



**State of Minnesota
Consolidated Annual Performance
and Evaluation Report
for Federal Fiscal Year 2022**

December 2022

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CR-05 - Goals and Outcomes

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

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

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

It is important to note that the state provides affordable housing and community development through a variety of programs, many of which are funded through agency resources or state and federal appropriations. In Federal Fiscal Year (FFY) 2022, Minnesota Housing alone reserved/committed funds to assist over 30,000 households with rent assistance, down payment and first mortgage financing, home improvement financing, homebuyer education, the rehabilitation or construction of affordable rental housing, and other assistance (not including 30,000 units of Section 8 housing for which Minnesota Housing administers the housing assistance contract). In addition, the COVID Emergency Rental Assistance Program (RentHelpMN) assisted over 53,000 households and the COVID Homeowner Assistance Fund (HomeHelpMN) assisted over 760 households through September 30, 2022. Additional information about other housing and community development may be obtained through Minnesota Housing, DEED and DHS.

The state has identified objectives and expected outcomes for federally funded housing and community development assistance through a process of public hearings and forums held throughout the state. Housing advocates, service providers, residents, and other stakeholders are invited to participate in these events and to provide input on local needs, priorities, and problems (see the citizen participation plan and public comments attached to the *Consolidated Housing and Community Development Plan, FY 2022-2026*). The Annual Action Plan addresses how objectives are to be met each year. Under most federal programs covered in this report, the state has been close to meeting its previous annual projections.

In the past year unemployment in Minnesota has decreased from 3.7 percent in September of 2021, to 1.9 percent in September 2022 (currently the lowest unemployment rate in the country). Nationally unemployment was 3.5 percent in September 2022. The year prior to the pandemic, unemployment in Minnesota was 3.2 percent (September 2019). However, between 2019 and 2021, the share of renters in Minnesota who were cost burdened by their housing payments (spending more than 30 percent of their income on housing) increased from 44 percent to 48 percent, when the median rent increased by 9.5 percent but the median income of renters increased by just 5.8 percent. In addition, annual inflation for residential housing develop in Minnesota increased by over 10 percent in both 2021 and 2022.

As of the end of 2022, the first year in its five-year plan (2022-2026), Minnesota had achieved 25% of its five-year goals.

DEED's Small Cities Development Program's accomplishments have either exceeded the goals set in the annual action plan or closely matching the goals. Even though, we were in midst of a pandemic, projects

were still being completed. Grantees still are experiencing difficulties with construction being stalled, short construction season, difficulty in obtaining lead licensed contractors and the cost of material skyrocketing. (see attached text for accomplishments).

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

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

Goal	Category	Source / Amount made Available	Indicator	Unit of Measure	Expected Program Year 2022	Actual Program Year 2022	Percent Complete
Address Housing Rehabilitation Needs - DEED	Affordable Housing	CDBG: \$9,698,200	Rental units rehabilitated	Household Housing Unit	100	113	113%
			Homeowner housing rehabilitated	Household Housing Unit	300	213	71%
Increase Affordable Housing Opportunities-Minnesota Housing	Affordable Housing	HOME: \$11,442,511 NHTF: \$10,497,206	Rental units constructed	Household Housing Unit	90	79	88%
			Rental housing rehabilitated	Household Housing Unit	25	0	0%
Support Economic Development and Workforce Needs - DEED	Non-Housing Community Development	CDBG: \$2,230,000	Façade treatment/business building rehabilitation	Business	80	66	83%
			Jobs created/retained	Jobs	20	0	0%
			Businesses Assisted	Businesses Assisted	4	0	0%
Facilitate Housing and Service for the Homeless	Homeless	ESG: \$3,219,254	Tenant-based rental assistance/rapid rehousing	Households Assisted	150	140	93%
			Homeless person Overnight Shelter	Persons Assisted	9,300	10,198	110%
			Homelessness Prevention	Persons Assisted	215	83	37%
Enhance Special-Needs Housing & Services	Non-Homeless Special Needs	HOPWA: \$386,643	Homelessness Prevention	Persons Assisted	220	165	75%
Improve Public Facilities and Infrastructure - DEED	Non-Housing Community Development	CDBG: \$6,929,274	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing	Persons Assisted	600	1,427	239%
			Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Persons Assisted	950	2,725	287%

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

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

Minnesota’s objectives in the distribution of housing and community development resources are to create suitable living environments; provide decent, affordable housing; and create economic opportunities within the state. In working to achieve those objectives, the state has prioritized populations with the greatest need for assistance (see SP-25 “Priority Needs” in the **2022-2026 Consolidated Plan for Housing and Community Development**).

Priorities include renters with incomes at or below 30% of area median income (AMI), homeowners with incomes of 51% to 80% of AMI, and people not experiencing homeless with special needs. For HOME units, 53% of renter households occupying units completed in FFY 2022 had incomes below 30% of AMI. One hundred percent of the tenants in NHTF units had incomes below 30% of AMI.

In addition to general affordable housing, Minnesota Housing assists people experiencing homelessness or people with special needs at risk of becoming homeless who struggle with housing stability through several programs funded by the state legislature, including the Family Homeless Prevention and Assistance Program, Bridges rental assistance, the state Housing Trust Fund rent assistance, and Housing Infrastructure Bonds. These programs assisted over than 8,000 households in 2022. The agency also deployed federal resources for emergency housing assistance during the pandemic through the U.S. Treasury’s COVID Emergency Rental Assistance Program and the COVID Homeowners Assistance Fund.

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

With its federal resources, the state provides the greatest amount of assistance through the Community Development Block Grant (CDBG) Small Cities Development Program (SCDP). As noted in the Action Plan, CDBG focused on creating suitable living environments, economic development and public facilities and infrastructure. Priorities include renters and homeowners with incomes at or below 80% of area median income (AMI). The unit of measure for public facilities projects is based on the city's LMI being at least 51% LMI. These spending priorities have been established through the planning process, which determines where the most need is, as well as the capacity to make an impact on those in need in the State of Minnesota. The amount spent on each category is determined both by past performance and the current ability to meet housing and community development needs in Minnesota. Current economic development funds will be utilized for the SCDP program. State resources with fewer restrictions were made available to assist with the creation of jobs for low to moderate income persons. With the authority of the DEED Commissioner, CDBG funds set aside for those activities that were not used were reallocated to other CDBG activities.

