, May 12, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Behn	Russ	MVAC	✓
Bies	Eugene	Canby	✓
Blackwelder	Linda	Canby	✓
Bokelmann	Nancy	Owatonna	✓
Budde	Vonda	Semcac	✓
Burchill	Julie	Worthington and Luverne	✓
Gladdis	Jeff	Marshall	✓
Hattendorf	Duane	Pipestone, Watonwan County	✓
Jost	Byron	Pettipiece & Associates	✓
Krage	Gerry	Semcac	✓
Kuklinski	Nancy	Winona County	✓
Kukowski	Natasha	City of Winona	✓
Kumm	Dave	MVAC	✓
LaFrance	Ted	Luverne	✓
Macgregor	Ann	MVAC	✓
McCann	Kate	Lismore	✓
McMartin	Lucy	City of Winona	✓
Mejia	Lori	Worthington and Luverne	✓
Merritt	Bonnie	Canby	✓
Moline	Steve	Le Sueur County	✓

**Small Cities Development Program
Mankato Implementation Workshop
Wednesday, May 12, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Nelsen	Dave	Perham	
Olson	Paul	Canby, Tyler, and Springfield	✓
Paulson	Maria Elena	HUD-Minneapolis Office	✓
Schultz	Judd	MVAC	✓
Schultze	Kaye	MVAC	
Sheik	Jessica	Canby, Tyler, and Springfield	✓
Sonnek	Candace	Blue Earth County	✓
Speckmeier	Lori	Worthington, Pipestone, Murray County, Luverne, Marshall, and Watonwan County	✓
Swanson	Chuck	Marshall	✓
Timmerman	Diann	Marshall	✓
Tolsma	Dan	Tyler	✓
Vitse	Cindy	Semcac	✓
Von Feldt	Jeff	Elk River	✓
Whittrock Spiedel	Jennie	Canby	✓
Yost	Kristi	Albert Lea HRA	✓

**Small Cities Development Program
Mankato Application Workshop Training
Wednesday, July 21, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Berger	Darin	Carver County CDA	✓
Bokelmann	Nancy	Owatonna HRA	✓
Budde	Vonda	Semcac	✓
Considine	John	Region 9	✓
Ehrke	Dan	Glencoe Area Chamber of Commerce	✓
Gladdis	Jeff	Western Community Action, Inc	✓
Graphenteen	Lisa	SWMHP	✓
Haley	Maggie	SWMHP	✓
Jost	Byron	Pettipiece Associates	✓
Kuklinski	Nancy	SEMMCHRA	✓
Lang	Kim	Faribault <i>not coming</i>	
Maroney	Dave	Cannon Falls <i>signed up on other sheet</i>	
Olson	Paul	DSI	✓
Pearson	Brent	Region 9	✓
Reichwald Beiswanger	Sarah	Region 9 Development Commission	
Schultz	Judd	MVAC	✓
Swanson	Chuck	Western Community Action, Inc	✓

**Small Cities Development Program
Mankato Application Workshop Training
Wednesday, July 21, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Vitse	Cindy	Semcac	✓
Vrieze	Michelle	Semcac/SEMDC	✓
M. Humpal	Mike	City of Fairmont	✓
Steve Griesert	Steve	Community Partners Research, Inc.	✓
Moline	Steve	Pettipiece	✓
Dave Moroney		Cannon Falls	-
Chuck Pettipiece	Steve	PETTIPIECE	-

**Small Cities Development Program
St. Cloud Application Workshop Training
Thursday, July 22, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Beling	Mary R.	Big Stone County HRA	
Bjorklund	Sue	Fergus Falls/Otter Tail County HRA	X
Blake	Jay	Princeton	X
Bolland	Erin	Alexandria HRA	X
Bouta	Michelle	UMVRDC	X
Christenson	Dennis	Fergus Falls/Otter Tail County HRA	X
DeCamp	Jodi	Stevens County HRA	X
Eng	Chris	Chisago HRA/EDA	✓
Jordan	George	Widseth Smith Nolting	✓
Korpela	Angela	Carlton County ED	✓
Meyer	Katie	UMVRDC	✓
Oman	Pat	Carlton County ED	✓
Peper	Heidi	S.E.H.	✓
Rasmussen	Alice	Stevens County HRA	✓
Sletto	Kathy	Sletto Consultants, Ashby, Eagle Bend	✓
Veit	Hugh	Moore Engineering	✓
^{Don} Meyerson	Don	Tri CAP Waite Park	✓
Heidi Peper		Kaggy - Colby	✓

**Small Cities Development Program
Bemidji Application Workshop Training
Tuesday, July 27, 2010**

Last Name	First Name	Representing City/County	Check if Attended
Abercrombie	Joan	Abercrombie Associates	
Edington	Tarry	Itasca County HRA	
Hofstad	Benji	Widseth Smith Nolting	✓
Jordan	George	Widseth Smith Nolting	✓
Leverson	Gail	Cass County Economic Development Corporation	
Osterman	Teri	MN Rural Water	✓
Rasmussen	Alvin	Clearwater Economic Development Organization	✓
Vogel	Amanda	International Falls	✓
Zahorik	Scott	Kootasca Community Action	✓
Coursey	Paul	WSN	✓
Edington			
Wynne	John	NWCA	✓
Wynne	Irene	Wynne Consulting	✓
EDINGTON	TARRY	ITASCA CO HRA	✓

DEED - Road Shows**Tuesday, June 22****Rochester**

8 to 11:30 a.m.

Rochester Community and Technical College

Event will be held at the Heintz Center:

1926 Collegeview Rd. SE, Room HB113

Tuesday, June 22**Fairmont**

2 to 5:30 p.m.

Southern Minnesota Educational Campus (SMEC)

115 South Park Street, Room 012

Tuesday, June 29**Marshall**

1 to 4:30 p.m.

Southwest Minnesota State University (SMSU)

1501 State Street

Wednesday, July 13**Little Falls**

1 to 4:30 p.m.

Initiative Foundation

405 First Street SE

Tuesday, July 20**Hutchinson**

8:30 a.m. to noon

Hutchinson Event Center

1005 Hwy 15 South, Plaza 15

Wednesday, July 21**Pine City**

8:30 a.m. to noon

Pine Tech Community College

900 4th Street SE

Monday, July 26**Brooklyn Park**

1 to 4:30 p.m.

North Hennepin Community College (NHCC)

7411 85th Avenue N; Science Center (SC), Rm 125

Tuesday, July 27**Fergus Falls**

1 to 4:30 p.m.

MN State Fergus Falls

Legacy Hall, 1414 College Way

Wednesday, Aug 4**Hibbing**

1 to 4:30 p.m.

Hibbing Community College

1515 E 25th Street

Thursday, Aug 5**Bemidji**

8:30 am to noon

BSU – American Indian Resource Center

1500 Birchmont Drive Northeast

Wednesday, Aug 18**Thief River Falls**

8:30 am to noon

Northland Community and Technical College

1101 Highway One E.

Rochester

Thomas	Byrne	President	Byrne & Company Limited
Tim	Clawson	Manager of Economic Development	People's Cooperative Services
Myron	White	Executive Director	Red Wing Port Authority
Bruce	Schwartzau	Associate Professor	University of Minnesota Extension
Andrew	Barbes	Business Specialist	Southeastern Minnesota Development Corporation
Andy	Welti	Representative	Minnesota House of Representatives
Ann	Lynch	Senator	Minnesota State Senate
John	Goodman	President and CEO	A-Vu Media
Gary	Evans	President and CEO	Hiawatha Broadband Communications
Cris	Gastner	Business Development Specialist	SEMDC
Rollin	Hall	Wabasha Planning Commission	Wabasha Planning Commission
John	Friedmeyer	Chairperson	Wabasha Planning Commission
Jon	Lineweaver	Past President	Wabasha Planning Commission
JOHN	GARRY	EXECUTIVE DIRECTOR	Wabasha Port Authority
Brittney	Lutfen	Business Development	DEVELOPMENT CORPORATION OF AUSTIN
Bill	Schimmel, Jr	City Administrator	HGA Architects and Engineers
Barbara	Neubauer	Finance Director	City of Stewartville
Windy	Block	City Administrator	City of Stewartville
Kim	Lang	Community Development Coordinator	City of Rushford
Lloyd	Petri	Program Coordinator	City of Faribault
Chris	Giesen	Business Development Specialist	Minnesota State College-Southeast Technical
Kay	Kuhlmann	Council Administrator	SEMDC
Mo	Amundson	Owner/Consultant	City of Red Wing
Marge	Kueth	Youth Programs Coordinator	Education-To-Careers
Jody	Schaber	Area Manager	Workforce Development, Inc.
Julie	Nigon	Manager	Workforce Development Inc.
Lucy	McMartin	Program Development Director	Rochester Adult and Family Literacy at Hawthorne
Judith	Bodway	Assistant City Manager for Economic De	City of Winona
Marlis	Knowlton	Clerk/Treasurer	City of Winona
Daniel	King	Community Development Director	City of Eyota
Mary	Blair-Hoefl	Interim City Administrator	City of Zumbrota
Neil	Jensen	City Administrator	City of Byron
Marvin	Langanki	owner	City of Zumbrota
Susan	Morrison	Program Coordinator, Registered Nurse	Marvin Langanki Vending & ATM's
Don	Supalla	President	National Alliance on Mental Illness
Romain	Dallermand	Superintendent	Rochester Community and Technical College
John	Kilian	SE MN Area Manager	Rochester Public Schools, ISD #535
Becky	Thofson	Sector Projects Manager	PTAC
Deb	Zimmer	Administrator	Workforce Development, Inc. City of Spring Valley

gloria	winter	Sr. Counselor	VRS
Gina	McGuire	Housing Occupancy Specialist	Rice County
Diane	Dingfelder	Director of Outreach & Continuing Educ:	Winona State University
Craig	Johnson	Director	Winona State University-Rochester
Trent	Dernbach	Student Success & Career Advisor	Winona State University-Rochester
Karen	Doll	EDA Director	Pine Island EDA
Jodi	Yanda	Rehabilitation Area Manager	DEED/Vocational Rehabilitation Services
Terry	Spaeth	Senior Administrative Analyst	City of Rochester
Gary	Smith	President	Rochester Area Economic Development Inc
Aaron	Reeves	City Administrator	City of Cannon Falls

