

The State of Minnesota Action Plan for Housing
and Community Development FY2008



91.320 Action Plan

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91.320 Action Plan

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

§91.320(b) Executive Summary

Throughout the Consolidated Plan process, the state was mindful of its housing and community development challenges that were identified in public comment and regional public forums and through secondary statistical research. Despite widespread distribution of invitations to comment on housing and community needs, very few written comments were submitted and there were no attendees at the public meetings. The state believes that the housing and community needs are the same as when the 2007-2011 Consolidated Plan was developed; consequently, federal resources will be used to address public facilities projects, commercial rehabilitation, emergency shelters, homeless prevention, affordable housing development, homeownership, and residential rehabilitation in 2008.

Evaluation of Past Performance

American Dream Downpayment Initiative (ADDI)

At the time the State prepared the 2007 Action Plan, Minnesota Housing anticipated using 2007 ADDI funds to support the Emerging Markets Homeownership Initiative (EMHI). At the time, Minnesota Housing expected a small allocation of state funds to downpayment assistance, and ADDI was viewed as a discrete resource apart from other agency resources to support EMHI. As Minnesota Housing began preparation of its two-year affordable housing plan, it anticipated allocating significant HOME funds for 2008 and 2009 to downpayment assistance, thereby eliminating the need for a separate program to support EMHI, and the 2007 ADDI funds were never used. However, \$555,000 of prior years' funds provided downpayment assistance to 56 low-income households.

Minnesota Urban and Rural Homestead Program (MURL)

After HUD required that Minnesota Housing no longer use contracts for deed as the purchase instrument, the program was changed to require buyers to obtain mortgage financing in the market and the grantee to convey title at the time of purchase. Twenty-two projects have been purchased and rehabilitated but are unsold, due to the collapse of the real estate market, and tightened mortgage underwriting standards that HOME-eligible low-income buyers are having difficulty meeting. Minnesota Housing is currently considering alternatives to the sale of these properties to homebuyers. Minnesota Housing estimated assisting 40 households, but discontinued the program after a disagreement with HUD regarding the character of the program and the participants in it.

HOME Rental Rehabilitation

Minnesota Housing estimated it would provide rehabilitation assistance to 450 low-income rental units, 441 such units were completed.

HOPWA

Having served 125 households, Minnesota Housing substantially met its projection of serving 135.

Community Development Block Grant Funding(CDBG)

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

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

Summary of Planned Actions

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

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

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

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

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

Summary of Objectives and Outcomes

SCDP Activities	Objective	Outcome	Objective 1 Create suitable living environments 2 Provide decent affordable housing
Owner Occupied Rehab	2	1	
Rental Rehabilitation	2	1	
Commercial Rehabilitation	3	3	
Public Facilities Projects	1	3	
New Construction	2	2	

Homeownership Assistance	2	2	Outcome 3 Create economic opportunities 1 Availability/accessibility 2 Affordability 3 Sustainability
Relocation	2	1	
Acquisition	1	1	
Clearance	1	1	
HOME Activities			
Rental Rehabilitation	2	2	
Downpayment Assistance (ADDI)	2	2	
HOPWA Activities			
Emergency rent, mortgage, utility assistance	2	2	
ESG Activities			
Emergency Shelters	1	1	
Homeless Prevention	2	2	

Evaluation of Past Performance

American Dream Downpayment Initiative (ADDI)		
2007	56 households	\$555,000
HOME Rental Rehabilitation		
2007	441 Units	5,970,087
Minnesota Urban and Rural Homestead program (MURL)		
2007	6 units	\$608,656
Small Cities Development Program (2007 statistics show minimal reporting at this time)		
Housing Opportunities for Persons with AIDS		
2007	125 Households	111,255
Emergency Shelter Grants Program		
2007	24,970 individuals	1,198,192

The Citizen Participation and Consultation Process

In obtaining input from the general public, the normal efforts were conducted such as regional meetings, trainings and joint partners meetings. There were no additional efforts in the planning process.

The state reached out to citizens, advocacy organizations, nonprofits, local governments, business, and the affordable housing industry in general through direct contact with over 360 individuals and organizations, a notice published in the statewide edition of the October 7, 2007, Minneapolis Star Tribune and the October 8, 2007, State Register soliciting their participation in public hearings and written comments.

A public hearing was held on Tuesday, October 23, 2007 and a second public hearing was held on November 29, 2007 at the MN Department of Employment and Economic Development Office, 332 MN St. Suite E200, St. Paul MN 55101, James J Hill Room.

Summary of Public Notices see Appendix C.

Summary of Comments or Views and Responses see Appendix E.

§91.320(c)(1) Federal Resources

Table 34

2008 Consolidated Plan Funding, by Program and State Agency	
Agency	Allocation
DEED	\$20,000,000 (est.)
DEED Program Income	\$ 100,000
MHFA (HOME)	\$ 9,800,000 (est.)
MHFA (HOME) Program income	\$ 70,000
MHFA (Economic Development Initiatives Grants)	\$ 347,000
MHFA (Neighborhood Initiative Grant)	\$ 198,000
MHFA (HOPWA)	\$ 114,000
DHS (ESGP)	\$ 1,198,000
Total	\$31,827,000
Source: State of Minnesota and HUD, 2007	

§91.320(c)(2) Other Resources

The state provides substantial appropriations for affordable housing. Table 35 below identifies the state appropriations for the 2008-2009 biennium.

Table 35

State Appropriations for Housing Programs, FY2008-2009 State Biennium	
Programs	Appropriations
Economic Development and Housing Challenge Program	\$34,244,000
Housing Trust Fund	\$22,110,000
Bridges	\$ 5,276,000
Family Homeless Prevention	\$ 14,930,000
Affordable Rental Investment Fund	\$20,492,000
Rehabilitation Loans	\$ 9,874,000
Homeownership Education, Counseling, and Training	\$ 1,730,000
Capacity Building Grants	\$ 680,000
Homeownership Assistance Fund	\$ 1,770,000
Tribal Indian Housing	\$ 3,077,000
Urban Indian Housing	\$ 374,000
Source: Minnesota Housing Finance Agency	

Minnesota Housing develops a two-year “Affordable Housing Plan” that describes all its resources for the period and how they are allocated among the agency’s activities. Resources include not only state and federal appropriations, but also low-income housing tax credits, tax-exempt and taxable bond proceeds, and agency-internally generated resources. For the two-year period from October 1, 2007 to September 30, 2009, Minnesota Housing has identified and allocated \$1.62 billion of new resources to address the affordable housing needs identified in this plan.

HOME Funds

Home Leveraging Funds. The HOME Rental Rehabilitation program requires owners of the rental units who are borrowing less than \$100,000 to provide at least 25 percent of the total development cost. HOME downpayment assistance provides a small amount of downpayment assistance that permits the homebuyer to obtain a mortgage for the balance of the purchase price.

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

Local Resources

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

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

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

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

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

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

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

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

- **Habitat for Humanity (Habitat).** Relying on volunteer labor and donated materials, Habitat provides homeownership opportunities for very low-income families. Home-buying families participate in constructing their own homes as well as volunteer on someone else's. Habitat support is located in: Bemidji, Brainerd Lakes, Dakota County, Duluth, Fergus Falls, Freeborn/Mower, Lake Agassiz, Minneapolis North, Minneapolis Southside, Northeast Suburban (Twin Cities), Rice County, Red Wing, Rochester Area, south central Minnesota (Mankato), St. Cloud Area, St. Paul, and Willmar.

- **Minnesota Housing Partnership (MHP).** As part of its Network Project, the MHP has created six regional networks outside the Twin Cities Metropolitan Area. The networks work to improve communication among housing developers, social service providers, local officials, and the public by acting as an information clearinghouse for their regions. They undertake public education activities and coordinate regional CoC planning efforts in the six regions of Greater Minnesota.
- **Family Housing Fund.** Funded originally by the McKnight Foundation, the Family Housing Fund provides financing for a variety of affordable housing projects and provides leadership on many affordable housing issues.
- **Greater Minnesota Housing Fund.** The McKnight and Blandin foundations provided \$25 million in 1996 to support the creation of affordable housing in economic growth centers outside of the seven-county Twin Cities area. This pool of financial resources has been used in several ways, including equity investment or subordinated debt in specific projects; loan guarantees or revolving loan funds for construction financing, site development, or acquisition of senior-occupied single-family homes and their subsequent sale to younger families; and guarantees or other incentives to create a down-payment assistance fund and owner-occupied housing rehabilitation..
- **Local Initiatives Support Corporation (LISC).** LISC is supported by corporate funding from its parent organization to provide equity funding for low-income housing tax credit projects, provide financing for a single family production program in St. Paul, and provide technical assistance and operating support to nonprofit housing developers in St. Paul, Duluth, and Minneapolis.
- **Minnesota Coalition for the Homeless.** The Coalition addresses a variety of homeless issues through a statewide coalition of government officials, service providers, and persons experiencing homelessness. It is the convener of the shelter and transitional housing provider networks, which meet quarterly to address the common needs of their programs.
- **Neighborhood Housing Services (NHS).** NHS programs are located in Duluth, Minneapolis, and St. Paul. The Twin Cities NHS is the umbrella organization in the Minneapolis-St. Paul area. The NHS's are neighborhood lending organizations that are supported by donations from area businesses and other organizations, such as public education, school curriculum, and technical assistance.