CR-10 - Racial and Ethnic composition of families assisted

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

91.520(a)

	CDBG	HOME	ESG	HOPWA	NHTF
White	1023	20	4,753	98	32
Black or African American	3	11	2,701	54	11
Asian	8	1	167	4	0
American Indian or American Native	5	0	1,722	3	1
Native Hawaiian or Other Pacific Islander	0	0	47		0
More than one race	17	2	901	6	1
No data			130		
Total	1056	34	10,421	165	45
Hispanic	24	3	1,015	19	5
Not Hispanic	1032	31	9,232	146	40
No data	0	0	174	0	0

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

Narrative

According to the Census Bureau's estimates in the *American Community Survey, 2021*, low and moderate income households (those earning less than \$50,000 in 2021) of a race other than white comprise an estimated 21% of the households in Minnesota, and households of Hispanic or Latino ethnicity comprise an estimated 5% of the households in Minnesota.

CDBG assisted 1,056 households in FFY 2022. Of that number, 1023 were white, 3 Black/African American, 8 Asian, 5 American Indian/Alaskan Native, 3 American Indian/Alaskan Native & white, 5 Black/African American and white and 9 other multi-racial. Of the total, 24 were Hispanic households. Among CDBG-assisted households, 97% of households were white, less than 1% Black/African American, less than 1% American Indian/Alaskan Native, less 1% Indian/Alaskan Native & white, less than 1% Black/African American and white and less than 1% other multi-racial. Households with two or more races do not fit into the CAPER table above.

As summarized in the IDIS Report *HOME Summary of Accomplishments for FFY 2022*, 59% of HOME-assisted households were white, 32% Black/African American, 3% Asian, 0% American Indian/Alaskan Native, and 6% more than one race. Of the total HOME-assisted households, 9% of households were Hispanic/Latinx. Households with two or more races do not fit into the CAPER table above.

Note that HOME funds historically were available primarily in non-entitlement areas, which are less diverse and may have had limited opportunity for HOME-funded projects to serve a higher percentage of Black, Indigenous and people of color.

With ESG funding, DHS assisted 10,421 households during Program Year 2022 with shelter, prevention and rapid re-housing assistance. Of those, 46% identified as white, 26% as Black/African American, 17% as American Indian or Alaskan Native, 2% as Asian/Asian American. Ninety percent of persons in ESG-

funded programs identified as Non-Hispanic ethnicity. Households with two or more races and those not disclosing race/ethnicity data do not fit into the CAPER table above.

DEED’s, Minnesota Housing’s, and DHS’s current *Analysis of Impediments to Fair Housing Choice* report and action plan continues to make progress on the *2020 Analysis of Impediments to Fair Housing Choice for Minnesota* available at: [Analysis of Impediments to Fair Housing Choice](#). The State is in the process of making an addendum to this work related to the pandemic.

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

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Resources Made Available	Amount Expended During Program Year
CDBG	\$23,961,789	\$15,219,121
HOME	\$10,442,511	\$7,586,564
HOPWA	\$386,643	\$263,967
ESG	\$ 2,202,778	\$2,202,778
NHTF	\$10,497,206	\$6,187,952

Table 3 – Resources Made Available

Narrative

In addition to CDBG’s normal allocation, HUD has awarded the State of Minnesota with three special allocations of CDBG funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). The State of Minnesota Small Cities Development Program had made CDBG-CV funds of \$37,600,868 available to non-entitlement and entitlement communities throughout the State of Minnesota in order to prevent, prepare for, and respond to coronavirus.

Funding provided by HUD to Minnesota for FFY 2022 under housing and community development programs is shown above. The expended amounts during a program year could be higher or lower than resources made available due to timing of projects completions, particularly capital funding for projects via CDBG, HOME and NHTF, which can take a few years to complete from the time the funds are made available.

State agencies provide a large amount of assistance other than federal funds for affordable housing. For example, in FFY 2022, Minnesota Housing reserved/committed loans/grants for approximately \$2.1 billion in housing assistance to non-Section 8 households. Minnesota Housing resources include bond sale proceeds and other mortgage capital, federal housing tax credits, state appropriations, and its own resources. (These figures from the agency’s most recent reporting are shown for context and differ from expenditures shown in IDIS because Minnesota Housing reports on loans/grants reserved/committed for funding while IDIS includes funds for projects that are completed and occupied in the reporting year.)

