State of Minnesota
Consolidated Annual Performance
and Evaluation Report
for Federal Fiscal Year 2015

December 2015

Contents

CR-05 - Goals and Outcomes 1
CR-10 - Racial and Ethnic composition of families assisted 7
CR-15 - Resources and Investments 91.520(a) 8
CR-20 - Affordable Housing 91.520(b) 15
CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c) 16
CR-30 - Public Housing 91.220(h); 91.320(j) 19
CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j) 20
CR-40 - Monitoring 91.220 and 91.230 34
CR-55 - HOPWA 91.520(e) 42
CR-60 - ESG 91.520(g) (ESG Recipients only) 43
CR-65 - Persons Assisted 53
CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes 56
CR-75 – Expenditures 57

.

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

As designed by the U.S. Department of Housing and Urban Development (HUD), this report primarily pertains to those programs funded through federal assistance allocated to Minnesota state agencies under Community Development Block Grants (CDBG), Emergency Solutions Grants (ESG), HOME, and Housing Opportunities for Persons with AIDS (HOPWA). The state makes this report available on behalf of the Minnesota Department of Employment and Economic Development (DEED), the Minnesota Department of Human Services (DHS), and Minnesota Housing.

It is important to note that the state provides affordable housing and community development through a variety of assistance programs, many of which are funded through agency resources or state appropriations. In Federal Fiscal Year (FFY) 2015, Minnesota Housing alone assisted more than 32,000 households with rent assistance, down payment and first mortgage financing, the rehabilitation or construction of affordable rental housing, and other assistance (not including 31,000 units of Section 8 for which Minnesota Housing administers the housing assistance contract). The detail of these Minnesota Housing programs is found at: Minnesota Housing Annual Report. Additional information about other housing and community development may be obtained through the Minnesota Department of Employment and Economic Development (DEED) and the Minnesota Department of Human Services (DHS).

The state has identified objectives and expected outcomes for federally funded housing and community development assistance through a process of public hearings and forums held annually throughout the state. Housing advocates, service providers, and other stakeholders are invited to participate in these events and to provide input on local needs, priorities, and problems (see Volume I, Section V and Volume II, Appendix D of the ***Consolidated Housing and Community Development Plan, FY 2012-2016***). The Annual Action Plan addresses how objectives are to be met each year.

Under most federal programs covered in this report, the state has been close to meeting its previous annual projections. The economy has improved and unemployment is low; however, job creation in relation to five-year goals was hampered by difficult economic conditions in the previous years.

As of the end of 2015, the fourth year in its five-year plan (2012-2016), Minnesota had achieved 83% of its five-year goals. Note that with the advent of IDIS for the CAPER beginning in 2012, HUD changed activity reporting by goal, e.g., combined DEED and Minnesota Housing resources. A variety of circumstances have contributed to the state's performance in working toward its five-year goals for providing housing and community development assistance, not the least of which was an economy and housing market that recovered slowly from the "downturn" of 2008/2009.

Several public facilities projects were delayed due to other parts of the financing from USDA and others taking longer than expected. Those project will be completed in 2016.

The goal of sheltering 11,400 individuals was not achieved, but changes in the types and capacity of shelters funded with ESG during FFY2015 resulted in a reduction of persons shelters using ESG funds.

The preservation of affordable rental housing is the area in which the state has been least able to meet its goals, due to the unexpected time required to implement the HOME Affordable Rental Preservation Program and five year goals that were based on unrealistically low per-unit cost assumptions.

It is important to note that for budgeting and planning purposes that Minnesota Housing projects the number of units for which it expects to make funding commitments; projecting the completion of HOME-assisted units is difficult because multifamily projects may take up to a few years to complete. Note also that the goal for HOPWA funding was a misprint; the amount of the HOPWA grant remains at less than $150,000 annually for which we expect to assist a stable number of households (approximately 150-165).

Due to the constraints of HUD's IDIS software, actual activity for the table on meeting five-year goals did not "populate".

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Program Year 2015	Actual – Program Year 2015	Percent Complete
Create Economic Opportunities	Non-Housing Community Development	CDBG: $5,999,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1,422	420	29.54%
Create Economic Opportunities	Non-Housing Community Development	CDBG: $5,999,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	2,246	766	34.11%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Program Year 2015	Actual – Program Year 2015	Percent Complete
Create Economic Opportunities	Non-Housing Community Development	CDBG: $5,999,000	Facade treatment/business building rehabilitation	Business	75	126	168.00%
Create Economic Opportunities-Jobs	Non-Housing Community Development	CDBG: $2,461,636	Jobs created/retained	Jobs	60	99	165.00%
Emergency Shelter	Homeless	ESG: $1,247,246	Homeless Person Overnight Shelter	Persons Assisted	11,400	9,572	83.96%
Enhance affordable housing opportunities	Affordable Housing	CDBG: $8486079 / HOME: $13,660,000	Rental units rehabilitated	Household Housing Unit	290	299	103.10%
Enhance affordable housing opportunities	Affordable Housing	CDBG: $8,486,079 / HOME: $13,660,000	Homeowner Housing Rehabilitated	Household Housing Unit	350	410	117.14%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Program Year 2015	Actual – Program Year 2015	Percent Complete
Enhance affordable housing opportunities	Affordable Housing	CDBG: $8,486,079 / HOME: $13,660,000	Other	Other	100	13	13.00%
Prevent homelessness	Persons At-Risk of Homelessness	HOPWA: $183,394 / ESG: $180,026	Homelessness Prevention	Persons Assisted	250	165	66.00%
Rapidly Re-house Homeless Persons	Homeless	ESG: $651,472	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	650	665	102.31%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Minnesota's objectives in the distribution of housing and community development resources are to create suitable living environments; provide decent, affordable housing; and create economic opportunities within the state. In working to achieve those objectives, the state has prioritized populations with the greatest need for assistance (see Table 2A in the ***2012-2016 Consolidated Plan for Housing and Community Development)***.

Priorities include renters with incomes at or below 30% of area median income (AMI), homeowners with incomes of 51% to 80% of AMI, and non-homeless people with special needs. HOME-funded units, in particular, reflect these priorities—89% of renter households occupying units completed in FFY 2015 had incomes below 30% of AMI and 69% of homebuyer and homeowner households had incomes between 51% and 80% of AMI. Note that Minnesota no longer uses new HOME funds for downpayment assistance or homeowner rehab; these are completions from previous allocations.

Minnesota Housing assists non-homeless people who may need supportive housing through several programs funded by the state legislature or the Agency itself, including the Family Homeless Prevention and Assistance Program, Bridges, and the Housing Trust Fund.

With its federal resources, the state assists the greatest number of people through the Emergency Solutions Grant (ESG). ESG assistance includes operating and supportive service costs for emergency shelter facilities and rental assistance and housing relocation and stabilization services for homeless persons and those at imminent risk of homelessness who need to be re-housed.

With its federal resources, the state provides the greatest amount of assistance through the Community Development Block Grant (CDBG) Small Cities program. State resources with fewer restrictions were made available to assist with the creation of jobs for low to moderate income persons. CDBG funds set aside for those activities were not used and were reallocated to other CDBG activities. As noted in the Action Plan, creation of new rental units with CDBG funds is no longer a priority and in the future funds will be used for other activities that are a priority.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME	HOPWA	ESG
White	1,191	46	94	4,5200
Black or African American	28	42	49	4,447
Asian	9	5	3	186
American Indian or American Native	7	1	7	1,169
Native Hawaiian or Other Pacific Islander	0	1	0	109
Total	**1,235**	**95**	**153**	**10,431**
Hispanic	27	4	0	1,091
Not Hispanic	1,224	92	0	9,132

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

According to the Census Bureau's estimates in the ***American Community Survey, 2014,*** households of a race other than white comprise an estimated 11% of the households in Minnesota and households of Hispanic or Latino ethnicity comprise an estimated 3% of the households in Minnesota.

CDBG assisted 1,224 households in FFY 2015. Of that number 1,191 were white, 28 were Black/African American, 9 were Asian, 0 were American Indian/Alaskan Native, and 16 were other multi-racial. Also of the total households, 5% were of a race other than white. Among CDBG-assisted households, 97% of households were white, 2% Black/African American, less than 1% Asian, and less than 1% American Indian/Alaskan Native.

According to the IDIS Report ***HOME Summary of Accomplishments for FFY 2015,*** 48 % of HOME-assisted households were white, 44% Black/African American, 5% Asian, 1% American Indian/Alaskan Native, 1% Native Hawaiian/Other Pacific Islander, and 1% multiracial. Of the total HOME-assisted households, 4% households were Hispanic.

DEED, Minnesota Housing, and DHS have conducted an *Analysis of Impediments to Fair Housing Choice* within the state. A full disclosure of the impediments can be found in the *2012 Analysis of Impediments to Fair Housing Choice for Minnesota* available in the ***2012-2016 Consolidated Plan for Housing and Community Development*** at: Analysis of Impediments to Fair Housing.

Each year, the state documents agency actions taken to overcome those impediments (see CR 35 of this report).

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Resources Made Available	Amount Expended During Program Year
CDBG	$19,947,866	$17,806,694
HOME	$5,646,729	$1,432,961
HOPWA	$147,997	$139,252
ESG	$3,987,599	$1,950,134

Table 3 – Resources Made Available

Narrative

Funding provided by HUD to Minnesota for FFY 2015 under housing and community development programs is shown above. Note that amounts expended may include funds from previous allocations. State agencies provide a large amount of assistance other than federal funds for affordable housing. For example, in FFY 2015 Minnesota Housing closed loans for nearly $856.5 million in housing assistance to non-Section 8 households. Of this amount, $11.3 million was HOME and $0.1 million was HOPWA funding. Minnesota Housing resources include bond sale proceeds, federal housing tax credits, state appropriations, and its own resources. (These figures from the agency's most recent annual report are shown for context and differ from expenditures shown in IDIS because Minnesota Housing reports on loans closed while IDIS includes funds for projects that are completed and occupied in the reporting year.)

In addition, HUD has awarded funding to Minnesota ($3.1 million in 2013 and $3 million in 2015) for the Section 811 demonstration that Minnesota Housing and the Department of Human Services currently are implementing. Under this demonstration, Minnesota Housing will provide rent assistance on behalf of tenant households with a disabled member.

Note that the state has been awarded some federal funds that do not meet HUD's definition for assisted households to be reported in the CAPER, e.g., National Foreclosure Mitigation Counseling (NFMC) to Minnesota Housing.