§91.320(d) Activities

HOME Program Activities

MHFA's HOME programs do not provide funds to local governments and nonprofits to carry out activities. Rather, the state's HOME programs provide funds directly to the recipient but through contractors employed by the state to assist in delivering the program, as in the case of HOME downpayment assistance and the HOME Rental Rehabilitation programs.

If the HOME allocation is more or less than \$9,800,000, MHFA anticipates that it will either increase or decrease funding for programs proportionally; however, MHFA's Board is empowered to make allocations of funds. It is MHFA's Board that would reallocate HOME funds between programs described in the action plan; allocate additional funds that might become available either through a greater grant amount or the receipt of program income; or unallocate funds in response to a lesser-than-anticipated grant amount.

HOME Rental Rehabilitation Program will be provided approximately \$5.34 million of FFY 2008 funds; and HOME downpayment assistance will be provided \$3.5 million.

HOME Rental Rehabilitation Program. The HOME Rental Rehabilitation Program provides zero interest rate deferred loans to finance the rehabilitation or acquisition and rehabilitation of privately owned rental property to support affordable, decent, safe, and energy-efficient housing for lower income persons and families. Private individuals, corporations, partnerships, and nonprofit organizations are eligible program applicants. Loans under \$100,000 are forgiven after 5 years and owners are required to match program assistance on a one-to-three basis. Loans of \$100,000 or more are deferred until the earlier of maturity or payment in full of the first mortgage, or default on the loan terms, and no match is required of the owner. Loans are generally limited to less than \$15,000 per unit. But, when necessary to preserve federally-assisted housing, per unit assistance may increase up to \$40,000 per unit.

Local governments and nonprofit organizations act as contractors to MHFA in marketing, administration, and processing of applications. MHFA provides assistance directly to property owners. Owners must meet all HOME and MHFA eligibility criteria, and the project must be financially feasible. Local administrators may employ MHFA-approved selection criteria; e.g., first-come-first-served, a priority for properties located in a specific area of the administrator's jurisdiction, etc.

The amount allocated to this program in 2008 will be approximately \$5.34 million.

HOME Downpayment Assistance. The HOME Downpayment Assistance Program will provide assistance for downpayment and closing costs, including eligible soft costs, to low-income first-time homebuyers. Assistance will be in the form of a zero percent interest rate deferred loan which is forgiven after successful completion of a five-year occupancy period. Assistance will be for no more than \$5,000. If appropriated, ADDI funds will be added to this program.

Rationale for Allocations. HOME Rental Rehabilitation and downpayment assistance programs are for the benefit of low- and extremely low-income renter households. The needs analysis demonstrates that those households are the most likely to be cost burdened, to be more severely cost-burdened, and to have other housing problems. Therefore, MHFA will allocate all its HOME funds to activities that provide affordable housing primarily to low- and

extremely low-income renter households – either affordable rental housing, or affordable first-time homebuyer housing.

HOME Tenant-Based Rental Assistance (TBRA). The Minnesota Housing Board may allocate program income or unused HOME funds from one or more activities for use in a TBRA program to address long-term homelessness in areas outside the Minneapolis/St. Paul metropolitan area. Local market conditions for use of TBRA would be such that there would not be a readily available supply of permanent supportive housing for homeless households and where Minnesota Housing is assured that assisted housing would become available to the household within the two-year span of the assistance.

Rent assistance would be made available through nonprofits or local governments that arrange for the availability of supportive services for the tenants. Portability of assistance would be limited to housing within the jurisdiction of the entity through which the rent assistance is provided.

The level of assistance Minnesota Housing would provide would be sufficient to move the homeless household into decent housing, but provide adequate incentives for the household to accept Section 8 rent assistance or public housing when it becomes available.

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

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

ESGP Activities. ESGP funds will be used to fund homeless prevention activities in the form of emergency mortgage and rental assistance to keep persons in their current housing, and funding for the operating and service costs of shelters. Prevention funding will assist 12,541 individuals in 7,246 households. Funding for the operating and service costs of shelters will benefit 24,970 individuals in 15,081 households. The projects do not anticipate receiving any program income during this period.

The target date for completion of these activities is June 30, 2008. Based on the information gathered during the public hearing process on the uses of ESGP funding for the upcoming year, the priority needs were determined to be homelessness prevention and emergency shelter. The only obstacle to addressing these needs adequately will be a shortfall in the funding necessary to address these needs.

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

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

DEED anticipates the funding level for this program to be approximately \$20,000,000 annually. Funds are made available through a competitive selection process throughout the state.

Obstacles to Meeting Underserved Needs

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

Increases in the cost of housing outpace income growth, making home ownership more difficult to attain.

Local market conditions have also affected values

Cost burden continues to be a substantial obstacle in meeting the need for decent affordable rental housing.

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

The objective for all HOME and HOPWA activities is decent housing, and the outcome category is affordability. Affordability will be provided through affordable HOME financing for the rehabilitation of rental units to minimize the need for amortizing debt and, therefore, increased rents; affordable deferred-loan HOME Downpayment assistance; and affordable emergency assistance from the HOPWA program to help low-income persons with HIV/AIDS remain in their housing.

- HOME Rental Rehabilitation: 360 units rehabilitated for low-income tenants.
- HOME Downpayment Assistance: 1,090 households will receive downpayment assistance.
- HOPWA: 110 low-income households will receive emergency assistance to remain in their homes.

The objectives of the ESGP funding will be to create suitable living environments for the households that use the shelters receiving these funds, and for those households that received homelessness-prevention assistance to provide decent affordable housing. The outcome measures that will be used to determine success will be to create availability to shelter and to sustain affordability for those households receiving homelessness prevention assistance. The specific indicators that will be used to measure these outcomes will be the number of persons served in shelters receiving this funding and the number of households receiving homeless prevention assistance.

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

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

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

§91.320(f) Geographic Distribution

HOME Rental Rehabilitation funds are allocated for use outside other HOME PJ and consortia areas, which generally do not receive direct federal funding. These allocations provide resources where there are none, or a limited amount. The need for new construction in these areas is low, while the need for rehabilitation is high.

A major objective of Minnesota Housing is to increase the homeownership rate of households of color. Given the concentration of households of color in the twin cities metropolitan area, HOME downpayment assistance will be available throughout the state.

HOME-funded tenant-based rental assistance would be allocated for use in geographic areas not receiving HOME assistance directly from HUD. Local market conditions in these areas would be such that there are waiting lists for Housing Choice vouchers and public housing, but waiting lists remain open.

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

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

ESGP funds will be distributed throughout the state of Minnesota to programs providing shelter and homeless prevention services. The funds will be targeted to areas of the state according to need as measured by the incidence of poverty, housing burden (households paying more than 50 percent of income for housing), and public assistance caseloads. Funds will also be targeted to areas based on the ability of programs providing emergency shelter and homelessness prevention services to demonstrate an ability to deliver appropriate services through the application process for these funds.

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

§91.320(g) Affordable Housing Goals(one year goals)

HOME Rental Rehabilitation:	450 households will be rehabilitated and occupied by low income households
HOME Downpayment Assistance:	1090 low-income households will purchase affordable housing (Extra Funds from the canceled MURL Program).
HOME-TBRA (contingent goal):	20 homeless persons/households obtain affordable rental housing
HOPWA:	110 households will remain in their houses and avoid homelessness.
MURL Program:	Program canceled, \$3.5 million of 2008 funds have been allocated to the HOME Downpayment assistance plus \$2.4 million of unused 2007 funds.
ESG:	24,970 individuals in 15,081 households.(These numbers are the correct projected numbers).
SCDP Rental Rehab:	120 households rehabilitated and maintain fair market rents
SCDP Owner Occupied Rehab:	373 low to moderate income families/units
SCDP Down payment assistance:	7 low to moderate income households

§91.320(h) Homeless and Other Special Needs Activities

Addressing the Emergency Shelter and Transitional Housing Needs of Homeless Persons

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

Emergency Services Program – The 2006 Minnesota Legislature provided \$350,000 in SFY 2007 for the Emergency Services Program (ESP). ESP funds the operating and service costs of shelters for a variety of populations. It also funds some supportive services-only programs such as drop-in centers and voice mail. It is expected that the program will continue to be funded in SFY 2008.

Transitional Housing Program – The 2006 Minnesota Legislature provided \$3,238,000 in SFY 2007 for the Minnesota Transitional Housing Program. Program funding is provided to 66 transitional housing programs across the state, including programs that serve a variety of populations such as singles, families with children, youth, veterans, battered women, persons with mental illness issues, persons with chemical dependency issues, women escaping prostitution, and others. This funding is used to pay for the services and operating costs of transitional housing programs. It is expected that the program will continue to be funded in SFY 2008.

Preventing Low-income Singles and Families from Becoming Homeless

Minnesota operates the state-funded Family Homeless Prevention and Assistance Program (FHPAP) to assist those households at imminent risk for homelessness to maintain and retain their housing, and also to assist those households who are already homeless to obtain permanent housing. Currently, FHPAP funding is provided to 74 of Minnesota's 87 counties.