Fairmount

John Roper
RICHARD TVEDTEN
Bryan Stading
Joe McCabe
Heather Gleason
Monte Rohman
Chris Pierce
Bob Gunther
Bob Wallace
Bill Hurd
Bob Hauge
Dennis Hampel
Chuck Pettipiece
Brad Potter
Stephen Pribyl
William Groskreutz
John Huisman
DeeAnna Bakken
Dennis Hampel
Rob Hammond
Molly Westman
Larry Anderson
Alan Augustin
Jeanne Witty
Russ Wille

Co. Commis
system director
Facilitator
City Manager
Assistant Director
City Clerk-Treasurer
Commercial Banking Officer
Representative
President
Owner
City Administrator
Dean
Consultant
Community Resources Planner
Chief Administrative Officer
County Commissioner
City Councilman
Executive Director
Dean
Mayor
EDA/Community Development Director
Associate VP
Executive Director
Rehabilitation Area Manager
Community Development Director

Fairbault Co.
MN STATE COLLEGES & UNIVERSITIES
Riverbend Center for Entrepreneurial Facilitation
City of St. James
SC WorkForce Council
City of Truman
First Farmers & Merchants
Minnesota House of Representatives
Fairmont Area Chamber of Commerce
William B Hurd EA
City of Lake Crystal
Minnesota West Community and Technical College
Pettipiece & Associates
I&S Group
Fairmont Medical Center - Mayo Health system
Fairbault County
City of Blue Earth
Jackson HRA
Minnesota West Community and Technical College
City of Blue Earth
City of St. James
AgStar Financial Services
SMILES Center for Independent Living
DEED/VRS
City of Saint Peter

Marshall

RuthAnn
Cathy
Greg
Steve
Larry
Duane
Bradley
Vince
Christina
Chuck
Diann
Christine
Nan
Brad
Luther
Ben
Kurk
Tammy
Dennis
Amy

Professional Business Consultant
Business Consultant
Business Development
Dr.
Commissioner
Director of Renewable Energy
Director of Community / Economic Dev
Business Development
Executive Director
Housing Programs Manager
Housing Specialist Supervisor
Grants Specialist
Deputy Director
Superintendent
Superintendent of Schools
City Administrator
EDA Coordinator
City Clerk/Treasurer
EDA Director
Economic Development Director

SW Small Business Development Center
SW MN SBDC
Enterprise Minnesota
SMSU
Lincoln County
Minnesota West Community and Technical College
City of Worthington
Development Services, Inc.
Renville County HRA/EDA
Western Community Action
Western Community Action
DEED
SW Regional Development Comm.
Dawson-Boyd Schools and Lac qui Parle Valley Schoo
Montevideo Public Schools
City of Marshall
City of Sleepy Eye, MN
City of Arco
Granite Falls EDA
Murray County

Little Falls

Gary	Walz	Planning and Development Director	City of Melrose
Peter	Birkeland	RAIN Program Manager	RAIN Source Capital
Tom	Moore	President	St. Cloud Area Economic Development Partners
Brice	Lehner	sports editor	Morrison County Record newspaper
Leslie	Dingmann	City Planner	City of Big Lake
Debra	Wallace	Field Representative	Office of Senator Al Franken
Therese	Haffner	Planning Associate	City of Sartell
Carol	Anderson	Executive Director	Community Development of Morrison County
Doris	Illies	Placement Specialist	Productive Alternatives
Erik	Warner	HOPE Housing Case Manager	Lutheran Social Service
Erik	Warner	HOPE Housing Case Manager	Lutheran Social Service
Jean	Mershon	Customized Training Representative	Central Lakes College
Christina	Nebel-Dickerson	Area Manager	PTAC
Jayne	Greeney Schill	Coordinator / Counselor	St. Cloud ISD 742
John	Kaliszewski	Partner	SWT, LLC
Greg	Bergman	Regional Director	North Central MnSBDC
Sheila	Haverkamp	Executive Director	Brainerd Lakes Area Development Corporation
John	Gunstad	Economic Development Specialist	Brainerd Lakes Area Development Corporation
Dan	Vogt	City Administrator	City of Brainerd
Deanna	Hemmesch	Community Development Director	Central Minnesota Housing Partnership, Inc.
Jason	Krebsbach	Program Manager	Central Minnesota Housing Partnership
Debora	Boelz	President/CEO	Little Falls Area Chamber of Commerce
Joan	Danielson	Central MN Regional Administrator	DEED
Tammy	Anhalt-Warner	Assistant Director of Training	St. Cloud State University
Emajean	Zwieg	Special Programs Coordinator	Douglas County HRA
Al	Doty	Representative	House of Representatives
Earl	Potter	President	St. Cloud State University
JOHN	WARD	MN STATE REPRESENTATIVE	MN HOUSE OF REPRESENTATIVES
Mona	Haag	Clerk/Treasurer	City of Eden Valley
Ross	Wagner	Economic Development Coordinator	Aitkin County
Anne	Hanson	Economic Development Coordinator	Region Five Development Commission
Lee	Miller	Economic Development Director	Region Five Development Commission
Carol	Anderson	Executive Director	Community Development Of Morrison County
todd	schultz	Community Development Director	City of Sauk Rapids
Kathy	Zavala	Executive Director	Stearns-Benton Employment & Training Council

Hutchinson

Dan	Ehrke	President	Glencoe Area Chamber of Commerce
Patrick	Brama	EDA Intern/Assistant	Hutchinson EDA
Miles	Seppelt	Economic Development Director	City of Hutchinson
Nikki	McGowan	Placement Specialist	Central MN Jobs & Training Services
Tad	Schoeppner	Business Development Manager	Doherty Staffing Solutions
Lisa	Koll	Area Director	Doherty Staffing Solutions
Bill	Corby	President	Hutchinson Area Chamber of Commerce CVB
Deb	Steiskal	Constituent Services Officer	Congresswoman Michele Bachmann
Peter	Birkeland	RAIN Program Manager	RAIN Source Capital
Jean	Ward	Executive Director	Hutchinson HRA
Cathy	Baumgartner	Workforce Development Advisor	Central Minnesota Jobs and Training Services
Craig	Johnson	President	Plumbing and Heating by Craig, Inc.
Joyce	Nyhus	Mayor	City of Buffalo Lake
Darin	Berger	Community Development Specialist	Carver County CDA
John	Sullivan	Economic Development Director	Carver County CDA
Paul	Taylor	Principal	Masters Alliance
Deb	Hess	Executive Director	Minnesota Inventors Congress
Greg	Thomas	Business Development	Enterprise Minnesota
Holly	Kreft	Community Development Director	City of Victoria
David	Nelson	Educator	U of M Extension
Army	Wilde	commissioner	Meeker County
Wally	Strand	County Commissioner	Meeker County
Jean	Spaulding	Assistant Director	Kandiyohi County & Willmar EDC
Bruce	Peterson	Director of Planning and Development	City of Willmar
Susan	Jungclaus	City Clerk/Treasurer	City of Lake Lillian
Julie	Rath	Economic Development Specialist	Redwood Area Development Corporation
Kathy	Grochow	AVP, Nonprofit Resource Specialist	Bremer Banks
Sheila	Dodge	Coordinator	Mental Health Consumer/Survivor Network
Jean	Clarke	Coordinator of Continuing Education	Minnesota State Mankato
Tom	Daggett	President	Hutchinson Manufacturing/ Nucrane
Ron	Shimanski	State Representative	House of Representatives
Tim	Zipoy	Workforce Development Advisor	Central Minnesota Jobs and Training Services
John	Hinzman	Community Development Director	City of Hastings
PAUL	MCLAUGHLIN	CITY ADMINISTRATOR	CITY OF RENVILLE
Cathy	Baumgartner	Workforce Development Advisor	Central Minnesota Jobs and Training Services
Tony	Thomann	Regional Manager	Central Minnesota Jobs and Training Services
Christie	Rock	Economic Development Coordinator	City of Nonwood Young America
Nancy	Carswell	Administrator	City of Rockford
Barbara	Hoyhtya	City Administrator	City of Hector