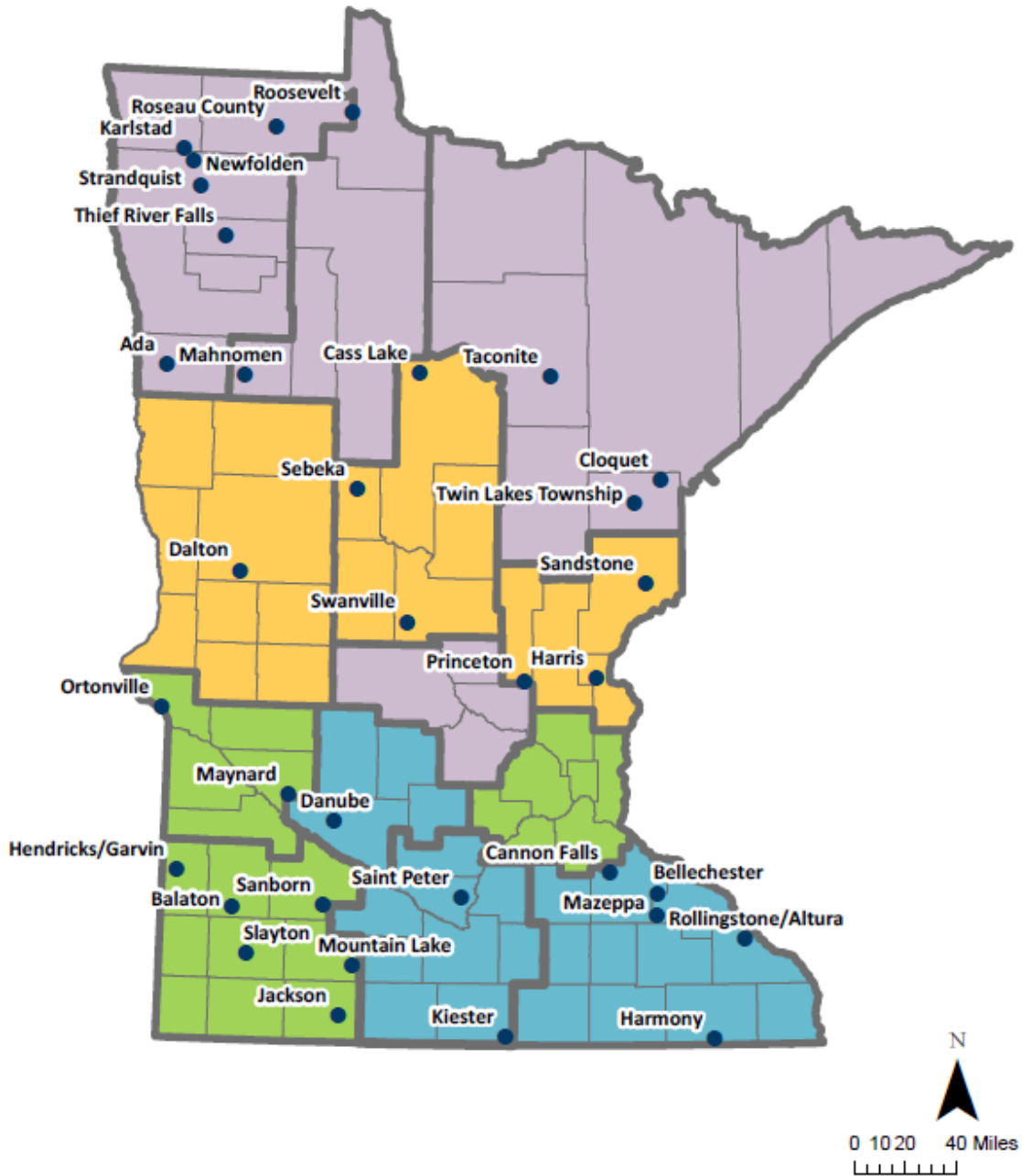
In addition, HUD awarded funding to Minnesota (\$3.1 million in 2013, \$3 million in 2015, and most recently a third round of \$7 million was awarded in August 2020) for the Section 811 demonstration that Minnesota Housing and DHS currently are jointly implementing. Under this demonstration, Minnesota Housing provides rent assistance on behalf of households with a member who is disabled.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Non-Entitlement	100	100	Funding Distribution for CDBG Small Cities program
Statewide	100	100	ESG, HOME and NHTF are available statewide

Table 4 – Identify the geographic distribution and location of investments

Small Cities Development Program: 2022 SCDP Grantees



*Prepared by: Economic Analysis Unit,
Economic Development & Research Division,
DEED (October 2022)*

2022 AWARDED PROJECTS
SMALL CITIES DEVELOPMENT PROGRAM

The funds for the grantee's will be used for the following:

- City of Ada, \$506,000 Owner-occupied housing rehabilitation
- City of Balaton, \$599,955 Owner-occupied housing and rental rehabilitation
- City of Bellechester, \$600,000 Public facility improvements
- City of Cannon Falls, \$591,675 Owner-occupied housing rehabilitation
- City of Cass Lake, \$345,000 Owner-occupied housing rehabilitation
- City of Cloquet, \$483,649 Public facility improvements
- City of Dalton, \$600,000 Public facility improvements
- City of Danube, \$600,000 Public facility improvements
- City of Harmony, \$1,017,750 Owner-occupied housing and commercial rehabilitation
- City of Harris, \$600,000 Public facility improvements
- City of Hendricks/Garvin, \$1,198,325 Owner-occupied housing, rental rehabilitation and public facility improvements
- City of Jackson, \$1,035,000 Owner-occupied housing and commercial rehabilitation
- City of Karlstad \$507,380 Owner-occupied housing and rental rehabilitation
- City of Kiester, \$600,000 Public facility improvements
- City of Mahnommen, \$600,000 Public facility improvements
- City of Maynard, \$115,000 Rental rehabilitation
- City of Mazeppa, \$595,125 Owner-occupied housing and rental rehabilitation
- City of Mountain Lake, \$759,000 Owner-occupied housing and commercial rehabilitation
- City of Newfolden, \$880,900 Owner-occupied housing and commercial rehabilitation
- City of Ortonville, \$782,000 Owner-occupied housing and commercial rehabilitation
- City of Princeton, \$600,000 Public facility improvements
- City of Rollingstone/Altura, \$581,900 Owner-occupied housing and rental rehabilitation
- City of Roosevelt, \$132,250 Owner-occupied housing rehabilitation
- City of St. Peter, \$575,000 Rental rehabilitation
- City of Sanborn, \$600,000 Public facility improvements
- City of Sandstone, \$517,500 Owner-occupied housing and commercial rehabilitation
- City of Sebeka, \$609,500 Owner-occupied housing, rental and commercial rehabilitation
- City of Slayton, \$737,840 Owner-occupied housing, rental and commercial rehabilitation
- City of Strandquist, \$253,000 Owner-occupied housing rehabilitation
- City of Swanville, \$546,250 Owner-occupied housing, rental and commercial rehabilitation
- City of Swanville, \$600,000 Public facility improvements
- City of Taconite, \$600,000 Public facility improvements
- City of Thief River Falls, \$600,000 Rental rehabilitation
- Roseau County, \$563,500 Owner-occupied housing rehabilitation
- Twin Lakes Township, \$287,500 Owner-occupied housing rehabilitation

Narrative

DEED's Small Cities Development Program CDBG funds are made available to non-entitlement jurisdictions assisting cities and counties with funding for housing, public facility infrastructure and commercial rehab projects. The planned percentage of allocation and actual percentage of allocation is 100% based on the distribution of funds. Funding this year had been delayed due to the approval date of the 2022-2026 5-Year Consolidated Plan. Grantees were awarded after the end of the federal fiscal year 2022. The CDBG-CV funds received by DEED is available to both non-entitlement and entitlement jurisdictions.