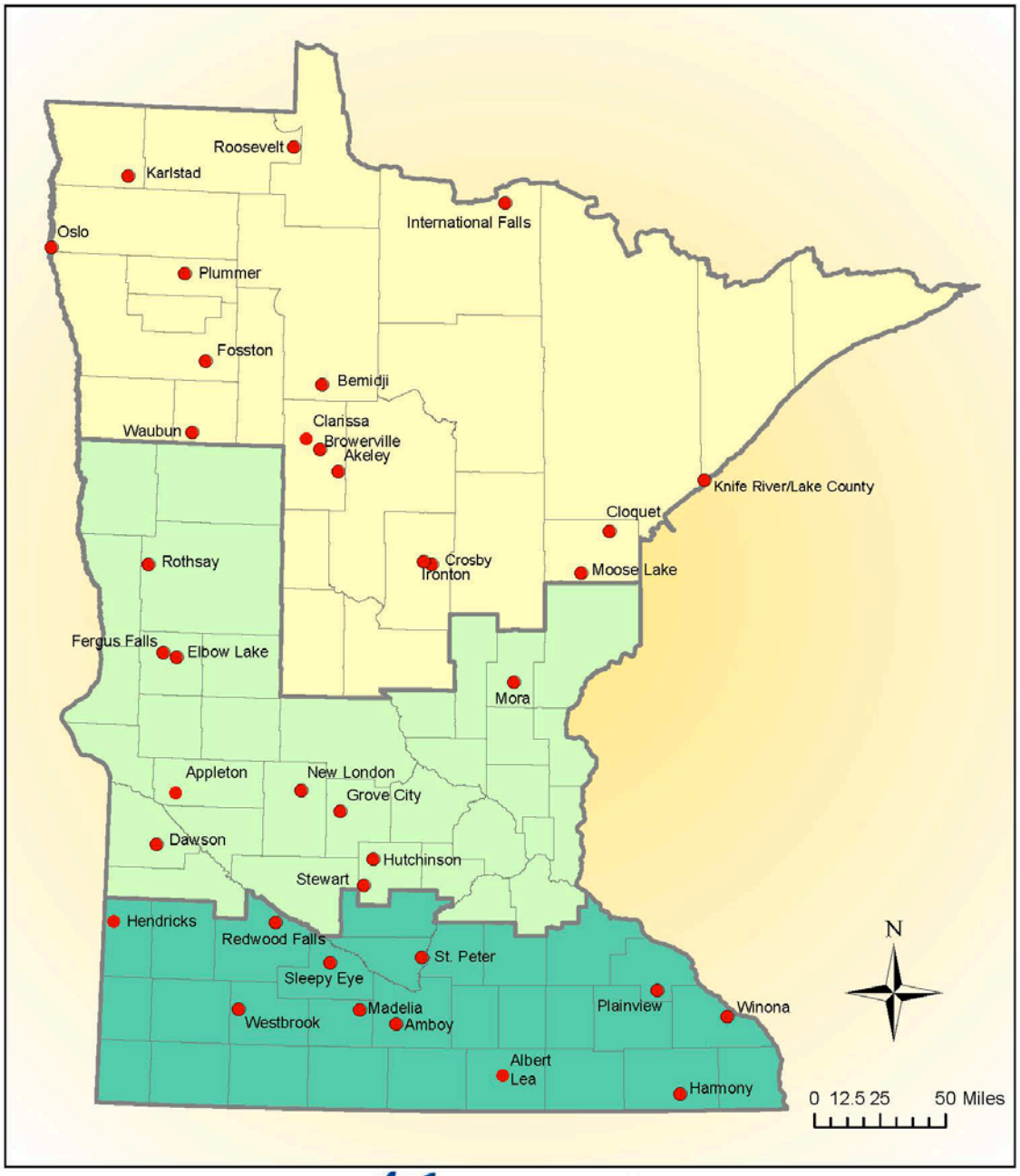
Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation
Balance of State	85	13
CITYWIDE PUBLIC FACILITIES	20	16
Economic Development	5	0
SLUM AND BLIGHT COMMERCIAL DISTRICT	20	15
TARGET AREA HOUSING REHAB	55	51

Table 4 – Identify the geographic distribution and location of investments

2015 Awarded Projects

Small Cities Development Program



Minnesota
Department of Employment and Economic Development

Narrative

The largest amount of assistance that the state provides with federal resources is through CDBG, particularly for the rehabilitation of owner-occupied homes and the improvement of public facilities. A map showing the distribution of projects awarded funding in 2015 is attached.

HOME Affordable Rental Preservation funds are available statewide. In 2015, 100% of HOME-funded completions were projects located in the seven-county Twin Cities metro area. Approximately 85% of HOME down payment assistance loans completed in 2015 were to borrowers purchasing property in the Twin Cities metro area, where Minnesota Housing's first mortgage lending activity was predominant (71% of first mortgage loans in 2015).

Minnesota targets HOPWA funds to areas outside the 13-county Twin Cities metropolitan area, which is served by the City of Minneapolis HOPWA grant.

Minnesota Housing received $296,402 in federal funds in FFY 2015 that are not counted in the performance toward goals as they do not meet HUD's definition of assisted households, are not part of the Action plan, or are reported separately. This funding includes resources from the National Foreclosure Mitigation Counseling (NFMC) program.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

ESG requires a one-to-one matching of funds. For FFY 2015, DHS required its sub-recipients to provide the required matching funds due to changes in the ESG regulations, which made it more difficult to monitor these funds at the state level. The State and its ESG sub-recipients expended $1,902,472 in non-ESG funds which were provided by federal, state, local and private sources as match for ESG-eligible activities.

DEED leverages its CDBG housing rehabilitation funds with Minnesota Housing, USDA Rural Development, lender, and property owner contributions. Each applicant jurisdiction is expected to provide as much local money as practicable, contingent upon the financial capability of the applicant. DEED and Rural Development coordinate funds for correcting or improving public infrastructure especially for low- and moderate-income communities. DEED staff estimates that CDBG projects historically have leveraged nonfederal funds in an amount at least equal to CDBG funds.

Under Minnesota Housing's Affordable Rental Preservation Program, HOME provided approximately 13% of the total funds committed to projects in 2015; the remainder was provided by other public or private entities or property owners. In 2015, Minnesota Housing financed an estimated $3 million in first mortgages for the first-time homebuyers who received HOME-funded down payment assistance.

Minnesota Housing uses Low-Income Housing Tax Credits for the development of affordable rental housing, primarily in conjunction with agency-financed first mortgages and/or other contributions such as deferred or gap funding. In 2015, Minnesota Housing closed $20.4 million in loans and gap funding for developments with 1,126 tax credit units that also received nearly $65.9 million in syndication proceeds from investors.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	$90,566,984
2. Match contributed during current Federal fiscal year	$13,037,649
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	$103,604,633
4. Match liability for current Federal fiscal year	$2,969,006
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	$100,635,627

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
1	09/30/2015	$10,211,728	0	0	0	0	0	$10,211,728
2	09/30/2015	$2,825,921	0	0	0	0	0	$2,825,921

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period $	**Amount received during reporting period $**	**Total amount expended during reporting period $**	**Amount expended for TBRA $**	**Balance on hand at end of reporting period $**
$57,883	$812,704	$774,332	0	$96,255

Table 7 – Program Income

There is nothing to report for Tables 8 and 9. Under the HOME program, Minnesota Housing does not enter into contracts or subcontracts. HOME-funded loans are to legal entities.

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

	Total	Women Business Enterprises	Male
Contracts			
Dollar Amount	0	0	0
Number	0	0	0
Sub-Contracts			
Number	0	0	0
Dollar Amount	0	0	0

Table 8 – Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition		
Parcels Acquired	11	$24,602,000
Businesses Displaced	0	0
Nonprofit Organizations Displaced	0	0
Households Temporarily Relocated, not Displaced	139	$192,808

Households Displaced	**Total**	**Minority Property Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	290	299
Number of Special-Needs households to be provided affordable housing units	0	0
Total	**290**	**299**

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	290	299
Number of households supported through Acquisition of Existing Units	0	0
Total	**290**	**299**

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The one-year goal of 290 units, set out in the state's 2015 Action Plan, was stated as the goal for rehabilitated rental units funded through HOME or CDBG. (Note that Minnesota Housing funded 724 HOME units during 2015 that should be completed and reported in 2016.)

Discuss how these outcomes will impact future annual action plans.

Outcomes for activities in FFY 2015 do not seem to suggest a need to change activities in the next action plan.

Based on stakeholders' responses to a survey of local housing needs, input from public meeting participants, and an analysis of Census data, Minnesota has prioritized housing needs in its ***Consolidated Housing and Community Development Plan, FY 2012-2016.*** The state will continue to solicit input from stakeholders and partners annually in order to respond to the housing and community development needs of Minnesota communities and will write future annual action plans based on that process, e.g., based on new or changing assistance needs identified by communities, stakeholder, and other assistance providers.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	306	74
Low-income	217	22
Moderate-income	230	0
Total	**753**	**96**

Table 13 – Number of Persons Served

Narrative Information

Based on data available in IDIS, more than 98% of beneficiaries of CDBG housing programs in 2015 had incomes at or below 80% of HUD median income, with the greatest number in the extremely low-income category.

In accordance with guidelines, all households assisted with HOME funds have gross incomes at or below 80% of area median income and tenant rents meet the affordability requirements of 24 CFR 92.252. For FFY 2015, 77% were in the lowest income category (30% of area median or less), 14% were in the 31%-50% category, and 9% were in the 51%-80% category.

All HOPWA-assisted households had gross incomes at or below 80 percent of area median income; 60% had incomes at or below 30% of area median.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

The annual Point-in-Time count showed, as of January 2015, an overall decrease of 10% in the number of Minnesotans experiencing homelessness (from January 2014) and a 17% decrease in homelessness among families with children; however,the count identified a 6% increase in unsheltered persons—a

subset of the homeless population—in 2015 (e.g., people living outdoors or in vehicles).

The State of Minnesota provides funding to a number of street outreach, emergency shelter, and transitional housing programs primarily state resources. State agencies worked in collaboration with the Continuum of Care Committees (CoCs) to develop coordinated assessment systems in all areas of Minnesota, which will serve as a focal point for assessing the individual needs of both unsheltered and sheltered people.

The Minnesota Interagency Council on Homelessness currently includes 11 agencies working together to address homelessness in Minnesota. Having met the goal of the Business Plan to End Long-Term Homelessness (provide 4,000 additional housing opportunities by 2015), the state has developed a new strategic plan, endorsed by the council, to address all homelessness in Minnesota with specific interagency action plans for implementation. The council will adopt a new two-year action plan in January 2016. A copy of the plan and a list of council contacts and representatives is found here:

Continuum of Care and Ending Long-Term Homelessness

Homelessness

The council has provided technical assistance to assist in the establishment of CoCs, which have developed regional plans that identify assistance needs of people experiencing homelessness or people at risk of becoming homeless, gaps in regional service delivery for the homeless, and a strategy for addressing those gaps. Currently, 10 CoC regions exist in Minnesota covering the entire state. DHS has offered each CoC committee the opportunity to review and provide recommendations on each ESG application submitted from their region, as well as other DHS-administered homeless programs. This ensures that ESG funding is used to address locally determined priorities for shelter, prevention and rapid re-housing.

During the past year, DHS staff conducted listening sessions and interviews at shelters around the state, gathering key informant data from persons experiencing homelessness. Interviews focused on the causes of person's homelessness and the programs or resources they believe they needed to prevent or end their homelessness. A report is in process and will be shared with all state programs working with homeless persons.

The Minnesota Legislature appropriated $125,000 for the Homeless Management Information System (HMIS), which enables housing and service providers to more effectively coordinate assistance and services to meet the needs of the homeless or near-homeless people.