Heidi

Peper

Sr. Community & Economic Developn SEH

Pine City

Kathy	Arola	Counselor	Pine Technical College
Jill	Behnke	Mayor	City of Center City
Doug	Fischer	Vice President	Community Pride Bank
Ted	Herrick	Financial Advisor	Edward Jones
Steve	Odegard	Director	East Central Regional Development Commission
Peter	Birkeland	RAIN Program Manager	RAIN Source Capital
Pat	Oman	Economic Development Director	Carlton County
Angela	Korpela	Economic Development	Carlton County
Mark	Perry	City Planner/Zoning Administrator	City of Hinckley
Sue	Larson	Councilperson City of Isanti	GPS 45;93 and ECRDC
sam	griffith	city administrator	city of sandstone
Greg	Owens	President	Community Pride Bank
Beth	Thorp	City Planner	City of Mora
Jordan	Zeller	Economic Development Director	East Central Regional Development Commission
Vicki	Ostrom	Coordinator	Adult Basic Education
Christine	Bloomquist	Assistant City Administrator	City of Pine City
Jane	Robbins	Mayor	City of Pine City
Don	Howard	City Administrator	City of Pine City
Becky	Schuessler	Executive Director	City of Pine City
Frank	Christopherson	President	Pine City Area Chamber of Commerce
Bob	Thompson	CEO	UsBank
Kevin	Anderson	CEO	MINPACK, Inc.
Almon	Novak	Lead Counselor	DAKA
Lori	Koski	Vocational Coordinator	PHASE
Fred	Lyon	Customized Training	PHASE
Michele	Kirby	Employment Specialist for Disloca	Lake Superior College
Marlene	Mixa	Outreach Coordinator, CBJT Gran	Central MN Jobs& Training Services
Greg	Bergman	Regional Director	Pine Technical College
Gordy	Anderson	President / CEO	North Central MnSBDC
Chris	Eng	Executive Director	Two Harbors Area Chamber of Commerce
Jane	Foote	Executive Director	Chisago County HRA-EDA
Stan	Gustafson	Economic Development Director	HealthForce Minnesota
Raymond	Hoheisel	Executive Director	City of Cambridge
Joan	Danielson	Central MN Regional Administrato	East Central Minnesota Workforce Partnership
Kristina	Ruis	Employment Specialist	DEED
Sandra	Currie	Employment Counselor	Pine Technical College
RICHARD	TVEDTEN	system director	Employment & Training Center @ Pine Tech College
Dan	Conroy	Operations Manager	MN STATE COLLEGES & UNIVERSITIES
Tom	Willett	Economic Development Consultar	Nexen Group, Inc.

Alan	Cottingham	Planning/Development Director	City of North Branch
Bridgitte	Konrad	City Administrator	City of North Branch
Doyle	Jelsing	President	Peoples National Bank
Nathan	Johnson	City Planner	City of Pine City
Rebecca	Perrotti	Workforce Development Advisor	Central Minnesota Jobs and Training Services
Jason	Spaeth	Dean, CE/CT	Pine Technical College
Jay	Blake	Community Development Director	City of Princeton
Tim	Faust	Representative	House or Representatives

Brooklyn Park

Michael	Duchene	mr	self
Jim	Girard	Partner	Cook Hill Girard Assoc.
Brian	Paulson	Community Impact Manage	Greater Twin Cities United Way
Curtis	Jacobsen	Director of Community Dev	City of New Hope
Jim	Thares	Community Economic Dev.	City of Big Lake
Gary	Eitel	Director of Business & Dev	City of Brooklyn Center
Catherine	Mehelich	Director of Economic Devel	City of Elk River
Dennis	Sonnek	Vice President	Associated Bank
Annie	Deckert	Economic Development As	City of Elk River
Stan	Kinkead	Director of Sales	Mack Engineering
Mona	Haag	Clerk/Treasurer	City of Eden Valley
Lori	Higgins	President	MetroNorth Chamber of Commerce
Latisha	Gray	Corporate Relations Directr	North Hennepin Community College
Shanda	Osiecki	C.O.O.	Lion Precision
Craig	Boeckers	VP-Commercial Lender	Unity Bank
Sandy	Froiland	Assistant Director	Anoka County Job Training Center
Peter	Birkeland	RAIN Program Manager	RAIN Source Capital
Brittany	Psychogios-Smit	Intern	Office of Congress Woman Michele Bachmann
Julie	Quist	District Director	Congresswoman Michele Bachmann Office
Kathy	Friedrich	Director	St Cloud Technical & Community College, Customized
Jeff	Mueller	Business Growth Advisor	Enterprise Minnesota
Kathy	Tingelstad	Intergovernmental Relation	Anoka County
Robert	Schreier	Director of Community Dev	City of Brooklyn Park
Larry	Zack	Acquisitions Specialist	Velmeir Companies
Stephanie	Dean	Acquisitions Specialist	Velmeir Companies
Kevin	McGhee	Director of Construction	Velmeir Companies
Jon	Lennander	Project Manager	Velmeir Companies
Jim	Offerman	Vice President	Velmeir Companies
Mike	Chanaka	HR Director (Also Ramsey	GHS Inc.
Beth	Schaefer	Adult Education and Trainir	North Hennepin Community College
Ellen	Muller	Economic Development Me	City of Saint Paul
Jeanne	Kelsey	Housing Program Coordina	Roseville Housing and Redevelopment Authority
Deanne	DeGraft	Principal	Northeast Metro 916 Career & Technical Center
Corinne	Shepherd	Director, Talent Acquisition	Blue Cross and Blue Shield of Minnesota
dave	maroney	community development di	city of cannon falls
Charlette	pittman	mrs	workforce center
Joe	Fredkove	Director, Training & Busine	Hennepin Technical College
Mark	Nagel	Assistant City Administrator	City of Elk River
Cindy	Brooks	HR Director	Dolphin Staffing

Jill	Economic Development Int	City of Brooklyn Park
Dale	WDD Manager	DEED
Sheila	Astt. Community Developm	Columbia Heights
Scott	Community Development C	City of Columbia Heights
Shirley	Chief Executive Officer	Crest View Senior Communities
Tom	President	OI Partners - Organizational Innovations, INC.
Mary	Economic Development Co	City of Lino Lakes
Amy	Business Developer	City of Brooklyn Park
Marsha	Dean of Economic Develop	South Central College
Terrell	Business Services Manage	MN. Department of Employment and Economic Dev.
Kimberly	Economic Development Co	North St. Paul Economic Development Authority
Andrea	Consultant	Connections for Good
Jeffrey	Director of Development	City of Osseo
Greg	City Administrator	City of Osseo
Brian	Committee Administrator	MN Senate
Lee	Vice President	U.S. Bank
Nina	WFC Supervisor	Washington County
Cynthia	Director of Perkins	NHCC
Kathi	Mayor	City of New Hope
Bonnie	Business Owner/operator	B. E. P.
Karen	Community Development M	Anoka County
Suzanne	Training and Development	Hennepin Technical College
Dick	Community Development C	City of Maple Grove
Alan	City Administrator	City of Maple Grove
Stephanie	Associate Director of Caree	Globe University/MN School of Business
Jess	Dean, Workforce Developm	Minneapolis Community and Technical College
Jennifer	City Administrator	City of Clearwater
Julie	Coordinator, Career and Te	ISD 279- Osseo Area Schools
Jessica	Director of Career Services	Minnesota School of Business
Paula	Development Grants Coord	City of Minneapolis
Tamra	SHAPE Adult Education Dir	SHAPE
Joel	Senior Director	Lutheran Social Service of MN
Tammy	Admissions Representative	Minnesota School of Business - Brooklyn Center Cam
Sherry	Executive Director	Anoka-Ramsey Community College
James	Rehabilitation Area Manage	DEED/RS
Denise	Executive Director	Metro Alliance - Customized & Continuing Education
Curt	Economic Development Sp	City of Blaine

Fergus Falls

Skip	Carpenter	Consultant	WC SBDC
Bonnie	Herman	Program Manager	Moorhead Adult Basic Education
Dale	Umlauf	Vice President Business Development	West Central Initiative
Nancy	Straw	President/CEO	West Central Initiative
Peter	Birkeland	RAIN Program Manager	RAIN Source Capital
Julie	Sachs	Operations Manager	Rural MN CEP Inc.
Sandy	Kashmark	Executive Director	Tri-State Manufacturers' Association
Bill	Martinson	Business Development Specialist	Enterprise Minnesota
Carol	Johnson	Marketing Coordinator	Good Samaritan Society - Pelican Rapids
Forest	Carpenter	Consultant	WC SBDC
Steve	Brink	Executive Director	TRANSEM
Melanie	Fohl	Executive Director	Morris Housing Authority
Laurie	Mullen	Executive Director	Western Area City County Cooperative
Jan	Flack	Director, Continuing Studies/Customized	Minnesota State University Moorhead
Penny	Davis	Office Manager	City of Fergus Falls
Jeremy	Kovash	Executive Director	Lakes Country Service Cooperative
Mike	Schreiner	N/A	N/A
Tom	Grover	Mayor	City of Ashby
Val	Martin	Clerk/Treasurer	City of Ashby
Mark	Murdock	State Representative	House of Representatives
Dan	Skogen	Senator	Minnesota State Senate
Dennis	Roers	consultant	Revering Group
Gordon	Hydukovich	Community Development Director	City of Fergus Falls
Steven	Jacobs	Rehab Area Manager	DEED/VRS
John	Pritschet	Housing Rehab Programs Manager	West Central MN Communities Action, Inc
Chad	Coauette	Dean of Customized Training	Alexandria Technical College