The largest percentage of assistance covered in this report that the state provided with federal resources is through CDBG, particularly for the rehabilitation of residential homes, commercial and the improvements on public facilities. In 2022, 11% of the distribution of funds were for publicly or privately owned commercial buildings, 47% for housing which included owner occupied housing projects and rental housing, 33% for public facility improvements and 9% for general administration. A map and list of grantees showing the distribution of projects awarded funding in 2022 is attached in IDIS.

Listed below are outreach and training sessions (both in-person and remote) conducted this fiscal year:

- October 2021- Conducted Small Cities Development Program outreach by presenting at the City/County Clerks/Administrators/Community /Economic Developers & Partners meeting organized by Chisago Cty HRA/EDA.
- October 2021 - Conducted Small Cities Development Program outreach by presenting at the Renville County HRA/EDA Advisory Committee meeting.
- October 2021 - Conducted the 2022 Small Cities Development Program Application Training Webinar.
- October 2021 - Participated as speaker in CDBG-CV Best Practices Webinar Series – Public Facilities and Building Improvements
- January 2022 - Participated as panelist in the 2022 Northwest Minnesota Regional Housing Forum.
- July 2022 - Participates as speaker in Small Cities Cohort Meeting on Housing.
- July 2022 - Host and speaker for the Northern Regional Small Cities Meeting.
- August 2022 - Speaker for Regional Meeting for Community and Economic Developers on Small Cities Program and Infrastructure programs.
- September 2022 - Conducted Small Cities Development Program Implementation Training Workshops in Walker and North Mankato.
- September 2022 - Speaker for Regional Meeting for Community and Economic Developers Small Cities Program and Infrastructure programs
- October 2022 - Speaker at NAHRO conference on Small Cities Development Program.

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

HOME and NHTF funds are available statewide.

ESG Shelter resources are distributed statewide, with priority given for non-entitlement areas, and secondly to entitlement areas which have used their full ESG allocation for emergency shelter

operations and have additional need for emergency shelter resources. For ESG Prevention and Rapid Re-Housing funding, funds are only awarded to applications from non-ESG entitlement areas of the state, resulting in all ESG Housing funds being expended in these Balance of State areas.

Leveraging

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

ESG requires a one-to-one matching of funds. The State and its ESG sub-recipients expended \$2,202,778 in non-ESG funds. These funds which were awarded through the State Emergency Service Program (ESP) appropriation and funds emergency shelter across the state.

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

In 2022, of the projects receiving HOME funds, HOME dollars comprised 43% of total funds committed to those projects.

HOME requires that each participating jurisdiction make contributions to housing that qualifies as affordable housing under the HOME program. These contributions must total not less than 25 percent of the funds drawn from the jurisdiction's HOME Investment Trust Fund Treasury account. Minnesota Housing satisfies this requirement through investments in two rental assistance programs funded by the Minnesota State Legislature as detailed in Table 6 – Match Contribution for the Federal Fiscal Year:

- 1) The State Housing Trust Fund provides rental assistance to high priority homeless families and individuals, defined as households prioritize for permanent supportive housing by the Coordinated Entry System.
- 2) The Bridges program provides assistance to households in which one or more adult members has a serious mental illness. This program helps people with disabilities live in a more community-based and integrated setting while receiving services.

Minnesota Housing allocates Low-Income Housing Tax Credits for the development of affordable rental housing, often in conjunction with agency-financed first mortgages and/or other contributions, such as deferred or gap funding including HOME and NHTF.

A scoring criterion used to evaluate projects with respect to competitive HOME fund awards is efficient use of scarce resources and leverage. It includes measurements related to readiness to proceed by evaluating the percentage of the development's funding that is secured/committed. It also includes measurements for non-capital contributions and low intermediary costs.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	178,095,463.60
2. Match contributed during current Federal fiscal year	12,653,816.00
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	190,749,279.60
4. Match liability for current Federal fiscal year	574,866.43
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	190,174,413.17

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
1	09/30/2022	\$8,972,743.00	0	0	0	0	0	\$8,972,743.00
2	09/30/2022	\$3,681,073.00	0	0	0	0	0	\$3,681,073.00

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
9,888,259	1,729,507	1,669,561	0	9,948,205

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	\$5,321,230.03	0	0	0	0	\$5,321,230.03
Number	2	0	0	0	0	2
Sub-Contracts						
Number	59	0	0	0	1	58
Dollar Amount	\$10,826,064.50	0	0	0	\$13,075	\$10,812,989.50
	Total	Women Business Enterprises		Male		
Contracts						
Dollar Amount	\$5,321,230.03	\$2,479,061.03		\$2,842,169		
Number	2	1		1		
Sub-Contracts						
Number	59	3		56		
Dollar Amount	\$10,826,064.50	\$123,464		\$10,702,600.50		

Table 8 – Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	2	0	0	0	0	2
Dollar Amount	\$7,324,462	0	0	0	0	\$7,324,462

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

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

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	515	405
Number of Special-Needs households to be provided affordable housing units	220	165
Total	735	570

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	150	140
Number of households supported through the Production of New Units	90	79
Number of households supported through Rehab of Existing Units	425	326
Number of households supported through Acquisition of Existing Units	0	0
Total	665	545

Table 12 – Number of Households Supported

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

The one-year goal of 735 units (Table 11), set out in the state's 2022 Action Plan, is stated as the goal for rehabilitated and newly constructed rental units funded through HOME, NHTF, or CDBG.

In most years with completed projects, we anticipate variation in funding new construction versus rehabilitation in HOME and NHTF, and while the plan splits the activities, actual activities year to year will not reflect an even split depending on market need, and applications received by Minnesota Housing.

For Emergency Solutions Grant (ESG) funding, the goal of providing rapid re-housing (rental-assistance) to 150 households (Table 12) was not achieved, with ESG providers assisting 140 households with rapid re-housing assistance. A variety of factors to contribute to the actual number of households served (versus planned) and outcomes achieved, including the ratio of households in need of rapid re-housing or prevention assistance (since both are eligible under ESG grants), increased housing expenses (landlords requiring increased move-in expenses), lengths of stay in the program, and difficulty accessing

housing due to extremely limited affordable housing vacancies and limited housing turnover during the pandemic and eviction moratorium.