Addressing the emergency shelter and transitional housing needs of homeless persons

ESG funding is used to strengthen the Continuum of Care systems by providing direct services to homeless persons. ESG funds were provided to sub-recipients in every CoC region, each of which has a priority to provide shelter and supportive services for homeless individuals and families. ESG funds also were provided to shelters in all CoC regions to pay for the operating and service costs of these programs, and to re-housing providers to rapidly re-house persons experiencing homelessness.

CoC organizations apply to HUD annually for funding under the McKinney Vento Homeless Assistance Program to address homelessness. In addition, the state funds both site-based and scattered-site transitional housing with approximately $3.2 million in state funds each year, and emergency shelters and day shelters with $500,000 per year in state funds.

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

The state received $1,974,807 in FFY 2015 in Emergency Solutions Grant Program funding to support sub-recipients' ongoing efforts to provide shelter and rapid re-housing and prevention assistance to homeless and at-risk households. In addition, DHS received $103,937 for state administrative costs. ESG funds were used to provide supportive services to persons through the emergency shelter where they were staying, as well as prevent and rapidly re-house households who were at-risk of or experiencing homeless. Supportive services included case management, transportation, mental health care, substance abuse treatment, childcare, and legal advice and assistance.

One of the state's most significant strategies for providing homelessness prevention assistance is the Family Homeless Prevention and Assistance Program (FHPAP). The Minnesota Legislature has funded FHPAP with a base appropriation of $17.2 million every two years. With these resources, Minnesota Housing assisted more than 7,900 households under FHPAP in 2015 by providing short-term housing and services, primarily to families with minor children. In addition to the $22.9 million base appropriation for the Housing Trust Fund, in 2015 the legislature appropriated an additional $2 million to provide rent assistance to highly mobile families with school aged children. In 2015, the Minnesota Legislature also appropriated $8.2 million to Bridges, which included a $2.5 million increase to the program base. Under the Bridges program, Minnesota Housing provides rental assistance to households in which one or more adult members has a serious mental illness.

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

In September of 2014, the 11 state agencies comprising the Interagency Council on Homelessness adopted five Foundational Services Practices to provide a more holistic and coordinated approach to addressing homelessness. These practices are to be implemented within two years in all programs that may serve people at risk of or experiencing homelessness: 1) know the housing status of people served, 2) actively reach out to the homeless, 3) limit requirements for in-person appointments, 4) assist with gathering required verifications/ documentation, 5) allow for multiple methods of communication about

benefits and services. They should ensure that people receive the mainstream services for which they are eligible.

The Interagency Council, primarily through the work of the Minnesota Department of Veterans Affairs, developed a Veterans Registry that enables service providers to identify the resources each veteran needs and to make the appropriate connections with those resources. The annual Point-in-Time count shows that veterans' homelessness in Minnesota has been reduced 54% since 2010.

For the 2014-2015 biennium, the Minnesota Legislature appropriated a total of $6.2 million to DHS for outreach and services to homeless youth. A key focus on this funding is preventing homelessness for youth exiting the foster care or other systems. The results of this funding are still being collected and will be reported in the next CAPER.

Minnesota Housing places a priority in its Request for Proposal and funding selection process on rental housing development that includes units of supportive housing for people experiencing long-term homelessness.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

In 2014, the Minnesota Legislature appropriated $20 million in General Obligation bond proceeds to Minnesota Housing for the purpose of preserving public housing; and in 2015, Minnesota Housing awarded nearly $18 million to improve 35 public housing developments with more than 2,400 housing units.

To address the need for preserving the affordability of federally assisted housing, the state undertook a pilot project known as PINES (Preservation - Identifying Needs, Establishing Strategies) to pro-actively reach out to owners of at-risk Section 8 projects. Staff used asset management and Section 8 contract data on physical needs, risk for market conversion, and staff knowledge of owner interests to identify suitable candidates for the PINES Pilot. Six developments were selected for the pilot, with three of those moving forward with state financing in exchange for a 20-year extension of the Section 8 contract. The state also instituted a pre-application and technical assistance process for applicants seeking 9% tax credits for preservation, in order to identify those projects truly at risk.

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

Minnesota does not own or manage public housing and does not have access to public housing residents to encourage them to participate in management or homeownership.

Minnesota Housing encourages homeownership for lower income households through outreach and education under the Enhanced Homeownership Capacity Initiative and the Homeownership Education, Counseling, and Training Program. Minnesota Housing's affordable mortgage financing and downpayment assistance are available to first-time homebuyers that meet income requirements.

Actions taken to provide assistance to troubled PHAs

The state recognizes the need for preservation and rehabilitation of federally assisted affordable housing, and provides General Obligation Bond proceeds for rehabilitation under Minnesota Housing's Publicly Owner Housing Program, but Minnesota had no specific goal in the Action Plan for 2015 to provide financial or other assistance to troubled PHAs in the state.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

In 2014, Minnesota Housing, the McKnight Foundation, Urban Land Institute of Minnesota (ULI-MN)/ Regional Council of Mayors (RCM), and Enterprise sponsored a competition (Minnesota Challenge) to generate ideas for reducing the per-unit cost of developing affordable multifamily rental housing. The competition winner, the University of Minnesota's Center for Urban and Regional Affairs, identified specific local policies, requirements, and procedures that increase costs and hinder the development of affordable housing. The report also identifies best practices for overcoming barriers to affordable housing development and strategies for implementing those best practices.

Minnesota Housing has implemented cost containment measures in its funding selection process by identifying projects with high costs (based on Agency and industry standards) and requiring justification for those higher-than-expected costs.

The state has identified limited resources as being a barrier to the provision of affordable housing. In 2014, the Minnesota Legislature authorized Minnesota Housing to issue $80 million in Housing Infrastructure Bonds to finance the construction or preservation of an estimated 1,500 units and in 2015, the legislature authorized an additional $10 million in Housing Infrastructure Bonds. Infrastructure bonds may be used to: finance permanent supportive housing for the homeless, preserve existing federally assisted housing, acquire/rehabilitate foreclosed rental housing, or develop new rental housing on foreclosed parcels of land.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

In its five-year plan, Minnesota identifies that the greatest unmet housing need is among low-income renters (<30% are median income) and moderate income homeowners (51%-80% of are median income). To address that need: 1: DEED uses 98% of CDBG funds to assist low- and moderate-income households (i.e., defined by CDBG as 80% or less of median income); the remaining funds are used for community development; 2) Minnesota Housing allocates HOME resources primarily to rental rehabilitation (with a focus on preserving the affordability of existing federally assisted housing for extremely low-income tenants).

The distribution of assistance shows that 45% of all households in HOME-assisted units reported (all

years) were in the lowest income category (30% of area median or less), 32% were in the 31%-50% category, and 23% were in the 51%-80% category.

Under the Section 811 Demonstration, HUD has awarded Minnesota more than $6 million for project-based rental assistance to create integrated supportive housing for people with disabilities. For the first round of funding, Minnesota Housing expects to award contracts to owners for 85 units of assisted housing by the end of Calendar Year 2015. In the second round of funding, the state will assist an additional 75 units. Minnesota Housing is implementing this demonstration in cooperation with the Minnesota Department of Human Services (DHS). DHS will coordinate outreach, screening, and referrals for 811 units and ensure that property owners offer support services to tenants. The demonstration is an important tool for the state in supporting the goals of the Olmstead Plan to provide integrated housing options for people with disabilities.

For the 2016-2017 biennium, the Minnesota Legislature appropriated funds to people with some of the greatest unmet housing needs, including: $8.2 million to provide rent assistance to households experiencing mental illness; $17 million for family homeless prevention and assistance; and $22.9 million for the Housing Trust Fund, which provides rent assistance to households in the lowest income categories.

The Housing and Community Development Dialogues are an important partnership between Minnesota Housing, the U.S. Department of Agriculture Rural Development, the Greater Minnesota Housing Fund, and local stakeholders. Held in various areas throughout the state, the goal of these public meetings is to have participants share information about specific local housing needs and challenges so that funders can better serve communities throughout the state and meet local needs.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The Minnesota Family Investment Program (MFIP) is the state's major public assistance initiative for low-income families with children. MFIP's three main goals are to help people leave and remain independent of welfare, obtain and keep jobs, and increase income/decrease poverty. Efforts to ensure that the state meets MFIP goals include: employment and job training services, health care assistance, and child care subsidies for MFIP families. This includes a diversionary work program that helps people to find employment before they reach the need for MFIP.

The Office of Economic Opportunity (OEO) administers a variety of federal and state funded anti-poverty and self-sufficiency programs, allocating approximately $35 million a year in federal and state appropriations to more than 150 organizations and programs working with low-income families in Minnesota. These programs address families' basic social needs while providing opportunities for the development of the skills necessary for economic self-sufficiency.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

Affordable housing and community development assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit organizations, and local governments throughout the state. The state fosters cooperation through interagency task forces, councils, and other cooperative efforts identified in its ***Consolidated Plan for Housing and Community***

Development 2012-2016.

DEED, DHS, and Minnesota Housing work to minimize assistance gaps and to coordinate available resources in a variety of ways: Minnesota Housing and its partners, such as the Metropolitan Council, issue joint requests for proposals and coordinate the process of reviewing and selecting proposals for funding with other agencies. HUD, the U.S. Department of Agriculture, and Minnesota Housing have an interagency agreement to align/reduce state and federal physical inspections of subsidized rental housing. Minnesota Housing and DHS have been working together to develop a more coordinated grant-making process for resources available through both agencies to address the needs of people experiencing homelessness.

In 2015, Minnesota Housing allocated $1.7 million in grants to local organizations under the Technical Assistance and Operating Support Program, which is funded through both legislative appropriations ($750,000 for the 2016-2017 biennium) and Minnesota Housing resources. Minnesota Housing also funds a $1 million capacity building revolving loan program that assists nonprofit affordable housing sponsors with pre-development costs.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The state hosts a number of councils or work groups, including:

1) The Interagency Stabilization Group (ISG), which coordinates funds for the stabilization and preservation of qualifying assisted rental housing in the Twin Cities metro area. ISG members include Minnesota Housing, the Family Housing Fund, the McKnight Foundation, the Minneapolis Community Development Agency, the Saint Paul Planning and Economic Development Department, LISC, HUD, and the Federal Home Loan Bank.

2) The Greater Minnesota Preservation Work Group, a consortium of public and nonprofit agencies created to work together to cooperatively address the preservation of federally assisted rental housing in Minnesota outside of the Twin Cities metro area. The participants include Minnesota Housing, HUD, USDA, DEED, Federal Home Loan Bank of Des Moines, Duluth LISC, and the Greater Minnesota Housing Fund. By coordinating information about properties at risk of converting to market rate housing or at risk of loss due to physical deterioration, the participants are able to more strategically target their combined resources.

3) The Minnesota Interagency Council on Homelessness, which works to: investigate, review, and improve the current system of service delivery to people who are homeless or at risk of becoming homeless; improve coordination of resources and activities of all state agencies relating to homelessness; and advise Minnesota Housing in managing the Family Homelessness Prevention and Assistance Program (FHPAP). The work of the council is supported by private foundations that fund certain activities under the state's two-year plan.