HIBBING

Andrew	Eldlund	Materials Engineer	American Engineering Testing, Inc.
Charlotte	Hanegmon	WorkForce Development Specialist	MN WorkForce Center - Hibbing
Betsy	Harmon	Manager	DEED Job Service
David	Tomassoni	Senator	Minnesota State Senate
Sidra	Starkovich	Grant Manager	Bois Forte Reservation
Duane	Northagen	Hibbing CED Coordinator	City of Hibbing
Donna	Anthony	Business Developer	NE Entrepreneur Fund
Raymond	Jensen	Director Continuing Education & Administration	Hibbing Community College
Mark	Casey	Administrator	City of Chisholm
Jim	Hofsommer	Board Chair	Colvin Township
Lee	Lee	Legal Counsel	DEED
Elaine	Hansen	Director	UMD Center for Economic Development
Heather	Rand	Regional Economic Developer	DEED-BCD
John	Monson	Vice President	AgStar Rural Capital Network
Jennifer	Pontinen	Professional Business Consultant	Small Business Development Center
Kathi	Micheletti	VP of Government Relations	Excelsior Energy Inc
Leanne	Stanley	Community Affairs Representative	Excelsior Energy Inc
Jim	Weikum	Mayor	City of Biwabik
Pat	Henderson	Exec Director	Arrowhead Regional Development Commission
Heather	Rand	Economic Developer	DEED
Heidi	Timm-Bijold	Manager, Business Resources	City of Duluth
Lory	Fedo	President	Hibbing Area Chamber of Commerce
Roland	Root	Rehabilitation Area Manager	DEED-VRS
Raymond	Jensen	Director Continuing Education & Training	Hibbing Community College
Roxanne	Richards	Director Continuing Education/Community Development	Mesabi Range Community & Technical College
Amy	Rice	Director	Chisholm Development Association
Tim	Larson	President	Chisholm Development Association
david	krueger	Asst. VP Rural Capital Network	AgStar Financial
Josh	Bergstad	Senior Planner	Arrowhead Regional Development Commission
Josh	Bergstad	Senior Planner	Arrowhead Regional Development Commission
Steve	Wagner	Vice President, Workforce and Community Development	Lake Superior College
Connie	Christenson	Planner II	St. Louis County

BEMIDJI

Mary	Olson	Senator	Minnesota State Senate
Virginia	Deeds	Team Leader	Rural MN CEP, Inc.
Jane	Halvorson	Disability Linkage Line Specialist	Disability Linkage Line
Kristen	Zemek	Disability Linkage Line Coordinator, C	Disability Linkage Line
Kristen	Zemek	Disability Linkage Line Coordinator	Disability Linkage Line
Rita	Albrecht	Consultant	Self
Darrell	Magoon	Owner	Sparrow Transport LLC
Dr. James	Maxwell	Dean & Professor	Bemidji State University
Rita	Albrecht	Consultant	Albrecht Consulting
Peter	Birkeland	RAIN Program Manager	RAIN Source Capital
Bill	Martinson	Business Development Specialist	Enterprise Minnesota
Reno	Wells	First Vice President	Minnesota Association of Townships
Joe	Vene	Commissioner	Beltrami County Board
Ann	Carlson	Sr. External Relations Manager	Minnesota Energy Resources
Harvey	Johnson	Superintendent	Laporte ISD #306
Tina	Rennemo	Clerk/Treasurer	City of Baudette
Dave	West	Program Officer- Business Finance	Northwest Minnesota Foundation
Gail	Leverson	Executive Director	Cass County EDC

Thief River Falls

Joan
Butch
James
Jo
Peter
Bill
Sharon
Mike
Tim
Carolyn
Dan

Dufault
Koehmstedt
Richter
Llambert
Birkeland
Martinson
Bring
Moore
Lutz
Toupin
Johanneck

Co-owner
Area Specialist
EXecutive Director
case manager
RAIN Program Manager
Business Development Specialist
County Commissioner
Community and Economic Developmen
Superintendent
WDD Manager 4
Executive Director

Red River Coatings
USDA Rural Development
EGF EDHA
red lake county
RAIN Source Capital
Enterprise Minnesota
Marshall County
City of Thief River Falls
Kelliher School District
DEED
Crookston Housing & Economic Development Authority

Appendix E

Comments

2011 Action Plan Public Hearing Attendance

September 27, 2010 – No attendance

November 18, 2010

Carolyn Brown, Member

L.I.F.T. to End Poverty

and

Hector Garcia, Executive Director

CLAC, Chicano Latino Affairs Council

No comments were received both attendees inquired about all programs. General information questions were answered.

Summary of Comments and Responses

Comment

Comments received from the Southwest Minnesota Housing Partnership (SWMHP), the Headwaters Housing Development Corporation, the Northern Communities Land Trust, the Central Minnesota Housing Partnership, Three Rivers Community Action, Inc., and Duluth LISC generally supported the HOME programs described in the Action Plan, but each requested that the State modify the draft plan to allocate 5% of HOME grant to CHDO Operating Expenses, as permitted by law. Ms. Barb Sanderson, Minnesota Housing Board Member, also commented in support of providing funds for CHDO Operating Expenses.

Response

The HOME program rules permit the State to use HOME to pay a portion of the Operating Expenses of CHDOs that receive CHDO set-aside funds, or will receive CHDO set-aside funds within 24 months under a written agreement with the State. Funds for Operating Expenses may not be used to pay the operating expenses of CHDO developments, or the costs of CHDOs that are associated with CHDO set-aside projects.

The State will not adopt the recommendation to allocate funds to CHDO Operating Expenses for 2011, but will engage interested parties during the coming year to explore the need and purpose of using HOME funds for CHDO Operating Expenses as part of its 2012 consolidated plan.

Comment

SWMHP commented that the State should prioritize the use of its HOME funds in non-entitlement areas.

Response

Unlike the CDBG program, Minnesota Housing's allocation of HOME is not designated by HUD for use only in non-entitlement communities. The Agency allocates its HOME resource in ways that help the agency achieve its housing objectives, without regard to location. Minnesota Housing has multiple funding sources and, taken as a whole, distributes them equitably between all areas of the State.

Comment

SWMHP commented that the State should focus the HOME Rental Capital Program on preserving federally-assisted rental properties.

Response

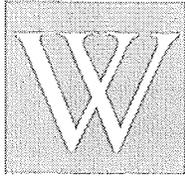
The State agrees with and appreciates SWMHP's comment. Accordingly, the Rental Capital Program description has been modified to give priority to preservation of affordable rental projects.

Comment

Use of CDBG non-entitlement funds for homelessness, research, and data collection using the HMIS system.

Response

Non-entitlement cities, counties, townships and unincorporated areas apply to the State of Minnesota for CDBG funds based on their own set of priorities. Very few communities apply to the CDBG program for homeless funds as there are alternative sources for those funds.



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WILDER
FOUNDATION

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Here for good.

11/19/2010

WILDER RESEARCH
451 Lexington Parkway North
Saint Paul, MN 55104
651-280-2700
FAX 651-280-3700

www.wilderresearch.org

To Whom It May Concern:

The Homeless Management Information System (HMIS) is a Department of Housing and Urban Development (HUD) requirement and successful community participation in the system is rated as part of HUD's funding process. Because of the requirements, and the potential importance of information collected through HMIS to Heading Home Minnesota and other efforts to address homelessness in the state, it is an important part of the homeless and supportive housing system in Minnesota. Therefore, Minnesota's HMIS should be considered within the State of Minnesota Action Plan for Housing and Community Development FY2011.

As part of the Continuum of Care (CoC) processes, HMIS participation and reporting capabilities are rated and used by HUD within the overall CoC score to ascertain funding. Without a good HMIS rating, HUD funding to support Homeless and Other Special Needs Activities outlined in the plan could be in some jeopardy.

In addition, the new HEARTH Act guidelines increase the role of HMIS reporting in Continuum of Care processes. HMIS plays a key role, both in supporting the local resources and the Homeless and Other Special Needs activities included in the State of Minnesota Action Plan for Housing and Community Development FY2011. HMIS can also fill the need for data to support both the Heading Home Minnesota plan and local Heading Home plans.

While HMIS is increasing in importance in the role of reporting on the Homeless and Other Special Needs Activities in Minnesota, and the Continuum of Care processes, HUD has not committed any further resources to HMIS. If the HMIS funding continues only at the current level, Minnesota's HMIS likely will not have enough resources to meet HUD and CoC goals.

As CDBG funds are eligible for use on HMIS systems and the goals of the system align well with the majority of project described in the

EXECUTIVE DIRECTOR
Paul Mattessich



Consolidated Plan, we encourage consideration of how HMIS fits with the Plan and its funding alignments beyond our current contracts with agencies running programs described in Homeless and Other Special Needs Activities section.

As described in the plan, current resources are not sufficiently meeting community needs. Overlooking HMIS within the Action Plan could result in further limitation of homeless assistance programs. Including HMIS within the plan will strengthen Minnesota's chances of receiving resources vital to serving those experiencing homelessness in our state.