Discuss how these outcomes will impact future annual action plans.

The state will continue to assess outcomes against goals and data regarding needs. The state will also continue to solicit input from stakeholders and partners annually in order to respond to the housing and community development needs of Minnesota communities and will write future annual action plans based on that process, e.g., based on new or changing assistance needs identified by communities, stakeholders, and other assistance providers.

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

Number of Households Served	CDBG Actual	HOME Actual	NHTF Actual
Extremely Low-income	119	18	45
Low-income	109	3	0
Moderate-income	95	13	0
Total	323	34	45

Table 13 – Number of Households Served

Narrative Information

As reported in IDIS, 99% of beneficiaries of CDBG rehabilitation housing programs in 2022 had incomes at or below 80% of HUD median income. Non low-mod income participants accounted for the other 1%. The 99% meets HUD’s CDBG requirements of 51% of rental units be occupied by LMI participants.

In accordance with guidelines, all households assisted with HOME funds have gross incomes at or below 80% of area median income, and tenant rents meet the affordability requirements of 24 CFR 92.252. For FFY 2022, 53% of assisted households were in the lowest income category (30% of area median or less), 9% were in the 31%-50% category, and 38% were in the 51%-60% category. All households assisted with NHTF funds have gross incomes at or below 30% of area median income.

All HOPWA-assisted households had gross incomes at or below 80% of area median income; approximately 50% had incomes at or below 30% of area median.

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

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

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

The most recent Point in Time Count (PIT) of persons experiencing homelessness in Minnesota occurred on January 26, 2022. This was the first Point-in-Time count since the onset of the COVID-19 pandemic to include a statewide count of both sheltered and unsheltered individuals in Minnesota. Preliminary data from the 2022 PIT identified 7,917 individuals and people in families experiencing homelessness on a single night in January, relatively unchanged from 2020. The number of people experiencing unsheltered homelessness decreased by nine percent compared to the peak pre-pandemic. This corresponds with a three percent increase in the number of people experiencing sheltered homelessness between 2020 and 2022 and could reflect the additional COVID-related isolation spaces available to people experiencing homelessness during the 2022 count. However, the annual Point-In-Time (PIT) count is viewed by many as a significant undercount of persons who experience homelessness over the course of the year, or even a single night. Limitations include HUD's requirement that the PIT be conducted in January, and lack of additional funding to support this major undertaking.

The Minnesota Interagency Council on Homelessness is led by the Lieutenant Governor and includes 13 Cabinet-level agencies and the Metropolitan Council and it is accountable for leading the State's efforts to achieve housing stability for all Minnesotans. When the Council initially convened in 2013, it established *Heading Home: Minnesota's Plan to Prevent and End Homelessness*, the first plan to focus on the vision of achieving housing stability for all Minnesotans. In 2018, they adopted *Heading Home Together: Minnesota's 2018-2020 Action Plan to Prevent and End Homelessness*.

The shared experience of working together across Minnesota to support people experiencing homelessness confronting COVID, racism, and civil unrest has been remarkable and instructive. It has led many to see homelessness differently and brought into clearer focus what solutions our neighbors and relatives facing homelessness need and should expect. Recognizing homelessness as the most egregious form of housing injustice, the Minnesota Interagency Council on Homelessness (MICH) has committed in May 2021 to focus its next strategic plan on housing, racial, and health justice.

The Council is working in phases to complete the strategic plan focused on achieving housing, racial, and health justice for people facing homelessness. In April – June 2022, the Council contracted with Rainbow Research, a local firm, to lead Phase 1 which was focused on creating an operational definition of housing, racial, and health justice. The Council required Rainbow to hire 10 consultants with lived experience of homelessness to lead the work. Rainbow and the team of consultants facilitated five workgroup meetings and two community conversations to build the justice definition. In June 2022, the Council committed to the [justice definition](#).

The Council is now in Phase 2 which is focused on working to identify a set of bold results that moves the state's work to prevent and end homelessness towards justice as well as developing the specific strategies to achieve those results. These three pieces form the framework of the next plan:

- **Justice Definition:** the foundation for all our work and serves as the North Star for the Council's next strategic plan.
- **Results:** The big, bold outcomes that will drive movement towards justice. No one agency will be responsible for any of these results. Each of them will require interagency commitment and collaboration.
- **Strategies:** The specific, measurable commitments by agencies and interagency teams to achieve the results.

The consultants with lived experience are continuing to lead the process to develop results and strategies.

The shift to framing to focus on housing, racial, and health justice has come out of the statewide response to protect people experiencing homelessness and the staff who support them from COVID-19. Beginning in March 2020, in response to the COVID-19 pandemic, the Minnesota Interagency Council on Homelessness has convened and led an interagency response team to respond to the needs of people facing homelessness. The collective efforts have proven effective in several ways. Most importantly, it is likely they have prevented greater spread of COVID-19 among people facing homelessness. Based on initial modeling of potential infection rates, in March and April of 2020 there was potential for thousands of people facing homelessness to become infected within a few months, with the potential for these infections to result in significant adverse health outcomes, deaths, and a significant strain on the health care system.

In January of 2021, the interagency response team supporting the COVID-19 response for people experiencing homelessness focused on providing accessible opportunities for vaccinations. The State gave priority to people living or working in homeless settings during its initial vaccine roll-out and ensured that all homeless settings, including congregate transitional housing facilities, had an opportunity to host a vaccine clinic or transport clients to a clinic. The Minnesota Department of Health (MDH) contracted with several healthcare providers to conduct COVID-19 vaccine clinics in homeless settings, including one contractor specifically focused on vaccinations in encampments. MDH has funded a Trusted Messenger program where trusted messengers in the community share information with people experiencing homelessness or living in congregate settings about COVID-19 vaccine safety, including information about the importance and efficacy of the COVID-19 vaccine, potential side effects, and where people can go to get vaccinated in a trauma-informed way that builds respect and mutual understanding. The hired messengers share their own experiences, and provide a non-medical, non-threatening perspective to aid their peers in making a decision about the COVID-19 vaccine. Alarming, vaccination rates among people facing homelessness remain far lower than the general population. As of September 25, 2022, slightly more than a third (37%) of individuals active in an HMIS project between January and March of 2022 had completed their full vaccine series. Vaccination rates among Black, Indigenous, and people of color facing homeless remain far lower than their white, non-Latinx counterparts. Slightly less than a half (41%) of white, non-Latinx individuals in the Homeless Management Information System (HMIS) have completed their vaccine series whereas less than a third of Black (31%) and Latinx (32%) individuals in HMIS have done so. The vaccination rate is highest among Native American/Alaskan Native individuals facing homelessness with 47% having completed their full series. There has been intentional partnership with tribes and native-led health clinics.