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

Assisting Homeless Families in Obtaining Permanent Housing

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

Specific Action Steps to End Chronic Homelessness

See Section 91.315 for Minnesota's Business Plan to End Long-Term (and Chronic) Homelessness. For a complete description of specific steps the State will take to end long-term and chronic homelessness, see the "Business Plan for Ending Long-Term Homelessness" and "2007 Recalibration of the Business Plan for Ending Long-Term Homelessness in Minnesota," both of which may be found at the Minnesota Housing website www.mnhousing.gov and clicking "Homelessness/Housing Assistance Emerging Markets Local Government" on the red navigation bar. As in past years, the State will emphasize the provision of permanent supportive housing that may be created through new construction or rehabilitation, including units for households experiencing long-term homelessness in mixed-income developments, providing rental assistance or subsidizing operating costs, and providing housing through the Group Residential Housing program. The State's goal for 2008 is to provide 800 housing opportunities.

SCDP Special Needs Activities

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

§91.320(i) Barriers to Affordable Housing

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

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

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

The state has begun a process to determine how to eliminate or ameliorate the effects of the Jobs-Housing-Transportation (J-H-T) Mismatch described in 91.310(d), “Barriers to Affordable Housing.” Between spring 2005 and 2006, the state participated in the National Governors Association policy academy on housing and economic development to develop proposals for addressing the J-H-T mismatch. The participants included the Minnesota Housing commissioner, the assistant commissioner of DEED, the Metropolitan Council regional administrator, and a representative of local government and philanthropy. The participants recommended a competitive communities pilot program for linking working families to housing and transportation. Minnesota Housing will use the Economic Development and Housing Challenge Program to focus linking new housing investments to other quality of life outcomes related to the environment, energy, transportation, and education.

§91.320(j) Other Actions

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

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

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

The state is not a public housing agency, so it will not take actions to encourage public housing residents to become more involved in management. Minnesota Housing will encourage public housing residents to participate in homeownership by marketing HOME downpayment assistance to public housing residents in areas the program will be offered. The state will contact troubled PHAs to ask what the issues are that caused them to be so designated, and will work with Minnesota NAHRO to develop a strategy to address those issues.

§91.320(k)(1) CDBG Program Requirements

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

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

DEED anticipates the funding level for this program to be approximately \$20,000,000 annually. Funds are made available through a competitive selection process throughout the state.

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

Program (i.e. Generated) Income:

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

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

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

Types of SCDP Application(s)

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

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

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

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

SCDP Application Criteria

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

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

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

SCDP Scoring Criteria

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

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

Need:

- a. the number of low- and moderate-income persons in the program area.
- b. the percentage of residents in the program area which are of low- or moderate-income.
- c. the need for the proposed program as evidenced by at least two of the following: the need for improvements or additions to the housing stock serving low- and moderate-income persons,

the need for new or improved public facilities in the program area, or economic community development problems in the program area.

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

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

Cost-Effectiveness: Up to 30 points will be based on evaluation of the extent to which the proposed project will make cost-effective use of grant funds, including consideration with, and use of, funds from other public and private sources.

State Demographics: Up to 30 points

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

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

§§91.320(k)(2) HOME

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

HOME downpayment assistance will enforce affordability restrictions by a zero percent interest rate deferred payment subordinate mortgage that requires repayment of some or all of the HOME assistance only if the home is sold or ceases to be the borrower's principal residence during the five year period of affordability. The amount that is subject to recapture will be reduced by 20 percent of the original amount of assistance on each anniversary of the assistance until, after five years, the amount subject to recapture is zero dollars.

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

(iv) HOME ADDI

If ADDI funds are provided to the State, ADDI will be made available along with standard HOME funds for assisting first-time homebuyers with paying downpayment and closing costs, including eligible soft costs. ADDI will not be marketed as a separate program. The decision of whether

downpayment assistance is provided from the ADDI award or the HOME award will be made on a case-by-case basis as determined by the needs for the project.

Rehabilitation costs will not be an eligible expense for projects funded with ADDI. Projects requiring rehabilitation will be funded with standard HOME funds.

Marketing to mobile home parks and public housing located in the area of the selected pilot projects will be conducted directly by Minnesota Housing or by the selected pilot projects. Outreach will be a written communication on ADDI to the directors of the public housing agencies for them to give to their clients. Outreach to mobile home parks will consist of a request to the mobile home park owner or management agent to distribute fliers within the park or to post them in common areas of the park, such as laundromats, the management office, and bulletin boards.

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

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

ESGP funds are administered by DHS and allocated through a competitive funding process in conjunction with Minnesota Transitional Housing and Emergency Service Program funds each biennium.

Fund allocation. ESGP funds are awarded as part of a funding allocation process that combines the grant with available money from two other programs: ESP and THP. Together, ESGP and these programs provide about \$ 4.8 million annually in funding for homeless activities.

ESG funds are available on a statewide basis. Funding is awarded to programs within all CoC regions of the state. The allocation of funding is dynamic process based on the overall quality of responses to the evaluation criteria. The state does not approach the evaluation process with a set of preferred activities or funding prioritization. Rather, applications are evaluated and funded based on their overall quality and according to the regional and local priorities established by each regional CoC committee.

In recent years, because of the increase in the funding available for transitional housing projects, a greater percentage of ESGP funds have been used for emergency shelter and homeless prevention activities. This is not a result of prioritizing ESGP funds for these activities; instead, it is a product of the funding process for all of the homeless programs. (However, areas of the state without Minnesota Family Homeless Prevention and Assistance Program funds are given priority for ESGP prevention funds, limited to 30 percent of the total ESGP funds.) Because the majority of the state’s funding dedicated to homelessness is restricted to other purposes such as permanent and supportive housing and transitional housing activities, the use of ESGP for emergency shelter and homeless prevention ensures that these activities receive funding.

Priorities for the use of ESG funds may change over the five year period covered by this plan depending on the changes in the availability of other homeless program funds including but not limited to the Minnesota Transitional Housing Program, Minnesota Emergency Services Program or Family Homeless Prevention and Assistance Program. The state will use the flexibility of ESG funds to create the most appropriate balance of prevention, shelter, transitional housing and supportive services only resources depending on what available in the state as a whole.

For the time period covered by ESG Program Year 2008, funding for the operating and supportive services costs of shelters will remain scarce, therefore, the priorities established for ESG program year 2007, that of funding the costs of shelters, will remain unchanged. Ninety-seven percent of ESG 2008 program year funds are budgeted to meet the operating and supportive service costs of shelters. The remaining three percent of funds are allocated to areas of the state which do not receive Family Homeless Prevention and Assistance Program funding for prevention activities. These prevention funds assure that all areas of the state have at least some homelessness prevention funding.

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

- The completeness of the application (possible 10 points)
- Collaboration and planning (10 points)
- Program design (20 points)
- Supportive services (20 points)
- Efforts to meet best practices for transitional housing programs and efforts to work with homeless (10 points)
- Revenue and other sources of support (10 points)
- Reasonableness of the budget (20 points)

¹ Pages 35 through 37 of Section V of the 2002-2006 Consolidated Plan describe the Continuum of Care regions and provide points of contact for additional information.

Notice of RFP. RFPs are sent to current grantees, all known homeless program providers in the state, social service agencies, CAAs and tribal governments (although not eligible for ESGP), and to other parties upon request.

Leveraging. Leveraging is not required for the ESGP, but the state is expected to provide matching funds equal to the amount of ESG funding, to meet the matching requirement of \$ 3,238,000. The Minnesota Transitional Housing Program and \$350,000 from the Minnesota ESP are used. Service providers leverage private and local government funds to provide an adequate funding base for their programs.

Awards Adjustment if Funding is More or Less than Initially Estimated

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

In the initial review of applications for funding, review-committee members score and rank each application according to its merit. Criteria used to score and rank proposals are:

- Completeness of application

- Need for the program
- Need for assistance
- Efforts that outreach and program recruitment efforts reach the hardest-to-serve populations
- Reasonableness and effectiveness of program design
- Reasonableness of budget

If a lesser amount of funding is received, the review committee will reconvene and apply reductions to the lowest-ranked proposals that received funding. The number of affected proposals will depend on the amount of the reduction. Similarly, if additional funding is received, the applications with the highest ranking that did not originally receive all the funding they requested will be awarded additional funds. Again, the number of affected proposals will depend on the amount of the increase.

§91.320(k)(4) HOPWA

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

The state anticipates that 110 household will be assisted in the 2008 program year.