4) The Stewardship Council, which works to address the capital, service, and operating needs of supportive housing for homeless families and individuals. The council includes representatives from federal, state, and local agencies as well as private philanthropic organizations and nonprofit agencies.

5) The Minnesota HIV Housing Coalition, which facilitates access to quality housing and appropriate support services for individuals and families living with HIV in Minnesota. The Coalition advises the City of Minneapolis and Minnesota Housing on the expenditure of HOPWA funds.

6) The Olmstead Subcabinet, which includes eight state agencies responsible for the development and implementation of the Olmstead Plan. The plan strives to ensure that Minnesotans with disabilities will have the opportunity to live close to family and friends, live more independently, engage in productive employment, and participate in community life.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

In 2015, state agencies in Minnesota began preparing to implement the provisions of HUD's final rule on affirmatively furthering fair housing.

The state submits the following actions taken in FFY 2015 to address impediments in its ***Analysis of Impediments to Fair Housing:***

IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

Federal Fiscal Year 2015

Private Sector Impediments, Actions, and Measurable Objectives

Impediment 1*: *Lack of understanding of fair housing and affirmatively furthering fair housing

***Action 1.1*:** Ensure that Minnesota Housing-financed rental developments have Affirmative Fair Housing Marketing Plans (AFHMP).	***Measurable Objective 1.1*:** Number of approved AFHMPs.
Results: An approved AFHMP is a requirement of closing. Sixty-four developments with Minnesota Housing-financed loans that closed in FFY 2015 met this requirement.	
***Action 1.2*:** Review AFHMPs of Section 8 developments for which Minnesota Housing manages the subsidy at least every five years.	***Measurable Objective 1.2:*** Number of AFHMPs reviewed and, if necessary, modified.
Results: Minnesota Housing staff reviewed, modified (if needed), and approved 156 AFHMP's for Section 8 Traditional Contract Administration (TCA) properties. Staff also reviewed 362 AFHMPs for Section 8 Performance Based Contract Administration (PBCA). • Six sites were unable to document that the AFHMPs had been reviewed in the past five years. • Seven sites were unable to provide a current AFHMP at the site for review. Minnesota Housing is not authorized by HUD to approve AFHMPs for the Section 8 Performance Based Contract Administration (PBCA) portfolio. Minnesota Housing staff monitor noted findings and deficiencies for appropriate corrective action, in which sites are directed to review the AFHMP and submit to HUD for approval, if changes are needed. Sites unable to provide a current AFHMP are required to provide a copy of either an existing AFHMP or a new plan when one doesn't exist. This is required to resolve a finding.	
Action 1.3*:* Explore a model to identify non Section 8 multifamily developments with AFHMPs that may be out of date and require review and modification.	***Measurable Objective 1.3:*** Develop and implement a model.
Results: Staff completed a preliminary analysis of AFHMP procedures and protocols during FY 2015 as a part of a larger division-wide alignment project. During 2015 and 2016, Phase 3 of this project will include developing a process for collection, review, and tracking of AFHMP's, including the non-Section 8 portfolio. Protocols will be based on the requirements of individual financing. The lookback for this project will begin with non-Section 8 properties that Minnesota Housing has financed since 2012.	
Action 1.4: Review marketing activities for compliance with the AFHMP and that the fair housing logo is used in advertising materials.	***Measurable Objective 1.4:*** Number of reviews of AFHMPs.
Results: Minnesota Housing's Asset Management staff reviewed marketing activities for compliance on 220 developments with amortizing debt.	

Under Performance Based Contract Administration: monitored 362 properties for AFHMP compliance.

- Nineteen properties were cited for deficiencies related to AFHMPs, of which:
  - Four properties had issues with use of the fair housing logo in either advertising or signage.
  - Fourteen of the 19 properties with deficiencies have mitigated the findings and the findings have been closed. Of the five that remain open, staff are awaiting a compliant response. HUD has been notified of the non-response in one case; of the other four properties with open findings, partial responses have been received. Staff are in the process of reviewing additional responses received.

Action 1.5: Distribute flyers and education materials at annual conferences, public venues, and other opportunities.	***Measurable Objective 1.5*:** Number of materials distributed.

Results:

Brochures/Posters	When ordered	How many	How many left
Are You a Victim of Housing Discrimination (brochure)	2015	50 English – back ordered	None of the ones previously in stock. New order has not been filled as supply is out of stock at the government office that supplies these to us
Fair Housing – Equal Opportunity for All (brochure)	2015	55 Russian 100 Hmong 75 Vietnamese 60 Spanish	41 Russian 99 Hmong 75 Vietnamese 35 Spanish
Equal Opportunity Poster	In house printing as needed	None needed in 2015	86
Residents Rights Responsibilities (brochure)	In house printing as needed	None needed in 2015	Will print as needed

Of the total number of brochures ordered in 2015, the following number were distributed/taken by attendees at conferences:

2015 Working Together Conference :

- Fair Housing (Equal Opportunity) for all English: 18 brochures
- Fair Housing (Equal Opportunity) for all Spanish: 1 brochure
- Fair Housing (Equal Opportunity) for all Russian: 3 brochures
- Are You a Victim of Housing Discrimination: 0 taken
- Equal Opportunity Posters: 0 taken

2015 Spring NAHRO Conference:

- Fair Housing (Equal Opportunity) for all for Hmong: 1 brochure
- Fair Housing (Equal Opportunity) for all for Spanish: 1 brochure

- Are You a Victim of Housing Discrimination: 0 taken
- Equal Opportunity Posters: 0 taken

2015 League of MN Cities/Duluth, MN
Fair Housing-Equal Opportunity for All: 0 taken
Are You a Victim of Housing Discrimination: 0 taken
Equal Opportunity Posters: 0 taken

Of the total number of brochures ordered in 2015, the remaining brochures were distributed to customers (which includes tenants of assisted housing):

- Are You a Victim of Housing Discrimination: none available
- Fair Housing-Equal Opportunity for All: 14 Russian, one Hmong, 25 Spanish
- Equal Opportunity Poster (Blue): 86

***Action 1.6*:** Explore with the Minnesota Multi Housing Association possibilities for training multifamily property owners, managers, and service providers.	***Measurable Objective 1.6.1*:** Document meetings with the Association. ***Measurable Objective 1.6.2:*** Publicize the availability of training to Minnesota Housing-associated rental property owners or managers.

Results:

***Measurable Objective 1.6.1*:** Minnesota Housing staff continues to meet with industry partners to explore the possibilities of training multifamily property owners, managers and service providers on fair housing. These offerings are regularly provided at trainings throughout the year and well attended.

Measurable Objective 1.6.2: Minnesota Housing publicized training sessions available during the 2015 Working Together Conference via an e-mail to owners, agents, and service providers. Information also was available on Minnesota Housing's website. The Minnesota Multi Housing Association sent multiple e-mails as well as hard copy mailings. HUD and NAHRO provided a list of customers to the Minnesota Multi Housing Association for further outreach concerning the availability of the training.

The 2015 Working Together Conference included three specific fair housing sessions:

1) Fair Housing
2) Companion Animals
3) Day-to-Day Fair Housing

Three additional sessions were available to address questions related to fair housing:

1) Cultural Intelligence
2) Ask the Attorney
3) A Different Kind of Different

Action 1.7: Support HousingLink's efforts to educate owners and tenants on fair housing.	***Measurable Objective 1.7:*** Provide funding to HousingLink.

Results: Minnesota Housing executed two separate Operating Support and Technical Assistance contracts with HousingLink. One of the contracts, a standard Operating Support Grant, enabled HousingLink to continue their fair housing outreach work throughout the state for both property owners and tenants. Grant funds assist HousingLink with the basic operational costs associated with their current web traffic (including hList housing searches), and outreach activities/ meetings with specific groups such as supportive housing providers, representatives from the Department of Corrections, and landlords. HousingLink provides intentional educational awareness efforts through their website and list serve via the bi-weekly *Housing Connection* and the monthly *Landlord Link* or the *Housing Authority Wait List Alerts* (email). Fair housing articles, information, and related website links are included in each of these communication tools.	
Action 1.8: Implement the Sustainable Communities grant to develop a best practices and fair housing resource for rental owners.	***Measurable Objective 1.8:*** Developers and owners will be encouraged to use the work product when it becomes available.
Results: Through the Sustainable Communities grant, a large number of resources exist for renters, city/county government representatives, and landlords. Six agencies, including HUD and Minnesota Housing, sponsored a website of resources at http://fairhousingmn.org, which became operational in the summer of 2015. The Tool Kit, designed to assist property owners with affirmative marketing and fair housing, was delayed until late June of 2015 due to technical issues. The Affirmative Marketing Tool Kit is located here: http://fairhousingmn.org/providers/toolkit/.	

Impediment 2*: *Discriminatory terms and conditions in rental markets

***Action 2.1*:** Conduct outreach and education activities for housing providers.	***Measurable Objective 2.1*:** Support the Working Together conference.
Results: Minnesota Housing staff participated in the planning and development of sessions for the 2015 Working Together Conference, which included sessions specific to fair housing training and addressed discrimination in rental markets. Minnesota Housing further supported the 2015 Working Together Conference by providing volunteers to staff the registration desk and act as session coordinators. The conference included an estimated 1,000 attendees and the sessions were very well attended. The 2015 Working Together Conference included three sessions specific to fair housing: 1) Fair Housing 2) Companion Animals 3) Day-to-Day Fair Housing Three additional sessions were available to address questions related to fair housing: 1) Cultural Intelligence 2) Ask the Attorney 3) A Different Kind of Different	
Action 2:2: Support HousingLink's efforts to educate owners and renters on fair housing.	***Measurable Objective 2.2:*** Provide funding to HousingLink.
Results: Minnesota Housing has provided ongoing operational support to HousingLink. A significant piece of HousingLink's ongoing mission is outreach to landlords, prospective tenants, and service providers who work with tenants seeking housing. Outreach includes explaining what fair housing means, and directing owners and renters to resources located on HousingLink's web site : http://www.housinglink.org/	

Action 2.3: Review policies of Section 8, LIHTC, and HOME assisted housing for discriminatory terms and conditions in leases, house rules and tenant selection plans and occupancy policies.	***Measurable Objective 2.3:*** Results of the reviews.
Results: Minnesota Housing is analyzing the processes used for monitoring fair housing. Staff will establish standard review protocols across program areas to meet the objectives of the *Analysis of Impediments to Fair Housing*. The compliance team conducted reviews on 192 properties. Of the 192 inspections, there were 10 properties that received recommendations to update language due to concerns with regard to discriminatory terms and conditions in leases, house rules, tenant selection plans and/or occupancy policies. Electronic communication is sent to owners when areas of concern are found during a monitoring visit for Low Income Housing Tax Credits, HOME, or TCA. Minnesota Housing staff completed 362 Performance Based Contract Administration Management and Occupancy Reviews (MORs). Findings and deficiencies noted are monitored for appropriate corrective action and reported directly to HUD as appropriate. • Of the properties reviewed, two MOR findings were issued citing potentially discriminatory terms/conditions in leases, house rules, tenant selection plans and/or occupancy policies. • Of the properties reviewed that were cited for deficiencies in their Affirmative Fair Housing Marketing Plan and related activities, five of the findings remain open at this time and are subject to at least monthly follow-up by staff. Of the five that remain open, we are awaiting a compliant response. HUD has been notified of the non-response in one of the cases; in the case of the other four properties with open findings, partial responses have been received and additional responses and reviews of the responses are in process.	