Currently, 10 Continuum of Care (CoC) regions exist in Minnesota covering the entire state. DHS has offered each CoC committee the opportunity to review and provide recommendations on each ESG

application submitted from their region, as well as other DHS-administered homeless programs. This ensures that ESG funding is used to address locally determined priorities for shelter, prevention and rapid re-housing. In addition, in 2022 Minnesota Housing supported six CoCs in Greater Minnesota and one Minnesota Tribal Collaborative with grants ranging from \$42,500 to \$60,000 each for planning and operating costs.

The Minnesota Department of Human Services (DHS) has implemented a Best Practices and Technical Assistance effort to encourage shelter providers to reduce the number of barriers faced by vulnerable populations seeking emergency shelter. These populations facing barriers may be part of the increase in unsheltered persons who are unable to access emergency shelter due to limited space as well as sobriety, criminal background exclusions, work or case management participation requirements, and other barriers to entry.

Additionally, DHS implemented a new structure for the RFP and granting process in 2019, with updates planned for 2023, with the goal to make the process more equitable and accessible, in particular for new and culturally specific organizations. The RFP process continues to look for new strategies to support this as well as increase the input of people with lived experience in determining priorities for funding, such as having people with lived experience on the review panel.

During the 2021 Special Legislative Session, Minnesota Housing received a \$100 million authorization for Housing Infrastructure Bonds (HIB) with \$33.333 million of the \$100 million set aside for single-family development (\$18.333 million) and manufactured home community acquisition and infrastructure (\$15 million). This authorization was available to funding proposals in 2021 and 2022 for both rental housing, single family development and manufactured home park infrastructure. No additional Housing Infrastructure Bonds were authorized in the 2022 Legislative Session. Additional permanent supportive housing resources are financed with federal low-income housing tax credits.

To promote early identification and more effective responses to the needs of Minnesota students experiencing housing instability and homelessness, Minnesota Housing, the Minnesota Department of Education, the Minnesota Department of Human Services, the Minnesota Interagency Council on Homelessness, and the Heading Home Minnesota Funders Collaborative have developed an program called Homework Starts with Home. Under this program, school- and community-based collaborative programs will help homeless or at-risk families with school-age children achieve housing stability and promote academic success. These efforts are supported with grants totaling \$3.5 million from three sources: Housing Trust Fund and Family Homeless Prevention and Assistance Program.

In 2015, 2017, 2019 and 2021, the Minnesota Legislature made an appropriation of \$125,000 per year to support the statewide Homeless Management Information System (HMIS). This system helps housing and service providers to more effectively coordinate assistance and services to meet the needs of the homeless or near-homeless people. Minnesota Housing and the Department of Human Services annually supports the operation of HMIS, along with contributions from providers and CoCs.

Addressing the emergency shelter and transitional housing needs of homeless persons

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

CoC organizations apply to HUD annually for funding under the McKinney Vento Homeless Assistance Program to address homelessness. In addition, the state funds both site-based and scattered-site transitional housing with approximately \$3.2 million in state funds each year. In State Fiscal Year 2022, the state provided \$6.84.M in Emergency Services Program (ESP) funding, which includes the \$5M annual increase in ESP base funding for emergency shelter and street outreach that was approved for State Fiscal Years 2022 and 2023.

The Minnesota Department of Human Services (DHS) has initiated a Best Practices and Technical Assistance effort to encourage shelter providers to reduce the number of barriers faced by vulnerable populations seeking emergency shelter. These populations facing barriers may be part of the increase in unsheltered persons who are unable to access emergency shelter due to limited space as well as sobriety, criminal background exclusions, work or case management participation requirements and other barriers to entry.

In August 2019, the Center for Medicare and Medicaid Services (CMS) approved the Minnesota Department of Human Services (DHS) plan to add Housing Stabilization Services to the state's Medicaid plan. The new services for seniors and people with disabilities were launched by DHS in July 2020. These services are intended to support an individual's transition into housing, increase long-term stability in housing in the community, and avoid future periods of homelessness or institutionalization.

This could be an important step in meeting the needs of a growing population of persons in emergency shelter and transitional housing who are 55 and older. While HUD's annual Point in Time count unfortunately does not break down the reported persons experiencing homelessness by detailed age grouping, the triennial Wilder Research Homelessness in Minnesota report does, and in the most recent data available (2018) found 10 percent of persons experiencing homelessness were over age 55, a figure which had increased 25 percent from 2015. ESG shelter data is consistent with this finding, with 13 percent of single adults served in 2021 in the ESG program over age 55.

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

The state received \$2,202,778 in FFY 2020 in ESG program funding to support sub-recipients' ongoing efforts to provide shelter and rapid re-housing and prevention assistance to homeless and at-risk households. This included \$110,152 for state administrative costs. ESG funds were used to provide supportive services to persons through the emergency shelter where they were staying, as well as prevent and rapidly re-house households who were at-risk of or experiencing homelessness. Supportive services included case management, transportation, mental health care, substance abuse treatment, childcare, and legal advice and assistance.