Appendix A

Certifications

Application for Federal Assistance SF-424		Version 02
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		*2. Type of Application <input checked="" type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision
*If Revision, select appropriate letter(s) *Other (Specify) _____		
3. Date Received: _____		4. Applicant Identifier: _____
5a. Federal Entity Identifier: _____		*5b. Federal Award Identifier: _____
State Use Only:		
6. Date Received by State: _____		7. State Application Identifier: _____
8. APPLICANT INFORMATION:		
*a. Legal Name: _____		
*b. Employer/Taxpayer Identification Number (EIN/TIN): 41-6007162		*c. Organizational DUNS: 804832640
d. Address:		
*Street 1: <u>First National Bank Building</u>		
Street 2: <u>332 Minnesota Street, Ste. E-200</u>		
*City: <u>Saint Paul</u>		
County: <u>Ramsey</u>		
*State: <u>MN</u>		
Province: _____		
*Country: <u>United States</u>		
*Zip / Postal Code <u>55101-1351</u>		
e. Organizational Unit:		
Department Name: Department of Employment and Economic Development		Division Name: Business and Community Development
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: _____ *First Name: <u>Dan</u>		
Middle Name: _____		
*Last Name: <u>Taylor</u>		
Suffix: _____		
Title: <u>Business and Community Development Representative</u>		
Organizational Affiliation: _____		
*Telephone Number: 651-259-7463		Fax Number: 651-296-1290
*Email: dan.taylor@state.mn.us		

Application for Federal Assistance SF-424	Version 02
<p>*9. Type of Applicant 1: Select Applicant Type: A.State Government</p> <p>Type of Applicant 2: Select Applicant Type:</p> <p>Type of Applicant 3: Select Applicant Type:</p> <p>*Other (Specify)</p>	
<p>*10 Name of Federal Agency:</p>	
<p>11. Catalog of Federal Domestic Assistance Number: <u>14.228</u></p> <p>CFDA Title: <u>Community Development Block Grant</u></p>	
<p>*12 Funding Opportunity Number: _____</p> <p>*Title: _____</p>	
<p>13. Competition Identification Number: _____</p> <p>Title: _____</p>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <p>Areas are non-entitlement cities with populations under 50,000, Counties and townships with an unincorporated population of fewer than 200,000.</p>	
<p>*15: Descriptive Title of Applicant's Project:</p> <p>Distribution of CDBG Federal allocation for State of Minnesota. CDBG funds will be competitively awarded to non-entitlement eligible recipients.</p>	

OMB Number: 4040-0004

Expiration Date: 01/31/2009

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

*a. Applicant: MN-004

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

17. Proposed Project:

*a. Start Date:

*b. End Date:

18. Estimated Funding (\$):

*a. Federal 20,000,000

*b. Applicant

*c. State 400,000

*d. Local

*e. Other

*f. Program Income

*g. TOTAL 20,400,000

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

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

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

☐ Yes☒ No

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

☒ ** I AGREE

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

Authorized Representative:

Prefix: Commissioner

*First Name: Dan

Middle Name:

*Last Name: McElroy

Suffix:

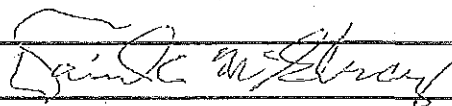
*Title: Commissioner

*Telephone Number: 651-259-7119

Fax Number: 651-296-4772

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

*Signature of Authorized Representative:



*Date Signed: 12-20-07

Application for Federal Assistance SF-424

Version 02

***Applicant Federal Debt Delinquency Explanation**

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

**Applicant Assurances
and Certifications**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2501-0017
(expires 01/31/2008)

Instructions for the HUD-424-B Assurances and Certifications

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

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

Name: Dan McElroy, Title: Commissioner
Organization: Dept. Empl & Econ Dev, Date: 12-20-07

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

5. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR Part 24 and 24 CFR 42, Subpart A.

6. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR parts 50 or 58.

7. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all sub awards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

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

CERTIFICATIONS

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

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

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

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

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

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

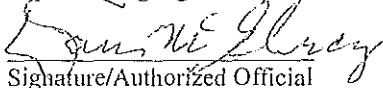
Anti-Lobbying-- To the best of the jurisdiction's knowledge and belief:

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

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

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

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


Signature/Authorized Official

12-20-07
Date

Commission
Title

Specific CDBG Certifications

The Entitlement Community certifies that:

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

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

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

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

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

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

Excessive Force -- It has adopted and is enforcing:

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

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

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

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

David McElroy 12-20-07
Signature/Authorized Official Date

Commissioner
Title

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED	Applicant Identifier
<input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE	State Application Identifier
<input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
5. APPLICANT INFORMATION			
Legal Name: Minnesota Department of Human Services		Organizational Unit: State Government	
		Department: Minnesota Department of Human Services	
Organizational DUNS: 80-389-4203		Division: Community Partnerships	
Address: 444		Name and telephone number of person to be contacted on matters involving this application (give area code) Patrick Leary (651) 284-0611	
Street: Lafayette Road		Prefix: Mr.	First Name: Patrick
City: St. Paul		Middle Name: Thomas	
County: Ramsey		Last Name: Leary	
State: Minnesota	Zip Code: 55155	Suffix:	
Country: United States		Email: pat.leary@state.mn.us	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-1407742		Phone Number (give area code) (651) 431-3824	Fax Number (give area code) (651) 431-7509
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) <div style="text-align: center;"> <input type="checkbox"/> <input type="checkbox"/> </div> Other (specify)		7. TYPE OF APPLICANT: (See back of form for Application Types) State Other (specify)	
10 CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 14-231 TITLE (Name of Program): Emergency Shelter Grants Program		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and urban Development	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc): Entire State of Minnesota		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Emergency Shelter Grants Program	
13. PROPOSED PROJECT Start Date: 10/1/2007 Ending Date: 9/30/2008		14. CONGRESSIONAL DISTRICTS OF: Statewide a. Applicant Statewide b. Project Statewide	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? No	
a. Federal	\$ 1,232,379	a. Yes <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$	DATE:	
c. State	\$	b. No <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
d. Local	\$	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
e. Other	\$ 1,232,379		
f. Program Income	\$		
g. TOTAL	\$ 2,464,758		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Ms.	First Name Connie	Middle Name	
Last Name Greer	Suffix		
b. Title Director, Office of Economic Opportunity	c. Telephone Number (give area code) (651) 431-3810		
d. Signature of Authorized Representative	e. Date Signed 12/17/2007		

ESG Certifications

The Emergency Shelter Grantee certifies that:

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

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

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

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

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

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

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

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


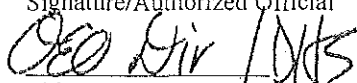
Discharge Policy ---- It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting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

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

Signature/Authorized Official

Date

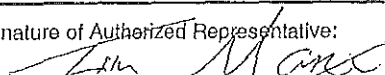
Title



CEO

12/12/17

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

Application for Federal Assistance SF-424	Version 02
<p>*9. Type of Applicant 1: Select Applicant Type: A.State Government</p> <p>Type of Applicant 2: Select Applicant Type:</p> <p>Type of Applicant 3: Select Applicant Type:</p> <p>*Other (Specify)</p>	
<p>*10 Name of Federal Agency: U.S. Department of Housing and Urban Development</p>	
<p>11. Catalog of Federal Domestic Assistance Number: 14.239</p> <p>CFDA Title: HOME Investment Partnerships Program</p>	
<p>*12 Funding Opportunity Number: _____</p> <p>*Title: _____</p>	
<p>13. Competition Identification Number: _____</p> <p>Title: _____</p>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.): State of Minnesota</p>	
<p>*15. Descriptive Title of Applicant's Project: Rental rehabilitation or acquisition and rehabilitation, and homeownership opportunities</p>	

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
*a. Applicant: 4		*b. Program/Project: MN-all
17. Proposed Project:		
*a. Start Date: Oct. 1, 2007		*b. End Date: Sept. 30, 2008
18. Estimated Funding (\$):		
*a. Federal	\$9,800,000	
*b. Applicant	\$2,450,000	
*c. State		
*d. Local		
*e. Other		
*f. Program Income	\$200,000	
*g. TOTAL	\$12,450,000	
*19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____		
<input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.		
<input checked="" type="checkbox"/> c. Program is not covered by E. O. 12372.		
*20. Is the Applicant Delinquent On Any Federal Debt?. (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)		
<input checked="" type="checkbox"/> ** I AGREE		
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions		
Authorized Representative:		
Prefix:	<u>Mr.</u>	*First Name: <u>Timothy</u>
Middle Name:	<u>E.</u>	
*Last Name:	<u>Marx</u>	
Suffix:		
*Title: Commissioner		
*Telephone Number: 651-296-5738		Fax Number: 651-296-8139
* Email: tim.marx@state.mn.us		
*Signature of Authorized Representative: 		*Date Signed: Dec. 13, 2007

Specific HOME Certifications

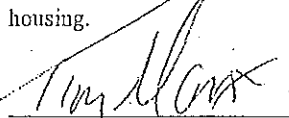
The HOME participating jurisdiction certifies that:

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

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

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

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

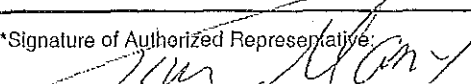

Signature/Authorized Official

December 13, 2007
Date

Commissioner
Title

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

Application for Federal Assistance SF-424	Version 02
<p>*9. Type of Applicant 1: Select Applicant Type: A.State Government</p> <p>Type of Applicant 2: Select Applicant Type:</p> <p>Type of Applicant 3: Select Applicant Type:</p> <p>*Other (Specify)</p>	
<p>*10 Name of Federal Agency: U.S. Department of Housing and Urban Development</p>	
<p>11. Catalog of Federal Domestic Assistance Number: 14.241</p> <p>CFDA Title: Housing Opportunities for Persons with AIDS</p>	
<p>*12 Funding Opportunity Number: _____</p> <p>*Title: _____</p>	
<p>13. Competition Identification Number: _____</p> <p>Title: _____</p>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.): State of Minnesota</p>	
<p>*15. Descriptive Title of Applicant's Project: Emergency housing assistance</p>	