Sincerely,



Craig Helmstetter
HMIS Project Director



Laura McLain
HMIS Project Manager



Southwest Minnesota Housing Partnership

"Putting Together the Pieces of Community Development"

November 19, 2010

RE: Comments on the State of Minnesota Action Plan for Housing and Economic Development FY 2011

To Whom It May Concern,

The Southwest Minnesota Housing Partnership is a non-profit community housing development organization (CHDO) that is active in southwestern, south-central and west central Minnesota. We provide many housing related services to our low and moderate income residents. The major services that we provide include the development and ownership of affordable housing, the administration of housing and commercial rehabilitation programs, ownership of supportive housing units and the coordination of homeless services, assistance to homebuyers and homeownership education programs and community planning services.

We have reviewed the 2011 State of Minnesota Action Plan for Housing and Economic Development FY 2011 and are generally supportive of the plan but would like to make the following comments:

1. We believe that the use of HOME funds controlled by the State of Minnesota should be prioritized to non-entitlement areas. The plan does indicate that Minnesota's HOME allocation received for the non-entitlement areas will be utilized regardless of a jurisdiction's access to their own HOME allocation and does not appear to address the access to HOME Funds by communities who are not Participating Jurisdictions and have to rely on the State of Minnesota.
2. We are very supportive of the use of HOME funds for a Rental Capital Program but would urge the State to focus HOME resources on the preservation of existing federally assisted rental properties. This would align the Action Plan more closely with work being conducted by the Minnesota Preservation Task Force and support important preservation activities being implemented across the State of Minnesota.
3. We would strongly urge the amendment of the plan to utilize 5% of HOME funding for CHDO operating support. This is an allowable use of HOME funds and has been provided in past plans to support the implementation of the plan by CHDOs. CHDO operating support is critical to organizations such as ours that operate within large geographical service areas and provide many critical services to our communities and their residents. The use of this support will allow the Southwest Minnesota Housing Partnership increase our capacity to implement the goals as identified within the Action Plan.



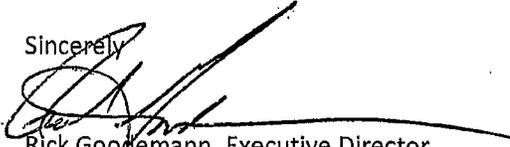
Center for Regional Development
2401 Broadway Avenue
Slayton, MN 56172-1142

Phone: 507.836.8673
Fax: 507.836.8866

Email: swmhp@swmhp.org
Website: www.swmhp.org

We appreciate the opportunity to make comments concerning this important Action Plan.
Please contact me if you need anything further.

Sincerely



Rick Goodemann, Executive Director
Southwest Minnesota Housing Partnership



Minnesota Department of **Human Services**

December 6, 2010

Justin Vorbach
Southwest Minnesota Housing Partnership
2401 Broadway Avenue
Suite 4
Slayton, MN 56172

Dear Mr. Vorbach,

Thank you for submitting comments on the State of Minnesota's Consolidated Plan. Your comments were in support of the language proposed by the Minnesota Department of Human Services in the draft plan for use of the Emergency Solutions Grant Program funding. No changes will be made to the language contained in the Consolidated Plan draft.

Thank you for taking the time to comment.

Sincerely,

Connie Greer



MINNESOTA ASSISTANCE COUNCIL FOR VETERANS
SERVING VETERANS THROUGHOUT MINNESOTA

November 19, 2010

Action Plan, Attn: Gloria Stiehl
Minnesota Department of Employment and Economic Development
First National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN55101-1351

**RE: 2011 ACTION PLAN OF THE STATE OF MINNESOTA'S 2007-2011
CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN COMMENTS**

As an HPRP grantee, I **strongly support** extending the HPRP timeline from a grant end date of September 30, 2011 to the date in federal regulation which would be 3 years from the start date or September 30, 2012. (p.28/see below)

Homelessness Prevention and Rapid Rehousing Program

Homelessness Prevention and Rapid Rehousing Program (HPRP) funding has been awarded to 30 grantees in non-entitlement areas for ESC for the time period of October 1, 2009 through September 30, 2011 for the following activities:

DHS has contracts with HPRP projects that run for two years, while the federal rules allow for the program funds to be used for three years. There is a requirement to show expenditures of 60% of the funds by the end of the second year by the federal government which I am certain grantees could meet, however, as exemplified by our organization's case, we took time at the beginning of this grant to make sure we were implementing in a consistent fashion throughout our three regional offices. We took the time to put all of the changes in place regarding new forms and eligibility, which had to be blended with our other programs. So we didn't actually start utilizing the dollars until 1Q 2010.

Also, being that the program allows clients to receive up to 18 months of

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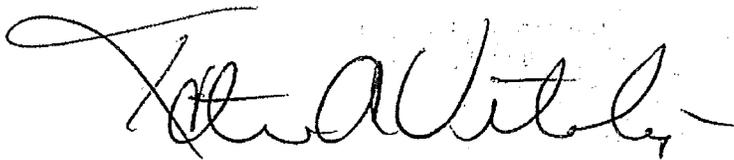
www.mac-v.org • mac-v@mac-v.org

assistance, the two year contract is already limiting the length of time any new HPRP client can be in the program to 11 months at this point and will continue to decrease as we approach the contract deadline.

This one time NON-RENEWABLE funding is being leveraged to fill gaps in services and many grantees could produce positive and significant outcomes if this funding timeline followed the federal regulations. Also, given the best information we have, it looks like the funding to continue 'HPRP like activities' will only be at most 7% of what we have under the current HPRP program. It only makes logical sense then to make the HPRP funds last for a longer time in order to effectuate the best desirable outcomes possible with this one-time funding.

I have gotten this comment from many of my peer HPRP grantees and strongly request this be given serious consideration.

Regards,

A handwritten signature in black ink, appearing to read 'Kathleen Vitalis', with a large, sweeping flourish at the end.

Kathleen Vitalis

Executive Director
Minnesota Assistance Council for Veterans
651-222-0613 (work)
612.205.5001 (cell)
kvitalis@mac-v.org
www.mac-v.org



Minnesota Department of **Human Services**

December 6, 2010

Kathleen Vitalis
Executive Director
Minnesota Assistance Council for Veterans
360 Robert Street North
Suite 306
St. Paul, Minnesota 55101

Dear Ms. Vitalis,

Thank you for submitting comments on the State of Minnesota's Consolidated Plan. Your comments regarding extending the end date of the Homelessness Prevention and Rapid Rehousing Program (HPRP) resulted in the addition of the following language:

"The Minnesota Department of Human Services will consider requests for an extension of the HPRP funding period on a case by case basis."

Thank you for taking the time to express your concerns about the HPRP.

Sincerely,


Connie Greer
Minnesota Department of Human Services

Responses to Ms. Watlov Phillips' Comments

1. DHS has been advised by HUD to move forward on ESGP planning using the HEARTH Act authorizing language. If the regulations require changes then the plan will be amended. If Plan changes amount to a substantial amendment, then a public comment period will be provided, as required in the State's Citizen Participation Plan.
2. DHS encourages homeless participation; the public participation process is in place as identified in the con plan and as specified in the Hearth act.
3. DHS will maintain flexibility as outlined in the five-year plan as allowed by the Hearth act.
4. DHS will confer/consult with the Coc's through a variety of venues as required by the Hearth act.
5. To DHS's knowledge, the Con plan contains the most comprehensive list of affordable housing opportunities available
6. Minnesota Housing does not support using its HOME funds on tenant-based rent assistance except if necessary to support the initiative to end long-term homelessness. The state is not in a position to provide continuous funding and to take over what has traditionally been a federal responsibility.
7. The State does not have control over how Federal and Local governments use their resources; however, beneficiaries of Minnesota Housing Finance Agency funding tend to have limited income. Nearly 80% of on-Section 8 renters in 2009 had incomes less than \$20,000 a year, or 20.4% of the statewide median income of \$72,900. Approximately 55% of homeowners and buyers had incomes less than \$40,000 a year, or 54.8% of statewide median.

People of color are over-represented in homeownership and rehabilitation programs, compared to their share of the eligible population. In 2009, 31% of first-time homebuyers were households of color compared to 17% of the population of households of color that would be eligible for the program. Of the agency's programs that served 500 or more households in 2009, households of color constituted from as low as 5.7% in the HOME Rental Rehabilitation Program, which was offered only in Greater Minnesota, to as high as 62.2% in the Housing Trust Fund Rental Assistance program.

Source: "Housing Assistance in Minnesota Program Assessment: October 1, 2008 – September 30, 2009.

8. The flexibility of SCDP funds allows communities to create their own selection criteria for the activities they are requesting funds for as long as they meet the criteria of the SCDP program, so priorities for special needs populations are addressed within each individual application that is submitted to DEED.

9. No Response

10. Neither DEED nor Minnesota Housing will coordinate their other resources with NSP. However, Minnesota Housing uses its HOME-Help program, used in conjunction with the Community Activity Set-aside (CASA) program, to target the purchase of foreclosed properties. In 2010, 32% of HOME-Help borrowers purchased foreclosed properties.

Comment (11a): State agencies that require the use of HMIS work with providers to ensure data quality and reliability. Data quality continues to improve as providers become more familiar with the system; state and local programs now use HMIS data for various reports. The State encourages those who know of specific examples of incorrect or invalid data to report instances of inaccurate data to Wilder Research, the administrator of HMIS .