Impediment 3*: *Failure to make reasonable accommodation or modification

***Action 3.1*:** Conduct outreach and education activities for housing providers.	***Measurable Objective 3.1.1*:** Support the Working Together conference. ***Measurable Objective 3.1.2:*** Ensure that rent-assisted housing have formal grievance procedures that provide resolution of complaints alleging discrimination based on disability.
Results: ***Measurable Objective 3.1.1*:** Minnesota Housing staff participated in the planning and development of sessions for the 2015 Working Together Conference, which included sessions specific to fair housing training and addressed discrimination in rental markets. Minnesota Housing further supported the 2015 Working Together Conference by providing volunteers to staff the registration desk and act as session coordinators. The conference included an estimated 1,000 attendees and the sessions were very well attended. The 2015 Working Together Conference included three specific fair housing sessions: 1) Fair Housing 2) Companion Animals	

3) Day-to-Day Fair Housing

Three additional sessions were available to address questions related to fair housing:

1) Cultural Intelligence
2) Ask the Attorney
3) A Different Kind of Different

Measurable Objective 3.1.2: Section 8 rental assistance programs require a grievance procedure for certain aspects of program participation. Staff review this requirement annually as part of the Management and Occupancy review or annual inspection. Information regarding grievance procedures is collected at the on-site review and reported to HUD on HUD Form 9834 Addendum B. HUD follows up on information that indicates a deficiency and seeks correction.

- Staff performed 177Section 8 Traditional Contract Administration inspections/management.
- Staff performed 362 Section 8 Performance Based Contract Administration Management and Occupancy Reviews.

Action 3.2: Support HousingLink's efforts to educate owners and tenants on fair housing issues, including reasonable accommodation.	***Measurable Objective 3.2:*** Provide funding to HousingLink.

Results: Minnesota Housing has provided ongoing operational support to HousingLink. A significant piece of HousingLink's ongoing mission is outreach to landlords, prospective tenants, and service providers who work with tenants seeking housing. Outreach includes explaining what fair housing means, and directing owners and renters to resources located on HousingLink's web site : http://www.housinglink.org/

Impediment 4*: *Discriminatory refusal to rent

***Action 4.1*:** Conduct outreach and education activities for housing providers.	***Measurable Objective 4.1*:** Support the Working Together conference.

Results: Minnesota Housing publicized training sessions available during the 2015 Working Together Conference via an e-mail to owners, agents, and service providers. Information also was available on Minnesota Housing's website. The Minnesota Multi Housing Association sent multiple e-mails as well as hard copy mailings. HUD and NAHRO provided a list of customers to the Minnesota Multi Housing Association for further outreach concerning the availability of the training.

The 2015 Working Together Conference included three specific fair housing sessions:

1) Fair Housing
2) Companion Animals
3) Day-to-Day Fair Housing

Three additional sessions were available to address questions related to Fair Housing:

1) Cultural Intelligence
2) Ask the Attorney
3) A Different Kind of Different

Minnesota Housing further supported the 2015 Working Together Conference by providing volunteers to staff the registration desk and act as session coordinators.

Action 4.2: Periodically review occupancy of Tax Credit developments and evaluate whether households of color and disabled persons are under-represented.	***Measurable Objective 4.2***: Production of periodic report.
Results: The most current report is available at: Rental Housing with Tax Credits	
Action 4.3: Discuss with the Minnesota Department of Human Resources how state agencies can support testing and enforcement.	***Measurable Objective 4.3.1***: Determine appropriate support roles of DEED, Minnesota Housing, and DHS. ***Measurable Objective 4.3.2***: Execute support roles.
Results: For Objectives 4.3.1 and 4.3.2, due to resource limitations, the Department of Human Rights limits fair housing testing to specific complaints. Complaints are investigated in accordance with agency protocols.	

Impediment 5: ***Failure to comply with federal and state accessibility standards***

Action 5.1: Conduct outreach and education activities for housing providers.	***Measurable Objective 5.1***: Number of outreach and education activities conducted.
Results: The state conducted outreach and education in conjunction with 2015 Working Together Conference. Minnesota Housing staff participated in the planning and development of sessions for the 2015 Working Together Conference. The sessions planned included topics specific to fair housing and reasonable accommodation. The 2015 Working Together Conference included three specific fair housing sessions: 1) Fair Housing 2) Companion Animals 3) Day-to-Day Fair Housing Three additional sessions were available to address questions related to fair housing: 1) Cultural Intelligence 2) Ask the Attorney 3) A Different Kind of Different	
Action 5.2: Ensure that multifamily developments newly-financed by Minnesota Housing comply with applicable building codes and accessibility and visitability standards.	***Measurable Objective 5.2***: Number of financed developments that are found to be compliant.
Results: In FFY 2015, Minnesota Housing closed on 78 loans to 73 multifamily rental developments. All properties were in compliance with applicable codes and Minnesota Housing Design Standards.	
Action 5.3: Consult with representatives of the disability community to understand the type of housing discrimination the disabled population experiences and to consider whether there are strategies for how Minnesota Housing's programs can be marketed to owners and developers who are identified as having failed to comply with accessibility standards.	***Measurable Objective 5.3:*** Conduct at least one meeting with disability community representatives and consider implementing viable strategies.
Results: Minnesota Housing contracted with HousingLink to identify barriers for people with disabilities in	

accessing the rental market. HousingLink conducted the survey in collaboration with the disability community, collecting information from over 400 responders.

Primary themes of the survey related to discrimination for persons with disabilities:

- individuals with mental illness struggle with landlord relationships; and
- individuals with mental illness have a hard time finding housing due rental history that may include police calls, evictions, or a criminal record.

Based on survey findings, HousingLink modified its rental listing search to allow for filtering of results by ten specific accessibility features. The list of features was developed with input from the Olmstead Implementation Office. Minnesota Housing is working on a communications plan to promote the new tool.

Minnesota's Olmstead Plan is located here: Minnesota's Olmstead Plan

Impediment 6*: *Steering in the home purchase and rental markets

***Action 6.1*:** Support the Emerging Markets Homeownership Initiative (EMHI).	***Measurable Objective 6.1(a)*:** Number of advisory council meetings attended. ***Measurable Objective 6.1(b):*** Funding support for the Minnesota Home Ownership Center. ***Measurable Objective 6.1(c):*** Number of realtors and lenders of color who have been trained on Minnesota Housing homebuyer programs.
Results: ***Measurable Objective 6.1(a)*:** Minnesota Housing staff attended all seven advisory council meetings (the Homeownership Advisory Council.) ***Measurable Objective 6.1(b):*** Minnesota Housing disbursed $198,162 to the Homeownership Center***.*** ***Measurable Objective 6.1(c):*** Minnesota Housing trained 955 realtors and 2,269 lenders.	
Action 6.2: Market mortgages and down payment assistance to households of color.	***Measurable Objective 6.2:*** Number of loans to households of color that are made or purchased by Minnesota Housing.
Results: Of the homeownership loans Minnesota Housing financed in FFY 2015, 1,102 or 27% were to households of color or Hispanic origin—an increase from 589 (24%) in 2014.	
Action 6.3: Educate homebuyers on the responsibilities and roles of realtors, lenders, and other actors who will be involved in their home buying experience so that they may recognize steering should it occur.	***Measurable Objective 6.3:*** Number of persons attending Home Ownership Center homebuyer training.
Results: The Homeownership Center provided in-person training for 4,317 households and pre-purchase counseling for 1,961; 49% of these households were of color or Hispanic ethnicity. An additional 3,783 households completed online homebuyer education through Framework.	
Action 6.4: Provide housing subsidy for persons with serious mental illness (pertains exclusively	***Measurable Objective 6.4:*** Number of households receiving assistance.

to rental housing subsidy).	
Results: Minnesota Housing assisted 739 households with serious mental illness through the Bridges program in 2015. Of the 739, 722 received a rental housing subsidy and 17 received only advocacy services (no housing subsidy) through the Bridges RTC program.	
Action 6.5: Provide permanent supportive housing for persons and families with mental illness, substance abuse disorders, or HIV/AIDS who are homeless or at risk of homelessness.	***Measurable Objective 6.5:*** Number of households provided permanent supportive housing.
Results: During 2015 (state fiscal year) 3,575 households lived in permanent supportive housing. Of the adults in those households, 56 (1.4%) were living with HIV/AIDS; 2,037 (52%) were living with mental illness; and 1,223 (32%) had a substance abuse disorder.	

Impediment 7*: *Denial of home purchase loans

***Action 7.1*:** Enhance homebuyer understanding of real estate transactions, provide information on resources available to them if they are denied credit or feel they are discriminated against in the mortgage market, and establishing and keeping good credit through education and training.	***Measurable Objective 7.1*:** Number of persons attending Home Ownership Center homebuyer training.
Results: The Homeownership Center provided in-person training for 4,317 households and pre-purchase counseling for 1,961; 49% of these households were of color or Hispanic ethnicity. An additional 3,783 households completed online homebuyer education through Framework.	
Action 7.2: Reach out to lenders, realtors, and emerging market communities through industry and emerging market community events to make them aware of Minnesota Housing's first time homebuyer programs.	***Measurable Objective 7.2.(a):*** Number of events attended or sponsored ***Measurable Objective 7.2.(b)*** Percent of loans made to households of color or Hispanic ethnicity.
Results: ***Measurable Objective 7.2.(a):*** Minnesota Housing sponsored 77 lender training sessions, 71 real estate partner trainings, six nonprofit trainings, and staff attended 59 events of which 19 were targeted to households of color or Hispanic ethnicity. ***Measurable Objective 7.2.(b):*** Of the homeownership loans Minnesota Housing financed in FFY 2015, 27% were to households of color or Hispanic origin.	

Impediment 8*: *Predatory-style lending activities

***Action 8.1*:** Enhance homebuyer understanding of real estate transactions so that they may recognize predatory lending and provide resources for them to discuss possible predatory loan products.	***Measurable Objective 8.1*:** Number of attendees of homeownership training
Results: The Homeownership Center provided in-person training for 4,317 households and pre-purchase counseling for 1,961; 49% of these households were of color or Hispanic ethnicity. An additional 3,783 households completed online homebuyer education through Framework.	
Action 8.2: Limit subordinations of HOME HELP down payment assistance loans to mortgages	***Measurable Objective 8.2:*** The number of requests for subordination to predatory loans that are rejected.

at prevailing rates and fees for the borrower's risk category.	
Results: Six of 300 requests for subordination, none of which involved HOME HELP assistance, were denied because of predatory loan terms of the proposed first mortgage.	