Application for Federal Assistance SF-424		Version 02
16. Congressional Districts Of:		
*a. Applicant: MN-004 MN-008	*b. Program/Project: MN-001, MN-002, MN-006, MN-007, MN-008	
17. Proposed Project:		
*a. Start Date: Oct. 1, 2007	*b. End Date: Sept. 30, 2008	
18. Estimated Funding (\$):		
*a. Federal	\$114,000	
*b. Applicant		
*c. State		
*d. Local		
*e. Other		
*f. Program Income		
*g. TOTAL	\$114,000	
*19. Is Application Subject to Review By State Under Executive Order 12372 Process?		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on _____		
<input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.		
<input checked="" type="checkbox"/> c. Program is not covered by E. O. 12372		
*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)		
<input checked="" type="checkbox"/> ** I AGREE		
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions		
Authorized Representative:		
Prefix: Mr.	*First Name: Timothy	
Middle Name: E.		
*Last Name: Marx		
Suffix:		
*Title: Commissioner		
*Telephone Number: 651-296-5738		Fax Number: 651-296-8139
* Email: tim.marx@state.mn.us		
*Signature of Authorized Representative: 		*Date Signed: Dec. 13, 2007

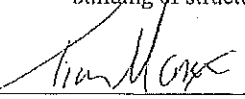
HOPWA Certifications

The HOPWA grantee certifies that:

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

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

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



Signature/Authorized Official

December 13, 2007
Date

Commissioner
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

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

B. Drug-Free Workplace Certification

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

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

DEPT. of Employment & Economic Dev. 332 Minnesota Street St. Paul, MN 55101
DEPT. of Human Services 444 Lafayette Street St. Paul, MN 55155
Minnesota Housing 400 Stanley Street Ste. 300 St. Paul, MN 55101

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

The certification with regard to the drug-free workplace is required by 24 CFR part 24, subpart F.

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

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

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

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

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

Appendix A Certifications, Item 6, all agencies.

DEED's CDBG non-entitlement will not award grants until Spring 2008. Once grants are awarded, DEED will maintain a list at the office of Department of Employment and Economic Development, 1st National Bank Building, 332 Minnesota Street, Suite E-200, Saint Paul, MN 55101.

Minnesota Housing will develop a list of HOME Rental Rehabilitation administrators and lenders delivering HOME- and ADDI-funded downpayment assistance when we allocate our 2008 funds.

HOPWA funds for both 2007 and 2008 are and will be allocated to the Minnesota AIDS Project, 1400 Park Ave., Minneapolis, MN 55404 in Hennepin County.

The Department of Human Services has not awarded funds at this time. Once funds are awarded, the department will maintain a list of administrators in the office of The Department of Human Services, 444 Lafayette Road, Saint Paul, MN 55155.

Appendix B

Key Persons

APPENDIX B. Key Persons

State Agencies

Three state agencies were involved in the 2008 Action Plan planning process: The Minnesota Department of Employment and Economic Development (DEED), the Minnesota Housing, and the Minnesota Department of Human Services (DHS). DEED is the lead agency responsible for oversight and preparation of the Plan.

The following individuals from each of the agencies participated in development of the Action Plan:

Jim Cegla, Minnesota Housing

Dan Taylor, DEED

Christine Schieber, DEED

Reed Erickson, DEED

Pat Leary, DHS

Appendix C

Public Notices

STATE OF MINNESOTA

Department of Employment and Economic Development

Minnesota Housing Finance Agency

Minnesota Department of Human Services

NOTICE OF PUBLIC HEARINGS AND DRAFT AVAILABILITY

**2008 ACTION PLAN OF THE STATE OF MINNESOTA'S 2007-2011
CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN AND
CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT
(CAPER) FOR 2007**

The State of Minnesota announces its process for developing its 2008 Action Plan of the 2007-2011 Consolidated Housing and Community Development Plan (Consolidated Plan), and the 2007 Consolidated Annual Performance and Evaluation Report (CAPER). The state encourages citizens to attend the public hearings and review and comment on the draft reports.

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

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

made on identified actions that state agencies have elected to undertake to affirmatively further fair housing and overcome impediments to fair housing.

The state will hold its first public hearing about the Action Plan on Tuesday, October 23, 2007, to gather citizen input on housing and community development needs and how federal funding should be allocated in the state. The hearing will be held at 5:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, St. Paul.

A second public hearing on the Action Plan will be held on Thursday, November 29, 2007. This public hearing will be for review and comment on the draft Action Plan and will be held at 5:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, St. Paul. Call 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900 for more information about these hearings.

Drafts of the 2008 Action Plan and the CAPER for 2007 will be available for public review and comment between November 5, 2007, and the close of business December 7, 2007. The draft Action Plan and CAPER will be available on the Internet at www.mhfa.state.mn.us and www.deed.state.mn.us and in state depositories identified in the Citizen Participation Plan, which may be viewed at the same internet locations. Hard copies of the Action Plan can be obtained by calling Gloria Stiehl, Department of Employment and Economic Development, 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900. Hard copies of the CAPER can be obtained by calling Minnesota Housing Finance Agency at 1-800-657-3769 or (651) 296-7608, or TTY (651) 297-2361.

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

Action Plan, Attn: Gloria Stiehl

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

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

Written public comments on the 2007 CAPER can be submitted to:

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

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

The Action Plan and CAPER will be submitted to HUD on or before December 30, 2007. The state will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments and the state's responses will be included in the final Action Plan.

News Paper Article Announcing Public Hearings and Draft Availability:

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Legal Notices

STATE OF MINNESOTA

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

NOTICE OF PUBLIC HEARINGS AND DRAFT AVAILABILITY

2008 ACTION PLAN OF THE
STATE OF MINNESOTA'S
2007-2011 CONSOLIDATED
HOUSING AND COMMUNITY
DEVELOPMENT PLAN AND
CONSOLIDATED ANNUAL
PERFORMANCE AND
EVALUATION REPORT
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Written public comments on the Action Plan can be submitted to:

Action Plan,
Attn: Gloria Stiehl
Minnesota Department of
Employment and Economic
Development
First National Bank Building
332 Minnesota Street,
Suite E200

St. Paul, MN 55101-1351
Written comments may also be submitted by fax to (651) 296-1290 or by email to gloria.stiehl@state.mn.us. To ensure consideration of your comments, type "Action Plan" in the subject line of your e-mail.

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

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RFP: The City of

Outreach by MHFA

League of Minnesota Cities, Jim Miller, E.D.
Association of Minnesota Counties, James Mulder, E.D.
Minnesota Chamber of Commerce, David Olson, President
Metropolitan Interfaith Council on Affordable Housing, Joy Sorensen Navarre, E.D.
Catholic Charities-Mpls./St. Paul, Fr. John R. Estrem, CEO
Minnesota Coalition for the Homeless, Michael Dahl, E.D.
Minnesota Housing Partnership, Chip Halbach, E.D.
Salvation Army, Major Daniel Sjogren
Minnesota NAHRO, Pat Gustafson, E.D.
Minnesota Indian Affairs Council, Joseph B. Day, E.D.
Minnesota Multihousing Association, Mary Rippe
State Council on Black Minnesotans, Lester Collins, E.D.
State Council on Disability, Joan Wilshire, E.D.
Chicano/Latino Affairs Council, Sonia Cordero
Council on Asian-Pacific Minnesotans, Kao Ly Ilean Her, E.D.
Corporation for Supportive Housing, George Stone
Greater Minnesota Housing Corporation, Warren Hanson, E.D.
Current and previous MURL grantees
Current Rehab Loan Administrators
Current HOME Rental Rehab administrators
Catholic Charities, St. Cloud, Steven Bresnahan, E.D.
Catholic Charities, Diocese of Winona, Most Reverend Bernard J. Harrington, President
Current and former State CDBG grantees.
Current and former HOPWA grantees.
Current and former ESG grantees.