One of the state's most significant strategies for providing homelessness prevention assistance is the Family Homeless Prevention and Assistance Program (FHPAP). In 2021, The Minnesota Legislature provided \$20.5 million for the next two-year period. With these resources, Minnesota Housing assisted over 4,800 households in 2021 by providing short-term housing and services, primarily to families with children with a median annual income of roughly \$10,000. The state also provides \$23.3 million for the

biennium in base appropriation funding for the state Housing Trust Fund. In 2021, the program served just over 1,400 households with rental assistance and 800 rental units with operating subsidies. Many of the individuals served by the program have experienced homelessness. The 2021 Legislature also provided \$8.7 million for the Bridges rental assistance program for the next two years. Under the Bridges program, Minnesota Housing provides rental assistance to households in which an adult member has a serious mental illness, serving around 700 households in 2021. This program helps people with disabilities live in a more community-based and integrated setting while receiving services.

Minnesota Housing received \$100 million in federal Coronavirus Relief Funds for the COVID-19 Housing Assistance Program. The program provided housing assistance payments to help prevent eviction, prevent homelessness and maintain housing stability for eligible renters and homeowners. The program covered past due housing expenses such as rent, mortgage and utility payments. The program was available statewide through local administrators and prioritizes individuals and families at 200% of federal poverty guidelines or below. At the end of the program, over \$70.3 million was spent on direct assistance to nearly 27,000 households and \$11.4 million was spent on administrative costs for the 52 local program administration, online application system and centralized intake.

The COVID-19 Housing Assistance Program and the Governor's Executive Order suspending evictions during COVID-19 and the peacetime emergency were the State's main response to housing instability during the pandemic until Congress enacted the COVID-19 Emergency Rental Assistance Program in December 2020. Minnesota Housing received over \$300 million for Emergency Rental Assistance through the Consolidated Appropriations Act and subsequent reallocations from U.S. Treasury and another \$228 million through the American Rescue Plan Act. The program provided over \$450 million in direct assistance for past-due rent and utilities payments for over 100,000 applications received and over 70,000 households served.

The Minnesota Interagency Council on Homelessness has also provided technical assistance to assist in the establishment of CoCs, which have developed regional plans that identify assistance needs of people experiencing homelessness or people at risk of becoming homeless, gaps in regional service delivery for the homeless, and a strategy for addressing those gaps. Currently, 10 CoC regions exist in Minnesota covering the entire state. In 2021 Minnesota Housing supported six CoCs in Greater Minnesota with grants ranging from \$42,000 to \$55,500 each for operating costs.

Local Homeless Prevention Aid was created by the 2021 Legislature to help local governments ensure no child is homeless within a local jurisdiction by keeping families from losing housing and helping those experiencing homelessness find housing. Those funds will start flowing to local governments in 2023. Counties must use this aid to fund new or existing family homeless prevention and assistance projects or programs.

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

People experiencing homelessness are often unable to access and use mainstream programs because of the inherent conditions of homelessness, as well as the structure and operations of the programs themselves. While all low-income populations face barriers to applying for, retaining, and using the

services provided by mainstream programs, these barriers are compounded by the inherent conditions of homelessness, such as transience, instability, and a lack of basic resources.

In response, the Minnesota Interagency Council on Homelessness and the Department of Human Service developed and continues to advance and train agency staff on implementing five Foundational Services Practices intended to help our “mainstream” programs – those not specifically targeted to people experiencing homelessness – work better for people experiencing homelessness.

The five Foundational Service Practices are:

1. Know the housing status of people served
2. Actively reach out to the homeless
3. Limit requirements for in-person appointments
4. Assist with gathering required verifications/ documentation
5. Allow for multiple methods of communication about benefits and services.

Currently, nine of the Council agencies have implemented these practices across one or more programs in their agency, including Minnesota Housing, and are seeing increasing accessibility to programs and an increase in innovation in how agencies are working with individuals and families experiencing homelessness.

The Council, primarily through the work of the Minnesota Department of Veterans Affairs, developed a Veterans Registry that enables service providers to identify the resources each individual veteran experiencing homelessness needs and to make the appropriate connections with those resources. Eight regions of the state, representing 85 of the state’s 87 counties, have been confirmed by the Federal government as having met all criteria to show they have ended Veteran homelessness. These regions have also presented evidence that they have systems in place to meet the needs of Veterans at-risk of or experiencing homelessness on an ongoing basis. As of October 7, 2022, 282 Veterans remain on the Veterans Registry statewide.

Minnesota's Homeless Youth Act (HYA) program funds outreach, emergency shelter, transitional living programs, supportive housing and service to homeless youth across the state. Between July 1, 2021 and June 30, 2022, the HYA program was appropriated \$5,512,000 in state funding and served 5,486 youth in drop-in services, 2,938 in outreach, 544 in emergency shelter, and 1,042 in supportive housing.

Minnesota has several state funded programs that support helping people facing homelessness transition to permanent housing and ensuring individuals and families don’t return to homelessness. There are programs focused on access to supportive housing, prevention assistance, and rental assistance. In 2020, Housing Stabilization Services, a new Medical Assistance benefit, launched to help people with disabilities, including mental illness and substance use disorder, and seniors find and keep housing. This benefit supports the important connection between health and housing and supports individuals facing homelessness who have a disability find and keep stable housing.

During the 2021 Special Legislative Session, Minnesota Housing received a \$100 million authorization for Housing Infrastructure Bonds (HIB) with \$33.333 million of the \$100 million set aside for single-family development (\$18.333 million) and manufactured home community acquisition and infrastructure (\$15 million). This authorization was available to funding proposals in 2021 and 2022 for both rental housing, single family development and manufactured home park infrastructure. No additional Housing Infrastructure Bonds were authorized in the 2022 Legislative Session. Since 2012, Minnesota Housing

has financed more than 1,500 units of permanent supportive housing using Housing Infrastructure Bonds. Additional permanent supportive housing resources are financed with federal low-income housing tax credits.

Minnesota Housing places a priority in its Request for Proposals and funding selection process on rental housing development that includes units of supportive housing for high priority homeless individuals. Most developments that receive funding have at least some supportive housing units.

As a part of the COVID-19 response for people experiencing homelessness, providers have partnered with the with county, city, and state to support a “hotel-to-home” that has been used to bring hundreds of people sleeping outside into hotel units and on a path to housing. DHS adapted the state’s Housing Support and Emergency Services Program resources for this “hotel-to-home” model, people eligible for Housing Support could ultimately leave their hotel to move to a private-market affordable rental housing.