Public Sector Impediments, Actions, and Measurable Objectives

Impediment 1*: *Insufficient fair housing outreach and education efforts

***Action 1.1*:** Work with Minnesota NAHRO and the Minnesota Multi Housing Association to provide education to public sector housing providers through at their annual conferences.	***Measurable Objective 1.1*:** Number of outreach and education activities conducted.
Results: Minnesota Housing participated in the 2015 Working Together Conference and NAHRO's 2015 Spring Conference and distributed:. Of the total number of brochures ordered in 2015 the following number were distributed/taken by attendees at conferences: 2015 Working Together Conference : • Fair Housing (Equal Opportunity) for all English: 18 brochures • Fair Housing (Equal Opportunity) for all Spanish: 1 brochure • Fair Housing (Equal Opportunity) for all Russian: 3 brochures • Are You a Victim of Housing Discrimination: 0 taken • Equal Opportunity Posters: 0 taken 2015 Spring NAHRO Conference: • Fair Housing (Equal Opportunity) for all for Hmong: 1 brochure • Fair Housing (Equal Opportunity) for all for Spanish: 1 brochure • Are You a Victim of Housing Discrimination: 0 taken • Equal Opportunity Posters: 0 taken 2015 League of MN Cities/Duluth, MN Fair Housing-Equal Opportunity for All: 0 taken Are You a Victim of Housing Discrimination: 0 taken Equal Opportunity Posters: 0 taken Of the total number of brochures ordered in 2015, the remaining brochures were distributed to customers (which includes tenants of assisted housing): • Are You a Victim of Housing Discrimination: none available • Fair Housing-Equal Opportunity for All: 14 Russian, one Hmong, 25 Spanish Equal Opportunity Poster (Blue): 86	
***Action 1.2*:** Distribute fair housing flyers and education materials at annual conferences, public venues, and other opportunities.	***Measurable Objective 1.2*:** Number of materials distributed.
Results: Minnesota Housing staff participated in the planning and development of sessions for the 2015 Working Together Conference and conducted extensive outreach. The sessions planned included topics specific to fair housing and reasonable accommodation, including:	

Three sessions on fair housing: 1) Fair Housing 2) Companion Animals 3) Day-to-Day Fair Housing Three additional sessions to address questions related to fair housing: 1) Cultural Intelligence 2) Ask the Attorney 3) A Different Kind of Different

Impediment 2: Lack of sufficient fair housing testing and enforcement activities

Action 2.1: Determine with the Minnesota Department of Human Rights (DHR) the process of testing and enforcement and how it can be supported by the state.	***Measurable Objective 2.1.1***: Determine appropriate support roles of the Department of Employment and Economic Development, Minnesota Housing, and the Department of Human Services. ***Measurable Objective 2.2.1***: Execute support roles.
Results: **2.1.1 and 2.2.1** Due to resource limitations, DHR is not conducting testing. Complaints are investigated in accordance with agency protocols.	

Impediment 3: NIMBYism (Not in My Backyard) tendencies and planning and zoning decisions affect housing availability

Action 3.1: Incent decisions by communities that decrease segregation and increase economic integration of populations.	***Measurable Objective 3.1:*** Number of Minnesota Housing developments that are awarded selection points for zoning flexibility and economic integration.
Results: Twenty-seven projects received points for economic integration. Minnesota Housing no longer reports or scores on zoning flexibility, as economic integration provides a much more direct incentive to decrease segregation and increase economic integration of populations.	
Action 3.2: Provide internet links and other pre-existing materials to city staff and developers to inform citizens about affordable housing to reduce NIMBYism.	***Measurable Objective 3.2:*** Number of internet links on Minnesota Housing's webpage, and other materials identified to be made available to city staff and developers.
Results: Fair Housing: • The *2012 Analysis of Impediment to Fair Housing Report* provides information to a wide range of housing partners, including city staff and developers, on understanding the elements fair housing law, agencies involved in fair housing, and the fair housing complaint process. • Minnesota Housing's website includes approximately 20 resources for basic information on fair housing and how to report fair housing complaints: Fair Housing Research information of interest: Minnesota Housing Research Reports and the Community Profiles, which provide detailed demographic and housing information for Minnesota and its communities.	

CR-40 - Monitoring 91.220 and 91.230

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

SCDP: DEED monitors each grantee 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 or if other administrative difficulties become apparent from reviews. Monitoring of economic development projects uses the same process as those established through the state of Minnesota's CDBG competitive program. There are two forms of monitoring conducted by SCDP staff: on-site and desk. Desk monitoring is conducted on an ongoing basis from the start of the grant until closeout. The SCDP representative reviews startup documents, ongoing activities, payments to grantees, annual reports, audits, final reporting, and closeouts reporting.

DEED has developed a checklist to assist in the monitoring areas such as grant management; fair housing and equal opportunity employment; Davis Bacon Labor Standards; inspections and bidding; and contractor payments. Staff ascertain if the activities stated within the approved application are eligible activities and address federal objectives, and if adequate progress has been made by the grantee within the time stated in the funding agreement.

ESG: Each year DHS program staff review all ESG grantees using a risk analysis tool created with technical assistance from HUD. The tool has four broad areas of analysis: 1) General agency information, e.g., previous monitoring results; 2) program operations, e.g., compliance and reporting issues; 3) fiscal operations; and 4) agency Board of Directors/Executive Management.
The tool allows DHS staff to determine if a grantee needs immediate attention or can receive a visit as part of regular monitoring. A regular monitoring rotation ensures grantees are monitored at least once every two years. Staff review a random selection of files for specific documentation of: homelessness, disability status, target population, on-going assessment, follow-up, and supportive services. Staff verify homeless participation in policies and project development, the full number of participants being served, timeliness and eligibility of grant, and matching fund expenditures.

HOME: Minnesota Housing monitors HOME Rental Rehabilitation and Affordable Rental Preservation properties for compliance, requiring owners to submit tenant income and rent information for review annually. Multifamily staff 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.

On-site inspection consists of a review of administrative records as well as a physical inspection and tenant file review of 20% of the HOME-assisted units. Minnesota Housing typically inspects a minimum of four HOME units (or all HOME units if property has four HOME units or less). If a property is found to be out of compliance, the owner receives notice of noncompliance. If noncompliance is not corrected within the allotted period, usually 30 days, the owner is given a 10-day grace period in which to address issues. If noncompliance remains uncorrected, possible action may be an extension of the effective period or calling the loan due.

HOPWA Monitoring
Inspection of properties assisted under Housing Opportunities for Persons with AIDS (HOPWA) 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. Requirements include: 1) owners annual submission of a Deferred Loan Owner Certification and report of unit events, including income and rent certifications, in the Property Online Reporting Tool; and 2) property inspections per Minnesota Housing 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. Monitoring of emergency rent and mortgage assistance includes: monthly review of administrative budget, production, and utilization of funding; evidence that the grantee is collecting appropriate demographic data; and 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

Citizen Participation Plan 91.105(d); 91.115(d)
Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The state notified the public of the availability of the draft in the *Star Tribune* and *State Register*. The draft CAPER for 2015 was available for public comment for 15 days beginning November 13, 2015, and extending through the close of the business day on December 1, 2015. Minnesota Housing and DEED posted copies of the CAPER on their websites and hard copies were available from Minnesota Housing, DEED, and DHS upon request.

Public input into the draft CAPER is considered in preparing the final report to HUD and the state responds in writing to each commenter. There were no public comments on the CAPER draft in FFY 2015.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The state does not plan on changing its objectives. Our experiences indicate that requests for DEED's CDBG funds are twice as much as our allocation therefore we think our objectives align with the interest shown.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?	No

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Minnesota Housing has used past HOME allocations to fund downpayment assistance to first-time homebuyers, rehabilitation loans to homeowners, and rehabilitation loans to owners of rental property. Currently, based on the critical need to preserve existing affordable rental housing, all HOME funds are allocated to the HOME Affordable Rental Preservation Program.

The following table lists results of on-site inspections of properties funded under the HOME Rental Rehabilitation Program and HOME Affordable Rental Preservation programs. Among more than 1,200 HOME units, fewer than 20 were found to be in violation of program standards; all violations have been or are in the process of being corrected.

Property Number	Property Name	City	Total HOME Units	IDIS #	Compliance End Date	No Longer Monitored Date	No Longer Monitored Reason	Date of Physical Inspection	Date of File Review	Compliance Status
D5291	520 4th St S	Mankato	3	5909	10/23/2014	4/15/2015	Compliance obligations successfully fulfilled for full term			
D6429	410 10th Ave E	Alexandria	2	5908	11/20/2014	6/4/2015	Compliance obligations successfully fulfilled for full term			
D6018	Gonvick Community Homes	Gonvick	8	5570	12/2/2014		Affordability period close-out review in process			
D2631	Groundhouse Apts	Ogilvie	7	5875	12/10/2014	8/26/2015	Compliance obligations successfully fulfilled for full term			
D6423	Braham Heights	Braham	11	5870	12/17/2014	12/17/2014	Compliance obligations successfully fulfilled for full term			
D0405	Honeytree Apartments	Delano	22	5894	1/27/2015	1/27/2015	Compliance obligations successfully fulfilled for full term			
D0213	Trail Ridge	Brainerd	17	5898	2/3/2015		Affordability period close-out review in process			
D6409	116 Shaubut St	Mankato	2	5886	3/8/2015	4/6/2015	Compliance obligations successfully fulfilled for full term			
D6854	1908, 1912, 1918 18 1/2 Ave NW	Rochester	11	6415	3/12/2015	9/28/2015	Compliance obligations successfully fulfilled for full term			
D6757	339 Pleasant St E	Mankato	2	6075	3/15/2015	7/20/2015	Compliance obligations successfully fulfilled for full term			
D6756	211-213 Washington Ct	Mankato	4	6078	3/26/2015	3/27/2015	Compliance obligations successfully fulfilled for full term			
D6994	1700 45th St NW	Rochester	4	6758	5/17/2015	8/24/2015	Compliance obligations successfully fulfilled for full term			
D7054	1706 45th St NW	Rochester	4	6932	5/17/2015	8/24/2015	Compliance obligations successfully fulfilled for full term			
D1203	626 Bush Street	Red Wing	3	6938	7/8/2015	7/8/2015	Compliance obligations successfully fulfilled for full term			
D7095	611 Bluff St	Red Wing	2	6940	7/12/2015	9/9/2015	Compliance obligations successfully fulfilled for full term			
D6035	B & E Apartments	Staples	8	5577	7/22/2015		Affordability period close-out review in process			