State Depository Organizations List
Notice of Draft Citizen Participation Plan Availability and Public Comment Period

Arrowhead RDC
221 West 1st Street
Duluth, MN 55802

East Central RDC
100 Park Street South
Mora, MN 55051

Headwaters RDC
P.O. Box 906
Bemidji, MN 56601-0906

Metropolitan Council
230 East 5th Street
St. Paul, MN 55101-1634

Mid-Minnesota RDC
333 West 6th Street
Willmar, MN 56201-9999

Northwest RDC
115 South Main, Suite 1
Warren, MN 56762

Region Five RDC
611 Iowa Avenue
Staples, MN 56479

Region Nine RDC
P.O. Box 3367
Mankato, MN 56002-3367

Southwest RDC
2401 Broadway Avenue, Suite 1
Slayton, MN 56172-1142

Upper Minnesota Valley RDC
323 West Schlieman
Appleton, MN 56208-1299

Central Minnesota Housing Partnership
810 West St. Germain, Suite 303
St. Cloud, MN 56301

Minnesota Housing Partnership
1821 University Avenue West #137
St. Paul, MN 55104

Southeast Minnesota Housing Network
1414 North Star Drive
Zumbrota, MN 55992

Southwestern Minnesota Housing Partnership
2401 Broadway Avenue, Suite 4
Slayton, MN 56172-1142

Tri-Valley Opportunity Council
102 North Broadway
Crookston, MN 56716

West Central Minnesota Housing Partnership
1500 North Memorial Building
Fergus Falls, MN 56537

Central MN Initiative Fund
405 First Street SE
Little Falls, MN 56345

Northland Foundation
202 West Superior Street, Suite 610
Duluth, MN 55802

Northwest Minnesota Foundation
4225 Technology Drive NW
Bemidji, MN 56601

The Initiative Fund of Southeast and
South Central Minnesota
525 Florence Avenue
Owatonna, MN 55060

Southwest Minnesota Foundation
1390 Hwy. 15 South
PO Box 428
Hutchinson, MN 55350

West Central Minnesota Initiative Fund
1000 Western Avenue
Fergus Falls, MN 56537

State Depository Organizations List
Notice of Draft Citizen Participation Plan Availability and Public Comment Period

American Indian Housing Corp.
2020 Bloomington Avenue South
Minneapolis, MN 55404-3073

Asian-Pacific Council
658 Cedar Street
St. Paul, MN 55155-1603

Central Cultural Chicano
1915 Chicago Avenue
Minneapolis, MN 55404-1904

CLUES
220 South Robert Street, Suite 103
St. Paul, MN 55107

Council on Black Minnesotans
426 Wright Building
2233 University Avenue
St. Paul, MN 55114

Minnesota Coalition for the Homeless
122 West Franklin Avenue, Suite 306
Minneapolis, MN 55404

Chicano Latino Affairs Council
555 Park Street, Suite 210
St. Paul, MN 55103

Upper Midwest American Indian Center
1912 Emerson Avenue
Minneapolis, MN 55411

Arrowhead Economic Opportunity Agency
702 South 3rd Avenue
Virginia, MN 55792

October 31, 2007

To: Selected Depositories

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

Re: Drafts of the 2008 Action Plan of the Minnesota Consolidated Plan and State of Minnesota's Consolidated Annual Performance and Evaluation Report (CAPER) for FFY 2007

The State of Minnesota is requesting public comment on its draft of the 2008 Action Plan of the Minnesota Consolidated Plan. The Consolidated Plan is a report of the state's planning and application process for federal housing and community development block grant funds, which currently covers the five-year period of 2007-2011.

Each year, the state must update and submit to HUD the Action Plan of the Consolidated Plan. The draft 2008 Action Plan is attached. Please include a copy of this page with the Action Plan so observers have an opportunity to make comments.

The Action Plan will be available for public comment from November 5th, 2007 through December 7th, 2007. Public comments may be submitted to:

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

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

According to the Citizen Participation Plan for the process, the draft will be available for public review at selected depositories throughout the state. We would appreciate your keeping the draft 2008 Action Plan available to the public until the end of the day, December 7th, 2007. To obtain additional copies of the 2008 Action Plan or for more information about the report, please visit the web sites at www.deed.state.mn.us/SCDP/ConsolPlan.htm or www.mnhousing.gov/about/updates/index.aspx contact us at 651-259-7462.

October 31, 2007

Page Two

Enclosed also is a draft of Minnesota's Consolidated Annual Performance and Evaluation Report (CAPER) for federal fiscal year 2007. The CAPER is a report submitted, annually, to the U.S. Department of Housing and Urban Development as part of the state's planning and application process for federal housing and community development block grant funds.

According to the Citizen Participation Plan for the housing and community development planning process, this draft must be available for public review, including at selected depositories throughout the state. We ask that you keep this draft CAPER report in your office or library and make it available to the public, upon request, from November 5th, 2007 through the end of the day December 7th, 2007. Please include a copy of this page with the CAPER so observers have an opportunity to make comments.

Interested parties also may obtain copies of the CAPER by visiting the MHFA's website at www.mnhousing.gov/about/updates/index.aspx or the DEED website at www.deed.state.mn.us/SCDP/ConsolPlan.htm or by contacting the MHFA at 1-(800)-657-3769, (651) 296-7608, or TTY (651) 297-2361. The public may submit written comments on the CAPER report during this time to:

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

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

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

Reed Erickson
Business and Community Development Representative
MN Department of Employment and Economic Development
1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351
651.259.7456

State Depository Libraries List
Notice of Draft of the 2008 Action Plan and CAPER Public Hearings

Arrowhead Library System
5528 Emerald Avenue
Mountain Iron, MN 55768

Bemidji Public Library
509 American Avenue NW
Bemidji, MN 56601

Duluth Public Library
Attn: Government Documents Dept.
520 West Superior Street
Duluth, MN 55802

East Central Regional Library
244 South Birch
Cambridge, MN 55008-1588

Grand Marais Public Library
P.O. Box 280
Grand Marais, MN 55604-0280

Great River Regional Library
405 St. Germain
St. Cloud, MN 56301

Lake Agassiz Regional Library
P.O. Box 699
Moorhead, MN 56560

Marshall-Lyon County Library
301 West Lyon Street
Marshall, MN 56258

Minneapolis Public Library
Attn: Government Documents Dept.
300 Nicollet Mall
Minneapolis, MN 55401

Minnesota Valley Regional Library
100 East Main Street
Mankato, MN 56002

Nobles County Library
P.O. Box 99
Worthington, MN 56198

Northwest Regional Library
101 East 1st Street
Thief River Falls, MN 56701-2041

Owatonna/Steele County Library
P.O. Box 387
Owatonna, MN 55060-7488

Red Wing Public Library
225 East Avenue
Red Wing, MN 55066-2298

Rochester Public Library
101 Second Street SE
Rochester, MN 55904

St. Paul Public Library
Attn: Government Documents Dept.
90 West 4th Street
St. Paul, MN 55102

Willmar Public Library
410 – 5th Street SW
Willmar, MN 56201-3298

Winona Public Library
P.O. Box 1247
Winona, MN 55987

Official Notices

Department of Agriculture

Minnesota Rural Finance Authority

Notice of Public Hearing on the Issuance of an Agricultural Development Revenue Bond Under Minnesota Statutes, Chapter 41C on Behalf of Philip Schmidt, Alden Township, Freeborn County

NOTICE IS HEREBY GIVEN that a public hearing will be held on November 5, 2007, at 9:00 A.M., Department of Agriculture Building, Agricultural Finance Division, 625 Robert Street North, Saint Paul, Minnesota, on a proposal that the Minnesota Rural Finance Authority (the Authority) issue its revenue bond under Minnesota Statutes, Chapter 41C, in order to finance the construction of a cattle facility located three miles SW of Alden, MN on 200th St.; Section 16, Alden Township, Freeborn County, Minnesota on behalf of Philip Schmidt, (the Borrower/s).

The maximum aggregate face amount of the proposed bond issue is \$149,999.00. The revenue bond will be a limited obligation of the Authority, payable solely from the revenue pledged to the payment thereof. No holder of such revenue bond will ever have the right to compel any exercise of the taxing power of the State of Minnesota to pay the bond or the interest thereon, nor to enforce payment against any property of the Authority or the State of Minnesota, except the revenues specifically pledged to the payment thereof. Before issuing the revenue bond, the Authority will enter into an agreement with the Borrower whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on such revenue bond when due.

All persons interested may appear and be heard at the time and place set forth above, or may file written comments with the Executive Director of the Authority prior to the date of the hearing set forth above.

Dated: October 3, 2007

Jim Boerboom
RFA Director

Emergency Medical Services Regulatory Board

Notice of Completed Application in the Matter of the License Application of the Rock County Ambulance, Luverne, Minnesota

PLEASE TAKE NOTICE that the Emergency Medical Services Regulatory Board (hereinafter EMSRB) has received a completed application from Rock County Ambulance, Luverne, Minnesota, for a new license, advanced ambulance -- part time.

NOTICE IS HEREBY GIVEN that, pursuant to *Minnesota Statutes*, sec. 144B.11, subd. 3, each municipality, county, community health board, governing body of a regional emergency medical services system, ambulance service and other person wishing to make recommendations concerning the disposition of the application, shall make written recommendations or comments opposing the application to the EMSRB within 30 days or by November 8, 2007, 4:30 p.m.

Written recommendations or comments opposing the application should be sent to:

Mary Hedges, Executive Director
EMSRB
2829 University Avenue S.E., Suite 310
Minneapolis
Minnesota 55414-3222

If fewer than six comments opposing the application are received during the comment period, and the EMSRB approves the application, the applicant will be exempt from a contested case hearing, pursuant to *Minnesota Statutes*, sec. 144B.11, subd. 4. If six or more comments in opposition to the application are received during the comment period or the EMSRB denies the application, the applicant may immediately request a contested case hearing, or may try to resolve the objections of the public and/or the EMSRB within

Official Notices

30 days, pursuant to *Minnesota Statutes*, sec. 144B.11, sub. 5(a), (b). If the applicant is unable to resolve the objections within 30 days, or if the applicant initially requests a contested case hearing one will be scheduled and notice of the hearing given pursuant to *Minnesota Statutes*, sec. 144B.11, subd. 5(c), (e).