Comment (11b): Wilder Research, administrator of the HMIS system, the state, and all HMIS users take data privacy very seriously. The HMIS Governing Group, which acts in an advisory capacity to Wilder Research, has stringent policies and procedures regarding access to HMIS records. Violations are reported to Wilder Research which acts quickly to resolve any issue. To date, there has been just one violation which required Service Point, the software provider, to make a change to the software.

Comment (11c): HUD has never addressed the issue of funding the HMIS mandate. Recognizing the financial burden the system may place on organizations that serve people experiencing homelessness, the state has made funding available for HMIS and will continue to do so. The state believes it is in the interest of policy makers, administrators, providers and, ultimately, clients to maintain a reliable and responsive data management system for housing programs that serve people who are or have been homeless in Minnesota.

The next budget and the State commitment to address issues of homelessness will be determined by the next Governor.

Comment (11d): The HMIS Data and Technical Standards Final Notice was published in the Federal Register on July 30, 2004. The State is obligated to comply with the Notice until such time as it is amended to meet the reporting requirements of HEARTH. This has been updated – April 2010 (although we never found the actual federal register of the final data standards). I think we could just say this: The HEARTH regulations have not been published. The state will work with Wilder Research to ensure that the HMIS will meet the HEARTH reporting requirements and performance standards once the final regulations are published.

12. The Minnesota Interagency Council on Homelessness, a council of nine state agencies whose work impacts homelessness in the state, spearheaded the development of *Heading Home: Minnesota's Roadmap for Ending Homelessness*, which will be released to the public in November. At a time when the state is on the brink of electing new leaders to both the executive and legislative branches of state

government, the primary purpose of the Roadmap is to educate new leaders on the importance of ending homelessness – and the potential for achieving this goal – and to articulate a set of strategies for moving toward that goal. The Roadmap also provides local communities with “next steps” for their work to prevent and end homelessness. The Roadmap was developed in the context of existing federal, state and local plans to prevent and end homelessness, including the State’s Business Plan to End Long term Homelessness. Many local communities in Minnesota followed on the heels of the state’s commitment to ending long-term homelessness by creating plans to end homelessness in their communities. The federal government then developed and released a strategic plan to prevent and end homelessness in the nation. Released in June 2010, the federal plan sets out a vision for the country, a set of assumptions on which the plan is based and goals for ending homelessness for specific populations. Minnesota has adapted the values and assumptions to the work being done in our community and set out a plan that will direct the state toward accomplishing the federal goals in Minnesota.

The key strategies endorsed by the Minnesota Interagency Council on Homelessness are:

To educate, engage, and collaborate:

- Strengthen all relationships and partnerships that underlie the state’s work to end homelessness and specifically the Interagency Council itself.
- Educate policy makers, including state legislators, about populations that are homeless and strategies for addressing homelessness, with a focus on leaders new to office
- Advance the state’s ability to collect and analyze data on the characteristics of people homeless and solutions to homelessness by strengthening the statewide Homeless Management Information System and programs’ ability to share data between and among agencies

To increase access to stable housing:

- Work with public housing agencies to expand eligibility for individuals, youth and families that have experienced homelessness

To reach out to people who are homeless and at risk of homelessness:

- Develop and promote population-specific best practices for assisting people leaving institutions
- Assist communities in developing information and referral materials for judges and court personnel who interact with people who are homeless or at risk of homelessness.

To improve well-being:

- Build on current efforts to assist people with Social Security disability applications

To transform the housing crisis response system:

- Work with the federal government and with MN communities to develop and promote a tool for assessing the needs of individuals, youth, and families that are homeless or at high risk of becoming homeless.

Responses to Ms. Lee’s Comments

Minnesota Housing attempts to ensure that ethnic communities and all Minnesotans have access to the information they need to access programs, either as a recipient, or as a developer or lender.

The “Quick Links” section on the home page of Minnesota Housing’s website has a button labeled “eNews Signup.” Clicking on that button brings the reader to a page where they may register to receive

eNews alerts dealing with a number of topics, including funding opportunities in either or both single- or multi-family programs, conferences, training sessions, and other information about Minnesota Housing. This provides the public a convenient way to be notified of items of interest and relieves them of periodically reviewing the website for new information.

Minnesota Housing believes that it is in the best interests of potential housing providers, the clients they hope to serve, and the agency to provide technical assistance to anyone that wants it to help them develop a viable application in response to a Request for Proposals and a successful program. Therefore, during Multifamily program RFPs Minnesota Housing conducts a webinar on the application process, makes the recorded webinar available for viewing over the internet, and makes the questions that were asked during the webinar and the answers, and the webinar Power Point presentation available for viewing over the internet.

Minnesota Housing's "Multifamily Technical Assistance" webpage also provides links to other technical assistance providers, including the Corporation for Supportive Housing, the Minnesota Housing Partnership, the Local Initiatives Support Corporation, Green Communities, Metro-wide Engagement on shelter and Housing, Minnesota Department of Human Services, and the Greater Metropolitan Housing Corporation.

The Agency's single-family programs offer technical assistance and reaches out in a manner similar to the multi-family programs, offering in-person and webinar training to help applicants prepare their proposals. And as described above, households of color generally participate in Agency programs in a larger proportion than their representation in the general population.

Minnesota Consolidated Plan: 2011

Additional and updated Public Comments: November 19, 2010

Sue Watlov Phillips, M.A., C.S.P.

Executive Director, Elim Transitional Housing, Inc

President, Integrated Community Solutions, Inc.

1. The State Consolidated Plan should not make any changes to ESG or CoC plans until the HEARTH final regulations are published. We are requesting an additional public comment period time be available once the HEARTH and Consolidated Plan regulations are finalized to review the Minnesota Consolidated Plan and its goals and objectives.

We are requesting that the State Coordinates with the other entitlement communities to coordinate the use of CDBG funding to rehab shelters and transitional housing, so that ESG funds may be used to provide at least current level of shelter, outreach and Prevention and Rapid Rehousing Activities.

How will the State coordinate sign off for its ESG plan as required by HEARTH in each COC area it funds?

2. ESG grantees will be required in the McKinney Vento as amended by HEARTH to have **Homeless participation. How will the State monitor it?**
3. ESG Funds: In the 2011 Action Plan, we request the ongoing flexibility as outlined in the 5 Year Plan be available for the use of ESG Funds. This will provide the flexibility to address the changes in funding which may occur in the 2011 Minnesota Legislative Session. **While we support the focus of ESG funding on shelter activities as described in the Draft Consolidated Plan, we are concerned about how we will continue to provide Prevention and Rapid Rehousing services with Federal funds when HPRP funds end in Fall 2011?**
4. How will State incorporate ESG, COC, and the new Rural Housing Stability Grant Program changes into State Consolidated Plan as the HEARTH Act amends McKinney Vento?
5. **We again request the plan include all affordable housing opportunities through DHS- including GRH, GRH- LTH, LTH Services, Corrections, and Domestic Abuse Programs, etc. We encourage DHS and others on the Interagency assist with this list. We oppose any attempt by State staff to limit/ restrict the use or the flexibility for FHPAP funding, through the RFP process in 2011.**
6. HOME Tenant Based Rent Subsidies have been successfully utilized for people with limited incomes since 1994 in Anoka County. In light of the State Deficit and potential reduction in State funded programs, we encourage the expansion of the HOME tenant based rent subsidy program to include all populations not just those serving Long Term Homeless populations. Focus should be at 30% and below median in urban areas and 50% of median income in rural areas. In addition, we request that communities of Color and Veterans are prioritized to utilize these Funds.

We disagree with State's response to our original comment. The HOME TBRA program does not fit with Minnesota LTH Housing models- which are Housing First, NOT requiring people to pay rent, be or apply for subsidized housing and no time limit on length of stay as prescribed in the HTFLTH and GRH-LTH programs. HOME TBRA does require people to pay rent and be good tenants to maintain the rental assistance. Again we request the State use HOME TBRA to assist people who are at risk of experiencing homelessness as a Prevention Tool and those experiencing homelessness as a Medium Term Shallow Rent Subsidy program to assist in replacing some of the HPRP funds we end in the Fall of 2011.

We request the State changes all LTH programs and requires, not suggests, participants to pay rent, be good tenants, apply or other subsidized housing, children attend school and address at least one issue that is causing instability in their housing.

We have demonstrated for 16 years in Anoka County that HOME TBRA is an excellent prevention tool and a Medium Term Subsidy for Rapidly Rehousing people experiencing homelessness without an ongoing commitment of Federal or State funds.