Property Number	Property Name	City	Total HOME Units	IDIS #	Compliance End Date	No Longer Monitored Date	No Longer Monitored Reason	Date of Physical Inspection	Date of File Review	Compliance Status
D1072	Three Links	Northfield	58	6045	8/13/2015		Affordability period close-out review in process			
D6411	328 Carney Ave	Mankato	2	5903	9/20/2015		Affordability period close-out review in process			
D7074	407 1st Ave NE	Byron	6	6931	9/20/2015		Affordability period close-out review in process			
D6408	321 Riverfront Dr N	Mankato	2	5890	9/23/2015		Affordability period close-out review in process			
D2233	Lake Grace Apartments	Chaska	45	3917	10/1/2015			9/18/2015	9/17/2015	No violations
D6085	2414 3rd Ave N	Moorhead	18	5600	10/8/2015					
D6250	School View Square	Big Lake	50	6418	10/8/2015			9/17/2015	9/17/2015	No violations
D7094	304 Sanderson St	Red Wing	1	6939	10/21/2015					
D0733	315 South Broad & 211, 212 & 213 Liberty	Mankato	13	5889	11/30/2015					
D7014	28 6th Ave SE	Rochester	4	6804	12/6/2015					
D6410	Newfolden Community Homes Inc	Newfolden	6	5878	1/7/2016					
D7254	408 6th St SW	Willmar	10	7365	2/8/2016			7/29/2015	7/29/2015	One unit had a habitability violation, 2 units had deficient tenant files and one unit was not recertified timely. All violations were corrected or clarified.
D2476	804 2nd St N	Mankato	1	5873	2/10/2016					
D0737	Mankato Transitional Housing	Mankato	3		4/26/2016					
D7234	420 Becker Ave	Willmar	3	7106	5/5/2016					
D0695	Kingsway Estates	Le Sueur	23	5550	5/27/2016			8/12/2015	8/12/2015	3 units with habitability violations. Correction in process.
D3434	Maple Hills Apartments	Red Wing	32	5899	6/6/2016			9/29/2015	6/17/2015	Physical inspection report not yet available. No violations in tenant files.
D6405	213-213 1/2 Bush St	Red Wing	4	5896	9/13/2016					
D0271	Bridge Run Townhomes	Cannon Falls	18	7771	10/6/2016					
D7274	Black Oak Apartments	Montevideo	3	7550	12/12/2016					
D0013	Albertville Meadows	Albertville	36	6933	1/3/2017			7/13/2015	7/13/2015	No violations
D7154	McDermott Ave	Kandiyohi	16	7003	3/12/2017					
D0614	Harmony Manor	Harmony	17	7034	5/10/2017					

Property Number	Property Name	City	Total HOME Units	IDIS #	Compliance End Date	No Longer Monitored Date	No Longer Monitored Reason	Date of Physical Inspection	Date of File Review	Compliance Status
D3394	Village Green Manor	Moorhead	50	7021	5/23/2017			8/25/2015	In process	Property participated in the 2015 inspection alignment pilot. REAC inspection performed 8/25/2015. City of Moorhead fire marshal inspection completed 8/23/2015. Tenant file review in process.
D3414	Housing of Olivia - Westcourt	Olivia	49	5549	5/23/2017			4/15/2015	5/1/2015	No violations
D1424	Spring Grove Manor	Spring Grove	28	7045	6/13/2017			4/15/2015	8/20/2015	Habitability violations on building exterior were corrected. No violations in tenant files.
D1130	Storybrook Apartments	Pipestone	40	8064	8/13/2018			6/16/2015	8/19/2015	No violations
D3435	Country Village Apts	Redwood Falls	33	5565	8/21/2019			7/31/2015	7/31/2015	No violations
D0216	College Drive Townhouses	Brainerd	20	5656	9/28/2019			3/24/2015	3/24/2015	No violations
D2521	Broadway Apartments -- (Crookston)	Crookston	12		10/14/2019					
D0419	The Crossroads	Dodge Center	37	5596	4/27/2020			8/6/2015	8/20/2015	Property participated in the 2015 inspection alignment pilot. REAC noted 9 units with habitability violations and 2 property level violations. Correction in process
D0714	Stone Creek Townhomes	Luverne	19	5567	5/19/2020					
D6401	River Valley Apartments	Wabasha	24	5881	5/24/2020					
D1048	Westgate-New Prague	New Prague	36	5868	8/16/2020			9/15/2015	8/20/2015	No violations
D0665	Jackson Family Housing	Jackson	12		8/8/2021					
D0246	Woodmere Apartments	Buffalo	54	7043	1/8/2023			8/19/2015	7/9/2015	No violations
D0703	Edgewood Townhomes	Litchfield	29	7115	7/26/2023			2/3/2015	8/19/2015	No violations
D1130	Storybrook Apartments	Pipestone	12	8231	8/9/2023			6/16/2015	8/19/2015	No violations
D1492	Woodland Village TH	Saint Cloud	8		9/30/2023					
D0012	Northbridge Apartments	Albert Lea	26	8936	2/6/2024			7/27/2015	7/27/2015	Habitability violations in common areas and 2 units. One unit with deficient tenant file. All violations were corrected or clarified
D0232	Unity Place	Brooklyn Center	98	8339	7/10/2024			5/28/2015	5/28/2015	No violations
D0854	Seward Square	Minneapolis	19	9238	4/22/2025					
D0137	Carter Place	Bemidji	10		5/17/2025			5/21/2015	4/21/2015	No violations
D0137	Carter Place	Bemidji	10		4/17/2026			5/21/2015	4/21/2015	No violations
D1350	Bandel Hills TH	Rochester	11		5/3/2026					

Property Number	Property Name	City	Total HOME Units	IDIS #	Compliance End Date	No Longer Monitored Date	No Longer Monitored Reason	Date of Physical Inspection	Date of File Review	Compliance Status
D1886	Three Rivers Duplexes	Northfield	8		12/31/2026			9/30/2015	8/20/2015	One unit over income, 2 units with habitability violations. All violations were corrected or clarified
D3787	New San Marco Apartments	Duluth	6	4944	6/4/2028			9/15/2015	9/24/2015	No violations
D2391	West Birch Townhomes	Princeton	8		10/12/2028					
D2393	Ridgeview Court Townhomes	Paynesville	8		11/1/2028					
D0489	Yorkdale Townhomes	Edina	22	8933	11/13/2028			4/15/2015	5/7/2015	No violations
D1893	Fisher Townhomes	Fisher	10		11/21/2030					
D1552	Lewis Park Apartments	Saint Paul	63	9239	1/16/2044					Inspection scheduled for 11/18/2015

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

Minnesota Housing has provided a *HOME Compliance Manual* to owners and management agents of each HOME-assisted rental property. The manual covers all HOME compliance issues including leases, rents, incomes, maintaining unit mix, affirmative marketing, and property standards.

Minnesota Housing's manuals for lending or development promote and require compliance with fair housing laws and regulations. When applicable, Minnesota Housing requires Affirmative Fair Housing Marketing Plans for the marketing and occupancy of assisted units in developments of five units or more. Owners must update Affirmative Fair Housing Marketing Plans once every five years.

According to HUD's ***HOME Summary of Accomplishments,*** in HOME projects completed in FFY 2015, 52% of householders were of a race other than white and 4% were of Hispanic ethnicity. According the Census Bureau's ***American Community Survey, 2014,*** an estimated 11% of Minnesota's households are of a race other than white and 3% are of Hispanic ethnicity.

Note that HOME funds historically have been available primarily in non-entitlement areas, which may have limited previous opportunity for HOME-funded projects to serve a higher percentage of people of color or Hispanic ethnicity. HOME projects for which rehabilitation was completed in 2015 are located in the Twin Cities metropolitan area, where the proportion of non-white or Hispanic households is higher than in the state as a whole.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

Minnesota Housing does not separately track activities (or parts of activities) that are funded with program income, which the agency uses on a first-in-first-out basis and which may be used simultaneously with new grant funds. Tracking project, owner, and/or tenant characteristics separately is impossible; however, since program income is not used for purposes different from entitlement funds, characteristics presumably would be the same as entitlement-funded activities.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Minnesota Housing requests funding proposals from housing sponsors under a consolidated application process. The agency combines tax credits with below-market interest rate mortgages and deferred loans using state appropriations, agency resources, and contributions from funding partners to make tax credit developments more affordable to lower income households.

Based on an assessment of local housing needs, Minnesota Housing has developed and updates a tax credit allocation plan that gives preference to certain types of development, e.g., those that serve the lowest income households and the long-term homeless, and those that preserve federally assisted housing. The state's most recent Qualified Allocation Plan and priorities for housing tax credit allocation may be viewed at:
Tax Credits

Minnesota Housing awarded a total of more than $8 million in housing tax credits in 2015 for an estimated 750 affordable rental units; suballocators allocated an additional $3.8 million in tax credits for 425 units.

CR-55 - HOPWA 91.520(e)

Identify the number of individuals assisted and the types of assistance provided

The state provided housing assistance to 156 households through the use of HOPWA funds for: short-term rent, mortgage, and utility assistance payments to prevent homelessness of the individual or family and tenant-based rental assistance. The action plan goal for preventing homelessness in table 14 included both HOPWA and ESG projections; the state did not expect to assist more than 150 households with HOPWA funds in 2015 according to its five-year plan.

Number of Households Served Through:	One-year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	220	156
Tenant-based rental assistance	0	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0	0

Table 14 – HOPWA Number of Households Served

Narrative

Since 1999, Minnesota Housing has received an annual allocation of HOPWA funds from HUD to provide housing assistance and support services to people outside the 13-county Twin Cities metro area (which is served through a grant to the City of Minneapolis). Minnesota Housing and the Department of Human Services collaborate to undertake outreach efforts to help meet the needs of people with HIV/AIDS living in Greater Minnesota. This collaboration allows for greater coordination in the implementation of HIV/AIDS related projects.

Minnesota Housing received $147,997 in HOPWA funds in FFY 2015 and committed this HOPWA funding to the Minnesota AIDS Project (MAP), as in previous years. MAP is an agency that has established statewide networks to deliver assistance in areas of need throughout Greater Minnesota. MAP's Greater Minnesota emergency housing assistance program has worked closely with HIV service providers in Greater Minnesota, including the Mayo Clinic's HIV Clinic and Social Services, the Rural AIDS Action Network, and MAP's own case management program in Duluth.

Using HOPWA assistance, MAP provides short-term rent, mortgage, and utility assistance to prevent the homelessness of eligible individuals or families.