Dated: September 21, 2007

Mary R. Hedges, Executive Director
Emergency Medical Services Regulatory Board

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

Notice of Public Hearings and Draft Availability of the 2008 Action Plan of the State of Minnesota's 2007-2011 Consolidated Housing and Community Development Plan and Consolidated Annual Performance and Evaluation Report (CAPER) for 2007

The State of Minnesota announces its process for developing its 2008 Action Plan of the 2007-2011 Consolidated Housing and Community Development Plan (Consolidated Plan), and the 2007 Consolidated Annual Performance and Evaluation Report (CAPER). The state encourages citizens to attend the public hearings and review and comment on the draft reports.

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

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

The state will hold its first public hearing about the Action Plan on Tuesday, October 23, 2007, to gather citizen input on housing and community development needs and how federal funding should be allocated in the state. The hearing will be held at 5:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, St. Paul.

A second public hearing on the Action Plan will be held on Thursday, November 29, 2007. This public hearing will be for review and comment on the draft Action Plan and will be held at 5:00 p.m. at the Minnesota Department of Employment and Economic Development, 332 Minnesota Street, 2nd floor, St. Paul. Call 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900 for more information about these hearings.

Drafts of the 2008 Action Plan and the CAPER for 2007 will be available for public review and comment between November 5, 2007, and the close of business December 7, 2007. The draft Action Plan and CAPER will be available on the Internet at www.mhfa.state.mn.us and www.deed.state.mn.us and in state depositories identified in the Citizen Participation Plan, which may be viewed at the same internet locations. Hard copies of the Action Plan can be obtained by calling Gloria Stiehl, Department of Employment and Economic Development, 1-800-657-3858 or (651) 259-7462, or TTY 1-800-282-5909 or (651) 296-3900. Hard copies of the CAPER can be obtained by calling Minnesota Housing Finance Agency at 1-800-657-3769 or (651) 296-7608, or TTY (651) 297-2361.

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

Action Plan, Attn: Gloria Stiehl
Minnesota Department of Employment

Official Notices

and Economic Development
First National Bank Building
332 Minnesota Street, Suite B200
St. Paul, MN 55101-1351

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

Written public comments on the 2007 CAPER can be submitted to:

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

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

The Action Plan and CAPER will be submitted to HUD on or before December 30, 2007. The state will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments and the state's responses will be included in the final Action Plan.

Department of Human Services Health Care Purchasing and Delivery Systems Division Health Care Administration Public Notice of Maximum Allowable Costs of Medical Assistance Outpatient Prescribed Drugs

NOTICE IS HEREBY GIVEN to recipients, providers of services, and to the public of additions to the state Medical Assistance maximum allowable cost (state MAC) list for certain outpatient prescribed drugs.

At least once each calendar year, the United States Department of Health and Human Services, Centers for Medicare & Medicaid Services, publishes a federal upper limit (FUL) payment schedule for many commonly prescribed multiple-source drugs. The federal upper limit is set at a rate equal to 150 percent of the published price for the least costly therapeutic equivalent that can be purchased by pharmacists. This FUL payment schedule constitutes the federal MAC list. For many multiple-source drugs that are not on the federal MAC list, the Department establishes a state MAC list. Additionally, the Department imposes a state MAC for many multiple-source drugs that are on the federal MAC list, as long as the savings are at least as much as the savings would be using the federal MAC list.

The Department requires Medical Assistance pharmacy providers to submit their usual and customary costs. Pharmacy providers are reimbursed at the lower of: 1) the federal or state MAC, plus a dispensing fee; 2) the submitted usual and customary charge to the general public; or 3) a discount off of average wholesale price, plus a dispensing fee.

On January 13, 2003 at 27 SR 1117-1130, the Department published the MAC list, listing the federal and state MACs. Additional changes to the state MAC list were published on February 18, 2003 (27 SR 1331-1334), March 3, 2003 (27 SR 1386-1393), April 21, 2003 (27 SR 1583-1584), August 4, 2003 (28 SR 102-103), October 13, 2003 (28 SR 505-506), October 20, 2003 (28 SR 528-529), December 15, 2003 (28 SR 784-785), January 26, 2004 (28 SR 934-935), March 8, 2004 (28 SR 1089-1090), April 5, 2004 (28 SR 1232), April 19, 2004 (28 SR 1313-1314), May 3, 2004 (28 SR 1367-1368), August 9, 2004 (29 SR 173), August 23, 2004 (29 SR 224-225), November 8, 2004 (29 SR 510), November 15, 2004 (29 SR 534-535), February 7, 2005 (29 SR 923-924), February 14, 2005 (29 SR 951-952), March 7, 2005 (29 SR 1038-1039), April 11, 2005 (29 SR 1174-1175), June 27, 2005 (29 SR 1607), July 18, 2005 (30 SR 49-50), August 15, 2005 (30 SR 147), August 29, 2005 (30 SR 226-227), October 17, 2005 (30 SR 402-403), November 14, 2005 (30 SR 511-512), December 12, 2005 (30 SR 617-618), January 9, 2006 (30 SR 770-771), January 30, 2006 (30 SR 833), February 13, 2006 (30 SR 884), February 27, 2006 (30 SR 926-927), March 20, 2006 (30 SR 1006-1007), April 10, 2006 (30 SR 1109), May 30, 2006 (30 SR 1249-1250), July (Cite 32 SR 667)

State Register, Monday 8 October 2007

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31, 2006 (31 SR 138-139), August 21, 2006 (31 SR 268), September 18, 2006 (31 SR 380 - 381), October 2, 2006 (31 SR 474-477), October 16, 2006 (31 SR 519-520), November 6, 2006 (31 SR 614), January 2, 2007 (31 SR 867-868), January 29, 2007 (31 SR 958-959), February 26, 2007 (31 SR 1169-1170), April 23, 2007 (31 SR 1444-1445), April 30, 2007 (31 SR 1523), June 18, 2007 (31 SR 1810-1811), July 23, 2007 (32 SR 219-220), August 6, 2007 (32 SR 301-302), August 27, 2007 (32 SR 380-381) and September 24, 2007 (32 SR 543).

Effective October 9, 2007 the Department will add the following outpatient prescribed drugs to the state MAC list:

Drug Name	Strength	MAC Price
CICLOPIROX	8%	\$17.85
DBXMETHYLPHENIDATE	HCL 10MG	\$ 1.07
ALBUTEROL SULFATE/IPRATROPIUM	2.5-0.5/3	\$ 0.51
ALPHA-1-PROTEINASE INHIBITOR	1000MG	\$ 0.30
CEFTAZIDIME PENTAHYDRATE	6G	\$54.25
IFOSFAMIDE/MESNA	1-1G	\$551.25
MAGNESIUM SULFATE	4MEQ/ML	\$0.043
ZINC SULF/CUSO4 P-HYD/MN/CR/SR	60-5000	\$0.393

These additions are made to bring Medical Assistance reimbursement to pharmacists more closely in line with the actual acquisition cost of the drugs listed above. The Department estimates that there will be a state savings of \$121,000 for State Fiscal Year 2006 (July 1, 2007 through June 30, 2008).

This notice is published pursuant to *Code of Federal Regulations*, Title 42, section 447.205, which requires publication of a notice when there is a rate change in the methods and standards for setting payment rates for Medical Assistance services.

Written comments and requests for information may be sent to Kristin Young, Pharmacy and Program Manager, Health Care Purchasing and Delivery Systems Division, Health Care Administration, Minnesota Department of Human Services, P.O. Box 64984, St. Paul, Minnesota 55164-0984; phone: (651) 431-2504 or email: kristen.c.young@state.mn.us

Metropolitan Council

Notice of Public Hearings for the 2008 Unified Operating Budget, 2008-2013 Capital Improvement Program, and 2008 Capital Program and Budget

The Metropolitan Council will hold a public hearing on November 14, 2007 to receive comments on the proposed *2008 Unified Operating Budget, 2008-2013 Capital Improvement Plan and 2008 Capital Program and Budget*.

The documents will be available on the Council's website at: www.metrocouncil.org/about/budget2008.htm. The *2008 Unified Operating Budget and 2008-2013 Capital Improvement Program and 2008 Capital Program and Budget* will be available on October 15, 2007. Printed copies are available at no charge from the Council's Data Center, 390 N. Robert Street, St. Paul. Call (651) 602-1140 or e-mail: data.center@metc.state.mn.us

The public hearing will be conducted on Wednesday, November 14, 2007, at 5 p.m., 390 N. Robert St., St. Paul, MN. Upon request, the Council will provide reasonable accommodations to persons with disabilities.