7. We recognize that the State has insufficient funding to meet the underserved needs. It is imperative our Federal, State, and Local resources are targeted to meet the needs of people with very limited income (below 30% of median) and people of color.
8. SCDP Funds: We would like the plan to describe how these funds will be prioritized and identify specific outcomes to help people with incomes under 30% and 50% of median income and people of color in affordable housing developments that assists special needs populations. We request these funds are focused on rental rehab. **Thank you for your explanation.**
9. **How will you use the Economic Development and Housing Challenge Program to focus linking housing investments to other quality of life outcomes related to environment, energy, transportation, and education?**
10. **Why is Minnesota Housing and DEED not coordinating their resources with current and the new NSP funds available to communities directly from HUD and/or the State NSP funds allocated to local communities?**
11. The HMIS system in Minnesota is:
 - a. Not providing reliable and valid data or reports. **We do report issues to Wilder and have a large 3Ring Notebook of issues we would be happy to share with the Interagency of emails of problems with Wilder.**
 - b. Violations of data privacy have occurred. **The Hennepin County System is open. Private data is being shared without informed consent.**
 - c. It is an unfunded or underfunded mandate by HUD and the State. It is utilizing funding previously used for services and housing to pay for the system, providers must utilize private donations to pay for the collection of HMIS and the administration of HMIS. State agencies are utilizing significant staff time and Administrative funds for HMIS. Private funders are also being asked to fund HMIS. How will the State address these concerns and prioritize and increase funding for homeless prevention, outreach, emergency shelters, youth homeless programs and transitional housing, and permanent housing programs with the deficit the

State will be addressing in 2011? **Is the State going to ask for specific funding to reimburse providers for their costs?**

- d. **Our current HMIS will not meet reporting requirement needs as HEARTH amends McKinney Vento, how will the State address this issue and how will providers be reimbursed for these additional expenses?**

12. Any plan to end homelessness must have be an inclusive process – which includes listening sessions with people who have experienced homelessness, providers, faith community, and others in every CoC region in Minnesota. The plan must clearly identify a realistic plan of actual resources to implement the plan and include all people at risk or experiencing homelessness. It should be seamless system in which people can move between programs to access appropriate services. It should not be designed to respond to a specific population but rather recognize that people go through many transitions in life. Any State Plan to End Homelessness must identify, coordinate and compliment the CoC, ESG, Rural Housing Stability, and the Consolidated Plans as well as other State mainstream housing and services plans. All homeless programs should be expected and required to transition participants to mainstream housing and services programs. Participants should be required to pay their portion of rent, abide by landlord tent laws, apply for subsidized housing, and be expected to attempt to increase income through employments and/or public assistance, and to identify and access resources to help address issues that have caused their instability. **We do not believe the proposed “ Road Map” provides a specific plan with an implementation strategy with specific and realistic funding mechanisms to prevent homelessness, create housing, create livable income, ensure affordable health care, and civil rights are protected- all key components to ending homelessness and Bringing Minnesota Home.**

We disagree with the conclusion that the LTH Plan did not meet its goals just, because of the economy. The original LTH plan was dependent upon an increase in Federal Section 8 and maintenance and/or increase other Federal resources, which as we stated in all previous comments on the original and the recalibrated plan were not realistic based on what was being proposed in Congress.

13. **Barriers to Affordable Housing and Affirmatively Furthering Fair Housing: We have significant concerns that School Districts are re-drawing their boundaries so children living in low income housing go to one school and other children from families with higher incomes go to different school. Please see Myron Orfield’s latest research for more information.**

The following responses are numbered to correspond to the November 19 comments of Sue Watlov Phillips, M.A., C.S.P., Executive Director of Elim Transitional Housing Inc., and President , Integrated Community Solutions, Inc.

1. State CDBG funds are used in non-entitlement areas only.
2. DHS Response
3. DHS Response
4. DHS Response
5. DHS Response;

Comments opposing limiting or restricting the use or flexibility for FHPAP funding in the 2011 RFP process are outside the scope of the Action Plan and have been forwarded to the appropriate staff at Minnesota Housing.

6. The State has allocated almost \$15 million for prevention of homelessness for the 2010-11 biennium. The State believes that the Family Homeless and Prevention Program is more useful and can respond more quickly in preventing homelessness than HOME-TBRA.

Comments regarding changing the long-term homeless programs to require actions specified in the comments are outside the scope of the Action Plan and have been forwarded to the appropriate staff at Minnesota Housing for consideration.

7. The State does not have control over how Federal and Local governments use their resources; however, beneficiaries of Minnesota Housing Finance Agency funding tend to have limited income. Nearly 80% of on-Section 8 renters in 2009 had incomes less than \$20,000 a year, or 20.4% of the Statewide median income of \$72,900. Approximately 55% of homeowners and buyers had incomes less than \$40,000 a year, or 54.8% of Statewide median.

People of color are well represented in homeownership and rehabilitation programs, compared to their share of the eligible population. In 2009, 31% of first-time homebuyers were households of color compared to 17% of the population of households of color that would be eligible for the program. Of the agency's programs that served 500 or more households in 2009, households of color constituted from as low as 5.7% in the HOME Rental Rehabilitation Program to as high as 62.2% in the Housing Trust Fund Rental Assistance program.

8. Currently DEED partners with Minnesota Housing to fund affordable housing which includes rental rehabilitation.
9. See §91.320(i) of the Action Plan.
10. DEED's resources are limited to non-entitlement areas of the State. Jurisdictions that receive NSP funds directly from the federal government are CDBG entitlement communities and not eligible to receive State CDBG funds.

Minnesota's has sub-granted almost two-thirds of its NSP 1 funds to direct NSP recipients. Those NSP resources are being coordinated by the subrecipients. The State's awards to jurisdictions that have not received direct allocations of NSP funds from the federal government may or may not also receive State CDBG funds. DEED allows local government recipients of State CDBG funds to define their own housing and community development needs, and does not impose State preferences for how they use CDBG funds, including foreclosure remediation.

11. Comments regarding HMIS are outside the scope of the Action Plan. Alleged data practices violations should be brought to the Governing Group.

12. Comments regarding the plan to end homelessness are outside the scope of the Action Plan, but will be forwarded to appropriate parties for their consideration.

13. Comments regarding school district boundaries are outside the scope of the Action Plan.



Minnesota Department of **Human Services**

December 6, 2010

Ms. Sue Watlov-Phillips
Elim Transitional Housing
3989 Central Avenue N.E.
Columbia Heights, MN 55421

Dear Ms. Watlov-Phillips,

Thank you for submitting comments on the State of Minnesota's Consolidated Plan. Following is the response to the parts of your comments pertaining to the Emergency Shelter/Solutions Grants Program (ESGP) from the Minnesota Department of Human Services.

Regarding comment number one, the Minnesota Department of Human Services (DHS) deemed it necessary to anticipate the transition from the Emergency Shelter Grants Program to the Emergency Solutions Grant Program to the extent practicable in the 2011 draft Consolidated Plan. While many details remain to be spelled out in the upcoming release of the new ESGP regulations, the Hearth Act itself provides the broad parameters of how the program will function in the future. DHS anticipates that the new program regulation will apply to funding which will be allocated in July of 2011, therefore, it was not prudent to wait for the regulations to be released to plan for some of the most general aspects of the new program. DHS has been meeting with other ESG entitlement areas on the future use of ESG funding.

The response to comments 2-13 will require DHS to see more specifically what is contained in new ESG regulations before specific plans can be made to address these new requirements. At such a time as the new ESG regulations take effect, HUD is likely to require a Substantial Amendment to the Consolidated Plan. DHS will use that opportunity to address any new issues raised by the new regulations.

Thank you for submitting your comments. We look forward to working with you and all other parties involved in addressing the homelessness issue in the future.

Sincerely,


Connie Greer

Schieber, Christine (DEED)

From: Stiehl, Gloria (DEED)
Sent: Thursday, November 18, 2010 1:57 PM
To: Schieber, Christine (DEED)
Subject: FW: Action Plan comments

Fyi

Gloria Stiehl / Administrative Assistant

MN Department of Employment and Economic Development
1st National Bank Building, 332 Minnesota Street, Suite E200 St. Paul, MN 55101
Direct: 651-259-7462, TTY: 651-296-3900
www.positivelyminnesota.com

Follow DEED on  

From: Jenny Larson [<mailto:JLarson@threeriverscap.org>]
Sent: Thursday, November 18, 2010 1:12 PM
To: Stiehl, Gloria (DEED)
Cc: Mike Thorsteinson; dan.bartholomay@state.mn.us; Chip Halbach; whanson@gmhf.com
Subject: Action Plan comments

Comments on The State of Minnesota Action Plan for Housing and Community Development FY2011

To Whom it May Concern:

Three Rivers Community Action, Inc. is a non-profit organization that owns, operates and develops affordable housing units and administers loan programs throughout southern Minnesota. Three Rivers has developed 480 units of affordable housing and provided over 100 homebuyers and homeowners with access to downpayment or rehabilitation loan programs.

As a Community Housing Development Organization (CHDO) committed to meeting the needs of low- and moderate-income households, Three Rivers Community Action is writing in support of the State of Minnesota's Action Plan for Housing and Community Development, particularly in the aspects and programs that benefit Greater Minnesota communities. In particular, Three Rivers is in support of the proposed HOME Rental Capital Program to assist in the preservation of rental housing stock, as well as the homebuyer programs for rehabilitation and downpayment assistance. These programs are essential to the economic vitality of Greater Minnesota and the diverse population that lives here.

In addition to the support of the proposed programs, Three Rivers is requesting that the Action Plan be amended to include a portion of HOME funds (5%) for CHDO operating support. This request is in line with previous years where a portion of the HOME funds were provided to local CHDOs to fulfill the goals of the state plan. As a CHDO, Three Rivers is committed to developing units, rehabilitating homes and rental units, and administering programs for low- and moderate-income households. CHDO operating funds will allow Three Rivers to fill administrative gaps, increase our capacity and better serve our large rural geography. The funds will allow CHDOs across the state to create and retain jobs that will lead to the successful accomplishments of the goals in the State Plan.

Thank you for your time and attention. Please contact me if you have any questions.