CR-60 - ESG 91.520(g) (ESG Recipients only)

ESG Supplement to the CAPER in *e-snaps*
For Paperwork Reduction Act

1. Recipient Information—All Recipients Complete

Basic Grant Information

Recipient Name	MINNESOTA
Organizational DUNS Number	804832640
EIN/TIN Number	411599130
Identify the Field Office	MINNEAPOLIS

Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	Minneapolis/Hennepin County CoC
ESG Contact Name	
Prefix	Mr
First Name	ISAAC
Middle Name	D
Last Name	WENGERD
Suffix	0
Title	Agency Policy Specialist
ESG Contact Address	
Street Address 1	MN Dept Human Services
Street Address 2	444 Lafayette St.
City	St. Paul
State	MN
ZIP Code	55164-
Phone Number	6514313815
Extension	0
Fax Number	6514317309
Email Address	ISAAC.WENGERD@STATE.MN.US

2. Reporting Period—All Recipients Complete

Program Year Start Date	10/01/2014
Program Year End Date	09/30/2015

3a. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name: THREE RIVERS COMMUNITY ACTION COUNCIL
City: Zumbrota
State: MN
Zip Code: 55992, 0157
DUNS Number:
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 79784

Subrecipient or Contractor Name: KOOTASCA COMMUNITY ACTION, INC.
City: Grand Rapids
State: MN
Zip Code: 55744, 3982
DUNS Number:
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 20000

Subrecipient or Contractor Name: SIMPSON HOUSING SERVICES
City: Minneapolis
State: MN
Zip Code: 55404, 2347
DUNS Number: 783848922
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 35000

Subrecipient or Contractor Name: LAKES AND PRAIRIES COMMUNITY ACTION PARTNERSHIPS
City: Moorhead
State: MN
Zip Code: 56560, 2083
DUNS Number: 039375647
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 84250.64

Subrecipient or Contractor Name: LUTHERAN SOCIAL SERVICE OF MINNESOTA - BRAINERD
City: Brainerd
State: MN
Zip Code: 56401, 2857
DUNS Number: 079728721
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 20000

Subrecipient or Contractor Name: RED LAKE HOMELESS SHELTER, INC
City: Redlake
State: MN
Zip Code: 56671, 0280
DUNS Number: 623149254
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 46327.58

Subrecipient or Contractor Name: SALVATION ARMY ROCHESTER
City: Rochester
State: MN
Zip Code: 55906, 3706
DUNS Number: 125485958
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 53986

Subrecipient or Contractor Name: SCOTT CARVER DAKOTA CAP
City: Shakopee
State: MN
Zip Code: 55379, 1840
DUNS Number: 085104610
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 114193

Subrecipient or Contractor Name: ST. STEPHEN'S HUMAN SERVICES
City: Minneapolis
State: MN
Zip Code: 55404, 3315
DUNS Number: 607313850
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 35000

Subrecipient or Contractor Name: AMHERST H. WILDER FOUNDATION
City: Saint Paul
State: MN
Zip Code: 55104, 4636
DUNS Number: 077624401
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 9523.82

Subrecipient or Contractor Name: Avenues for Homeless Youth
City: Minneapolis
State: MN
Zip Code: 55411, 3944
DUNS Number: 196777184
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 39250

Subrecipient or Contractor Name: Community Action Center of Northfield, Inc.
City: Northfield
State: MN
Zip Code: 55057, 2760
DUNS Number: 164131369
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 22000

Subrecipient or Contractor Name: Catholic Charities - Hope Street
City: Minneapolis
State: MN
Zip Code: 55403, 2513
DUNS Number: 108504168
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 39000

Subrecipient or Contractor Name: Catholic Charities - St. Paul/Mpls Higher Ground/Dorothy Day
City: Minneapolis
State: MN
Zip Code: 55403, 2513
DUNS Number: 108504168
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 45000

Subrecipient or Contractor Name: Lakes and Pines Community Action Council, Inc.
City: Mora
State: MN
Zip Code: 55051, 1227
DUNS Number: 074217639
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 59850.4

Subrecipient or Contractor Name: Mahube-Otwa Community Action Partnership
City: Detroit Lakes
State: MN
Zip Code: 56501, 2722
DUNS Number: 037473071
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 141203

Subrecipient or Contractor Name: Lutheran Social Service of Minnesota - St. Paul TLPY
City: Saint Paul
State: MN
Zip Code: 55104, 2302
DUNS Number: 079728721
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 26250

Subrecipient or Contractor Name: New Pathways
City: Cambridge
State: MN
Zip Code: 55008, 1519
DUNS Number: 044054570
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 41750

Subrecipient or Contractor Name: Our Saviour's Outreach Ministries
City: Minneapolis
State: MN
Zip Code: 55404, 3842
DUNS Number: 601158137
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 32000

Subrecipient or Contractor Name: Ours to Serve House of Hospitality, Inc.
City: Bemidji
State: MN
Zip Code: 56601, 2918
DUNS Number: 962478096
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 86540

Subrecipient or Contractor Name: Partners for Affordable Housing
City: Mankato
State: MN
Zip Code: 56001, 4430
DUNS Number: 015129260
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 124250.96

Subrecipient or Contractor Name: Rise Housing Services, Inc.
City: Spring Lake Park
State: MN
Zip Code: 55432, 1317
DUNS Number: 071780407
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 0

Subrecipient or Contractor Name: Salvation Army - Brainerd
City: Brainerd
State: MN
Zip Code: 56401, 3506
DUNS Number: 081033115
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 5000

Subrecipient or Contractor Name: Salvation Army - St. Cloud
City: Saint Cloud
State: MN
Zip Code: 56304, 1247
DUNS Number: 002805922
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 59000

Subrecipient or Contractor Name: Semcac
City: Rushford
State: MN
Zip Code: 55971, 8812
DUNS Number: 066860073
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 26000

Subrecipient or Contractor Name: Ruth's House of Hope
City: Faribault
State: MN
Zip Code: 55021, 6027
DUNS Number: 149047396
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 20000

Subrecipient or Contractor Name: Dorothy Day House of Hospitality
City: Moorhead
State: MN
Zip Code: 56560, 3531
DUNS Number: 164181034
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Faith-Based Organization
ESG Subgrant or Contract Award Amount: 40000

Subrecipient or Contractor Name: Grace House of Itasca County
City: Grand Rapids
State: MN
Zip Code: 55744, 3835
DUNS Number: 799149344
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 60000

Subrecipient or Contractor Name: Anoka County Community Action Program, Inc.
City: Blaine
State: MN
Zip Code: 55434, 3373
DUNS Number: 927467340
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 75439.6

Subrecipient or Contractor Name: Heartland Community Action Agency
City: Willmar
State: MN
Zip Code: 56201, 3368
DUNS Number: 037473485
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 20000

Subrecipient or Contractor Name: Prarie Five CAC
City: Montevideo
State: MN
Zip Code: 56265, 1352
DUNS Number: 055557813
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 15000

Subrecipient or Contractor Name: Western Community Action, Inc.
City: Marshall
State: MN
Zip Code: 56258, 1315
DUNS Number: 114274582
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 105563

Subrecipient or Contractor Name: Bi-County Community Action Program, Inc.
City: Bemidji
State: MN
Zip Code: 56601, 8669
DUNS Number: 087682670
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 20000

CR-65 - Persons Assisted

4. Persons Served

4a. Complete for Homelessness Prevention Activities

Number of Persons in Households	Total
Adults	4
Children	5
Don't Know/Refused/Other	0
Missing Information	0
Total	**9**

Table 15 – Household Information for Homeless Prevention Activities

4b. Complete for Rapid Re-Housing Activities

Number of Persons in Households	Total
Adults	327
Children	338
Don't Know/Refused/Other	0
Missing Information	0
Total	**665**

Table 16 – Household Information for Rapid Re-Housing Activities

4c. Complete for Shelter

Number of Persons in Households	Total
Adults	8,561
Children	994
Don't Know/Refused/Other	8
Missing Information	9
Total	**9,572**

Table 17 – Shelter Information

4d. Street Outreach

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	**0**

Table 18 – Household Information for Street Outreach

4e. Totals for all Persons Served with ESG

Number of Persons in Households	Total
Adults	8,878
Children	1,327
Don't Know/Refused/Other	8
Missing Information	9
Total	**10,222**

Table 19 – Household Information for Persons Served with ESG

5. Gender—Complete for All Activities

	Total
Male	7,466
Female	2,732
Transgender	12
Don't Know/Refused/Other	12
Missing Information	0
Total	**10,222**

Table 20 - Gender Information

6. Age—Complete for All Activities

	Total
Under 18	1,377
18-24	2,134
25 and over	6,694
Don't Know/Refused/Other	8
Missing Information	9
Total	**10,222**

Table 21 – Age Information

7. Special Populations Served—Complete for All Activities

Number of Persons in Households

Subpopulation	Total	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters
Veterans	281	0	8	273
Victims of Domestic Violence	987	1	95	897
Elderly	519	0	9	510
HIV/AIDS	5	0	1	4
Chronically Homeless	868	0	59	814
Persons with Disabilities:				
Severely Mentally Ill	610	1	57	554
Chronic Substance Abuse	447	0	10	437
Other Disability	386	1	47	339
Total (Unduplicated if possible)	4,103	3	286	3,828

Table 22 – Special Population Served

CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes

10. Shelter Utilization

Number of New Units - Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	1,221,290
Total Number of bed-nights provided	1,029,156
Capacity Utilization	84.27%

Table 23 – Shelter Capacity

11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

As stated in the State's FY2015 Action Plan, the following performance standards will be used for evaluating each FY2015 ESG-funded activity:

Emergency Shelter

GOAL: 11,400 individuals in households receiving safe, adequate emergency shelter. OUTCOME: 9,572

The goal of sheltering 11,400 individuals was not achieved, but changes in the types and capacity of shelters funded with ESG during FFY2015 resulted in a reduction of persons sheltered using ESG funds.

Prevention (Re-Housing)/Rapid Re-Housing

GOAL: 690 individuals in households are stably re-housed. OUTCOME: 674

GOAL: 350 individuals households remain stably housed at program exit (or 76 percent). OUTCOME: Of the 270 households who exited during the program year, 238 (or 88 percent) remained stably housed at program exit.

In addition to the above performance standards developed in consultation with the CoCs, the State has implemented a process by which the outcomes of ESG-funded programs (documented in semi-annual and annual HMIS reports) are sent to each CoC Coordinator for their information and review.

CR-75 – Expenditures

11. Expenditures

11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2013	**2014**	**2015**
Expenditures for Rental Assistance	0	0	49,782
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	4,051
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	100,530
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	0	0	0
Subtotal Homelessness Prevention	**0**	**0**	**154,363**

Table 24 – ESG Expenditures for Homelessness Prevention

11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2013	**2014**	**2015**
Expenditures for Rental Assistance	0	0	205,653
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	35,352
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	228,407
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	0	0	0
Subtotal Rapid Re-Housing	**0**	**0**	**469,412**

Table 25 – ESG Expenditures for Rapid Re-Housing

11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2013	**2014**	**2015**
Essential Services	0	0	487,862

Operations	0	0	687,711
Renovation	0	0	0
Major Rehab	0	0	0
Conversion	0	0	0
Subtotal	**0**	**0**	**1,175,573**

Table 26 – ESG Expenditures for Emergency Shelter

11d. Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year		
	2013	**2014**	**2015**
HMIS	0	0	28,772
Administration	0	0	122,014
Street Outreach	0	0	0

Table 27 - Other Grant Expenditures

11e. Total ESG Grant Funds

Total ESG Funds Expended	2013	2014	2015
1,950,134	0	0	1,950,134

Table 28 - Total ESG Funds Expended

11f. Match Source

	2013	2014	2015
Other Non-ESG HUD Funds	0	0	358,879
Other Federal Funds	0	0	54,313
State Government	0	0	611,311
Local Government	0	0	218,701
Private Funds	0	0	646,642
Other	0	0	12,626
Fees	0	0	0
Program Income	0	0	0
Total Match Amount	**0**	**0**	**1,902,472**

Table 29 - Other Funds Expended on Eligible ESG Activities

11g. Total

Total Amount of Funds Expended on ESG Activities	2013	2014	2015
3,852,606	0	0	3,852,606

Table 30 - Total Amount of Funds Expended on ESG Activities