The procedure for the hearing will be as follows:

- Persons will be called to speak in the order in which they have registered. Individuals may register to speak in advance by calling (651) 602-1140.
- Individuals will have 3 minutes each and designated representatives of groups will have 5 minutes. Once all speakers have presented, speakers may request additional time to make further comments.
- The chair of the hearing shall have discretion in limiting or extending testimony by any person.

Appendix D

Tables

All tables are in action plan.

Appendix E

Comments

Gloria Stiehl - Action Plan

From: "OTSS" <otss@paulbunyan.net>
To: <Gloria.Stiehl@state.mn.us>
Date: 10/26/07 2:13 PM
Subject: Action Plan

Gloria:

I am writing to provide some input on housing and community development needs and how federal funding should be allocated in the state. I am concerned about the statewide emphasis on permanent supportive housing (PSH). Having worked as a director in emergency shelter programs for more than five years I think it is imperative that we do not ignore that a FULL continuum of services is needed to provide services for people living in poverty. ESPECIALLY in rural Minnesota. Up here in Bemidji we have the highest percentage of people living in poverty of any county in the State of MN. We also have the least number of shelter beds available. We need to have funding for emergency shelter beds in rural Minnesota. State and federal funding dollars have become less and less available to providers of emergency shelter in the past decade. This concerns me because the numbers of families and individuals living in poverty has increased during this same time frame. Please, please, please share the message that we still need to fund this component of care for homeless families and individuals. PSH is only necessary for some individuals who have been homeless long-term, who have one or more disabilities, and who cannot function independently. It is not the fix-all for the entire homeless population in our state.

Thank you for fielding my comments.

Sincerely,

Rebecca Hoffman, MSW, LGSW
Executive Director
Ours to Serve House of Hospitality
416 Irvine Avenue NW
Bemidji, MN 56601
(218) 751-0722
Office Hours T, TH, F 9AM-5PM

Gloria Stiehl - Action Plan

From: <Suewallop@aol.com>
To: <Gloria.Stiehl@state.mn.us>
Date: 12/07/07 3:02 PM
Subject: Action Plan

Elim Transitional Housing, Inc.
3989 Central Avenue N.E. Suite 565
Minneapolis, MN. 55421
763-788-1546

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

Dear Ms. Stiehl

Thank you for the opportunity to comment on the 2008 Action Plan.

General Comments:

1. If the President vetoes the HUD budget and is funded at the President's proposed levels, Minnesota would see a significant reduction of funding, Section 8 vouchers and will have a high risk of loss of Project Based Section 8 Units.
 - a. Section 8 Voucher reduction: 340 units
 - b. Project Based Section 8 at risk of loss: 6,776 units
 - c. Public Housing Operation and Capital Funds: Decreased by \$7,921,538
 - d. Community Development Block Grant reduction of \$17,455,653

How will the State address these potential decreases in resources in the Action Plan?

2. In the 2007 CAPER it indicates that HUD does not require the State to report specifically on income levels of participants in various programs below 80% of median. I suggest that the State implements in 2008 a reporting requirement on all programs that indicate incomes: below 30% median income, 31-50% median income, and 51-80% of median income and it is reported in future CAPERS.
3. How will the State utilize Federal and State Funds in 2008 to assist the over 50,000 sub-prime mortgage holders in Minnesota maintain their homes at an affordable rate? I encourage the State to impose an immediate mandatory moratorium on foreclosures in the State.
4. How will the State prioritize and increase funding for homeless prevention, emergency shelters, youth homeless programs and transitional housing programs with the deficit the

State will be addressing in 2008?

Specific Comments:

1. Page 8. The RAFS program has been phased out.
2. Page 9: The Minnesota Coalition For The Homeless has an Annual Conference and provides training and regional forums throughout the year. MICAH- Metropolitan Interfaith Council on Affordable Housing organizes congregations in the Metro area to assist in the development, rehabilitation, preservation and funding of affordable housing.
3. Pages 12 and 14 ESGP activities: Numbers do not match up. HOME TBRA: It appears the State will allow the use of these funds in 2008 for any low income tenant.
4. Page 15 Specific Steps to End Chronic Homeless. The Federal definition only includes singles 18 and older who have a disability and have met HUD's definition of homelessness and has experienced homelessness for 1 year continuously or 4 times in the last 3 years. Where is that specific population described in the Minnesota Business Plan to End Long Term Homeless?

Thank you for the opportunity to comment.
Sincerely,

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

Check out AOL Money & Finance's list of the hottest products and top money washers of 2007.

November 1, 2007

Ms. Rebecca Hoffinan, MSW, LGSW
Executive Director
Ours to Serve House of Hospitality
416 Irvine Avenue NW
Bemidji, MN 56601

Dear Ms. Rebecca Hoffinan:

Thank you for your comments on the 2008 Action Plan. The responses from the appropriate department namely DHS is presented below.

The Minnesota Department of Human Services acknowledges the need for emergency shelter funding. Accordingly, DHS has chosen to allocate 94% of the Emergency Shelter Grant Program funds it administers to shelter activities for Fiscal Year 2008. The remaining 6% is allocated to homelessness prevention activities for areas of the state without prevention resources.

The Minnesota Department of Human Services agrees with the respondent that a continuum of housing services including homelessness prevention, shelter, transitional supportive housing, permanent supportive housing and affordable permanent housing are necessary to address the homelessness issue in the state of Minnesota."

December 14, 2007

Ms. Watlov Phillips, M.A., C.S.P.
Executive Director
Elim Transitional Housing, Inc.
3989 Central Avenue N.E., Suite 565
Minneapolis, MN 55421

Dear Ms. Watlov Phillips:

Thank you for your comments on the 2008 Action Plan. The combined responses of DEED, Minnesota Housing, and DHS are presented sequentially, below.

General Comments

1. You asked how the State will address possible Federal funding reductions. The State does not address the potential loss of appropriations in the Action Plan. The Action Plan is a plan for the expenditure of federal funds and other funds "reasonably expected to be made available." Because the outcome of the 2008 appropriations process is unclear, it would be premature to develop contingency plans for funding reductions.
2. Tracking participant incomes at the increments suggested would require a substantial allocation of resources in terms of software, program modifications, and delivery network training. The Minnesota Housing report "Housing Assistance 2006" provides information on the median incomes of households receiving assistance from many of Minnesota Housing's programs, and an aggregate distribution of incomes within the three household types of homebuyer, homeowner, and renter. The report may be found at <http://www.mnhousing.gov/news/reports/index.aspx>.
3. The state's foreclosure prevention response has been focused on counseling. The State has allocated and awarded \$500,000 of funds from the Real Estate Education, research and Recovery Fund for early intervention foreclosure prevention counseling. In addition, the 2007 state legislature appropriated \$1.7 million for foreclosure prevention and homeownership counseling, which Minnesota Housing supplemented with \$1 million of agency funds. Foreclosure prevention beyond counseling is not an eligible use of the federal funds that are governed by the Action Plan, with the exception of emergency mortgage assistance in HOPWA.

In addition to foreclosure prevention, Minnesota Housing in April awarded \$11 million for the purchase, rehabilitation, and resale of housing in Minneapolis neighborhoods that have been destabilized by a high level of foreclosures.
4. The issues that you raise are very serious and important. Unfortunately the Action Plan is not crafted to be able to offer any definitive answers for you on the topics that you raised.

As you know the Legislature will be back in session in February 2008 and will work with the Governor and many state agencies on the difficult problems that you raised. The Governor has placed emphasis on ending homelessness in Minnesota and the Legislature has long demonstrated support for homeless programs.

Specific Comments

1. You are correct that RAFS has been terminated. Page 8 has been corrected to delete the reference to RAFS as a source of HOME program match.
2. The list of nonprofit resources is not intended to be exhaustive.
3. Thank you for pointing out the discrepancy in the number of persons/households projected to be served with ESG funds. The correct number of persons projected to receive ESG services should be 31,924 persons in 21,870 households. The numbers on pages 12 and 14 will be corrected to reflect this change.
4. The Minnesota Business Plan to End Long Term Homelessness does not contain actions that are specific and exclusive to the population included in HUD's definition of Chronic Homeless. Rather, the Business Plan addresses the needs of all long-term homeless persons and families (homeless for at least one year or with four episodes of homelessness within three years) without regard to their status as single or disabled.

Public Hearing for the Action Plan

**First Public Hearing @ MN Department of Employment and Economic Development
Office, 332 MN St. Suite E200, St. Paul MN 55101**

Meeting started @ 4:30 PM, Tuesday, October 23, 2007

Those in attendance: Reed Erickson
MN Dept. of Employment and Economic Development
651.259.7456

Andy Ansell
MN Dept. of Human Services
651.431.2449

Mary Grandy
MN Dept. of Human Services
651.431.2849

No other attendees

Meeting adjourned @ 5:45

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**Second Public Hearing @ MN Department of Employment and Economic Development
Office, 332 MN St. Suite E200, St. Paul MN 55101**

Meeting started @ 5:00 PM, Tuesday, October 23, 2007

Those in attendance: Dan Taylor
MN Dept. of Employment and Economic Development
651.259.7463

Jim Cegla
MN Housing Finance Agency
651.296.7608

No other attendees

Meeting adjourned @ 5:25