Sincerely,

Jenny Larson

Community Development Director
Three Rivers Community Action, Inc.
1414 North Star Drive
Zumbrota, MN

Phone: 507-732-8510

Fax: 507-732-8547

Email: jenny.larson@threeriverscap.org

Three Rivers Community Action, Inc., works with community partners to address basic human needs of people in our service area, thereby improving the quality of life of the individual, family and community. Please consider a donation of time or money. For more information on how you can help, visit our website at www.threeriverscap.org

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Schieber, Christine (DEED)

From: Stiehl, Gloria (DEED)
Sent: Monday, November 29, 2010 9:04 AM
To: Schieber, Christine (DEED)
Subject: FW: 2011 Consolidated Action Plan Comments

fyi

Gloria Stiehl / Administrative Assistant MN Department of Employment and Economic Development
1st National Bank Building, 332 Minnesota Street, Suite E200 St. Paul, MN 55101
Direct: 651-259-7462, TTY: 651-296-3900
www.positivelyminnesota.com

Follow DEED on

-----Original Message-----

From: Pamela Kramer [<mailto:pkramer@lisc.org>]
Sent: Friday, November 19, 2010 6:24 PM
To: Stiehl, Gloria (DEED)
Cc: Joe Johnson; himleins@centurytel.net; Jeff Corey; Chip Halbach; bsanders@paulbunyan.net; Dan Bartholomay
Subject: 2011 Consolidated Action Plan Comments

Ms. Stiehl:

Please consider this email as Duluth Local Initiatives Support Corporation's (Duluth LISC) comments for the Minnesota Housing Consolidated Plan expressing our support for and interest in the creation of the Rental Capital Program and use of HOME funds to fund this 0% deferred loan program.

As an organization working in partnership with the City, Duluth HRA, local non-profit developers and private sector property owners on revitalizing neighborhoods and preserving our existing housing stock, we are very much in support of this type of program. Funds for rental rehabilitation are in short supply in Duluth and in Greater Minnesota. We are in strong support of this type of program, as well as those providing acquisition, down payment assistance and housing rehabilitation for existing and new home owners and addressing the foreclosure issue.

Duluth LISC also asks that the plan be amended to allocate 5% of HOME funds for CHDO Operating Support funding. This request is in line with past funding where a portion of HOME funds were provided to local CHDOs to carry out their work and implement the goals of the state plan.

Since the Rental Capital Program has funds for development by CHDOs, the program could then utilize its authority to commit 5% of its HOME funding for CHDO operating expenses. This is another important resource that has not been available for several years. The operating funds can be particularly helpful in offsetting the costs associated with supporting Duluth CHDO's on their housing development strategies that is important work that is hard to pay for.

Thank you for your consideration for the creation and funding of the Rental Capital Program in the state's 2011 Consolidated Plan. We hope that you will also amend the draft Action Plan to include a commitment of 5% of HOME funding for CHDO operating expenses.

Thanks you for the opportunity to submit these comments and for all of the great work that Minnesota Housing does in our community, in Greater Minnesota and statewide.

Respectfully,

Pam Kramer
Executive Director
Duluth LISC

Pamela Kramer
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Northern Communities Land Trust
206 West 4th Street
Duluth, MN 55812

November 19, 2010

Comments on the State of Minnesota Action Plan for Housing and Community Development FY2011

To Whom it May Concern:

Northern Communities Land Trust (NCLT), is a non-profit organization that develops affordable housing units in Northeastern Minnesota. NCLT has developed 217 units of affordable housing.

As a Community Housing Development Organization (CHDO) committed to meeting the needs of low- and moderate-income households, NCLT is writing in support of the State of Minnesota's Action Plan for Housing and Community Development, particularly in the aspects and programs that benefit Greater Minnesota communities. In particular, NCLT is in support of the proposed HOME Rental Capital Program to assist in the preservation of rental housing stock, as well as the homebuyer programs for rehabilitation and downpayment assistance. These programs are essential to the economic vitality of Greater Minnesota and the diverse population that lives here.

In addition to the support of the proposed programs, NCLT is requesting that the Action Plan be amended to include a portion of HOME funds (5%) for CHDO operating support. This request is in line with previous years where a portion of the HOME funds were provided to local CHDOs to fulfill the goals of the state plan. As a CHDO, NCLT is committed to developing units, rehabilitating homes and rental units, and administering programs for low- and moderate-income households. CHDO operating funds will allow NCLT to fill administrative gaps, increase our capacity and better serve our large rural geography. The funds will allow CHDOs across the state to create and retain jobs that will lead to the successful accomplishments of the goals in the State Plan.

Thank you for your time and attention. Please contact me if you have any questions.

Sincerely,

Jeff Corey
Executive Director

Schieber, Christine (DEED)

From: Stiehl, Gloria (DEED)
Sent: Friday, November 19, 2010 1:50 PM
To: Schieber, Christine (DEED)
Subject: FW: Action Plan

FYI

Gloria Stiehl / Administrative Assistant

MN Department of Employment and Economic Development
1st National Bank Building, 332 Minnesota Street, Suite E200 St. Paul, MN 55101
Direct: 651-259-7462, TTY: 651-296-3900
www.positivelyminnesota.com

Follow DEED on  

From: Tim Flathers [<mailto:tflathers@hrdc.org>]
Sent: Friday, November 19, 2010 1:45 PM
To: Stiehl, Gloria (DEED)
Subject: Action Plan

RE: State of Minnesota Action Plan for Housing and Community Development FY2011

To Whom it May Concern:

The Headwaters Housing Development Corporation is a nonprofit developer of affordable housing serving five Counties in north-central Minnesota. The HHDC supports the proposed HOME Rental Capital Program to assist in the preservation of rental housing stock, as well as the homebuyer programs for rehabilitation and down payment assistance. These programs are important tools to help create livable communities in Greater Minnesota.

The HHDC also supports amendment of the Action Plan so that a portion of HOME funds (5%) be made available for CHDO operating support. While the HHDC is not a CHDO, and would not directly benefit from this amendment, we recognize the need for operating support for those nonprofits that would qualify. Increasing the capacity of CHDO's to address the need for affordable housing will benefit the entire State.

I appreciate the opportunity to provide comment.

Tim Flathers



TIM FLATHERS
Community Development Director

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Bemidji, MN 56619-0906

Schieber, Christine (DEED)

From: Stiehl, Gloria (DEED)
Sent: Friday, November 19, 2010 1:10 PM
To: Schieber, Christine (DEED)
Subject: FW: Action Plan

FYI

Gloria Stiehl / Administrative Assistant

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From: Justin Vorbach [<mailto:JustinV@swmhp.org>]
Sent: Friday, November 19, 2010 1:02 PM
To: Stiehl, Gloria (DEED)
Subject: Action Plan

To Whom It May Concern:

The Southwest Minnesota Continuum of Care would like to comment as follows regarding the State of Minnesota Action Plan for Housing and Community Development FY 2011:

We support changes that increase resources to address homelessness in rural areas.

-Justin Vorbach
SW MN CoC Coordinator, on behalf of the SW MN CoC

Schieber, Christine (DEED)

From: Stiehl, Gloria (DEED)
Sent: Friday, November 19, 2010 9:13 AM
To: Schieber, Christine (DEED)
Subject: FW: Action Plan

FYI

Gloria Stiehl / Administrative Assistant

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Follow DEED on  

From: Bill Reinke [<mailto:Bill@cmhp.net>]
Sent: Friday, November 19, 2010 9:10 AM
To: Stiehl, Gloria (DEED)
Cc: Dan.Bartholomay@state.mn.us
Subject: Action Plan

Remarks regarding the State of Minnesota Action Plan for Housing and Community Development FY2011

To whom it may concern:

The Central Minnesota Housing Partnership (CMHP) is a regional private non-profit Community Housing Development Organization (CHDO) that is committed to assisting underserved communities to preserve, improve and increase the housing stock affordable to low and moderate income families and individuals. CMHP's region includes 16 counties in central Minnesota, which are: Aitkin, Benton, Carlton, Cass, Chisago, Crow Wing, Isanti, Kanabec, Mille Lacs, Morrison, Pine, Sherburne, Stearns, Todd, Wadena and Wright.

We are writing in support of the State of Minnesota's Action Plan for Housing and Community Development and those elements of the plan that serve communities and neighborhoods of Greater Minnesota. We applaud the inclusion of the HOME Rental Capital Program and its use of HOME funds for development, which affords the opportunity to preserve needed affordable rental housing. The Rental Capital Program is an innovative response to the affordable housing needs of Greater Minnesota.

Building on our support of the Rental HOME Program, we would also ask that the plan include the allowable 5% of HOME funds for CHDO operating support. These operating funds can provide quite significant assistance to the nonprofit sector, through CHDOs, as they seek to implement community development strategies and allow for the preservation and rehabilitation of more affordable housing.

CMHP, as a CHDO active in development activities, would utilize these funds to support more new affordable housing preservation projects, as a means of serving the low and moderate income population of central Minnesota communities. The expenditure of these funds for CHDO operating support will also serve as leverage to increase private sector development dollars in central Minnesota. Additional development dollars for affordable housing rehabilitation will bring needed jobs into the depressed construction sector of the state's economy as well.

Thank you very much for all you do in support of affordable housing and for your consideration of this request.

Sincerely,

Bill Reinke

Executive Director
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