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

Actions taken to address the needs of public housing

In 2020, the Legislature appropriated \$16 million in general obligation bond proceeds for the purpose of preserving public housing. The funds are used for health, safety and energy efficiency improvements in existing public housing in all 87 counties. The funding went to 21 developments across the state, impacting 1,870 housing units. No additional funding was authorized by the 2021 or 2022 Legislature. Since 2012, the Legislature has authorized \$61.5 million in resources specifically for the preservation of public housing:

Year	Amount	# of Projects	# of Units
2012	\$5.5 million	14	950
2014	\$20 million	35	2,438
2017	\$10 million	27	1,844
2018	\$10 million	20	1,622
2020	\$16 million	21	1,870
Total	\$61.5 million	117	8,724

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

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

Minnesota Housing encourages homeownership for lower income households through outreach and education under the Homeownership Capacity Program and the Homeownership Education, Counseling, and Training Program. Minnesota Housing's affordable mortgage financing and down payment loans are available to first-time and repeat homebuyers that meet income requirements. In 2022, these programs served nearly 7,000 potential homebuyers.

Actions taken to provide assistance to troubled PHAs

The state recognizes the need for preservation and rehabilitation of federally assisted affordable housing, and provides general obligation bond proceeds for rehabilitation under Minnesota Housing's Publicly Owned Housing Program, but Minnesota had no specific goal in the Action Plan for 2022 to

provide financial or other assistance to troubled PHAs in the state. Outreach has been made to the one troubled PHA identified by HUD. Additionally, Minnesota Housing will seek additional State general obligation bonds for the Publicly Owned Housing Program.

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

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

Minnesota Housing through its annual allocation of development resources is encouraging different construction methods that can reduce the cost of housing construction, including but not limited to modular construction.

Minnesota Housing has implemented cost containment measures in its funding selection process by identifying projects with high costs (based on Agency and industry standards) and requiring justification for those with higher-than-expected costs. Details can be found here: [Annual Cost Containment Report](#)

The state has identified limited resources as a barrier to the provision of affordable housing development. To increase the development of affordable housing, Minnesota Housing working with partners has consistently requested funds in the bonding bill for Housing Infrastructure Bonds to address the barrier of a lack of financing resources. Since 2012, the Legislature has authorized \$515 million in resources specifically for Housing Infrastructure Bonds:

The Legislature also provides additional development resources in the agency's biennial budget. For FY 2022-23 they authorized:

1. \$28.650 million for the Economic Development and Housing Challenge program to fund both multifamily rental and single family homeownership new construction and redevelopment.
2. \$4 million in the Greater Minnesota Workforce Housing Program for financial assistance to build market-rate and mix-income residential rental properties.
3. \$8.436 million in preservation resources to assist with repair, rehabilitation and stabilization of federally assisted rental housing that is at risk of aging out of federal assistance programs
4. \$7.486 million in rental rehabilitation loans to preserve rental housing in small communities
5. \$5.544 million in single family rehabilitation loans to help low-income homeowners make basic health and safety improvements to their homes.
6. \$3.750 million in funding for the manufactured home park redevelopment to provide grants for manufactured home park acquisition, improvements and infrastructure.
7. \$3.750 million for the workforce homeownership program to provide development resources to increase the supply of homeownership opportunities.

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

In its five-year plan, Minnesota identifies that the greatest unmet housing need is among extremely low-income renters (<30% are median income) and moderate income homeowners (51%-80% of are median income). To address that need: 1) DEED uses 85% of CDBG funds to assist low- and moderate-income households (i.e., defined by HUD as 85% or less of the area median income); and the remaining funds

are used for community development; 2) Minnesota Housing allocates HOME and NHTF resources to rental new construction and rehabilitation serving low-income households, and for NHTF, extremely low income. The distribution of assistance shows that 59% of all households in HOME-assisted units reported (all years since 1992) were in the lowest income category (30% or less of area median income), 32% were in the 31%-50% category, and 10% were in the 51%-80% category.

Under the Section 811 PRA Supportive Housing Program, HUD has awarded Minnesota three rounds of funding for a total of 325 units of project-based rental assistance to create integrated supportive housing for people with disabilities who are extremely low-income. Minnesota is focusing these units to serve people who are long-term homeless or leaving institutions of care. Minnesota Housing is implementing this program in collaboration with the Minnesota Department of Human Services (DHS). DHS coordinates outreach and referrals for 811 applicants and ensures that tenants are connected to service providers. The 811 PRA program is an important tool to support the goals of the state's Olmstead Plan to provide integrated housing options for people with disabilities. Minnesota Housing has awarded contracts to property owners for 159 units at 24 properties, there are currently 147 households living in Section 811 PRA units. Round Three funding has been used in the 2021 and 2022 RFPs producing 41 units that are anticipated to begin service in 2023. The pipeline application for existing units has been postponed and a scheduled date has not been identified.

For the 2022-2023 biennium, the Minnesota Legislature appropriated funds to people with some of the greatest housing needs, including: \$8.7 million through the Bridges program to provide rent assistance to households experiencing mental illness; \$20.5 million for family homeless prevention and assistance; and \$23.3 million for the state Housing Trust Fund, which provides rent assistance and operating subsidies to households at the lowest income levels. In 2021, median annual household income for these programs were \$10,500, \$10,248 and \$8,904 respectively.

In addition, Minnesota Legislature provided \$3.5 million in base funding for the Homework Starts with Home initiative to provide rental assistance to families with school age children that are homeless or highly mobile.

The Workforce Housing Development program received \$4 million in base funding which provide development resources for housing in underserved, smaller communities (populations less than 5,000) in Greater Minnesota.

Minnesota Housing is also directing more development resources to projects intended to serve people with incomes at or below 30% AMI, people with disabilities and people experiencing homelessness or at-risk of homelessness. With the 2021 RFP, the agency selected for funding the construction of 333 new deeply affordable rental units (generally affordable to renters with incomes at or below 30% of AMI). This was one-third of rental selections. 335 units were selected for permanent supportive housing for people experiencing homelessness and/or have a disability.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

DEED requires that all proposed housing rehabilitation projects on homes built prior to 1978 complete a lead risk assessment by a certified risk assessor. All lead hazards identified must be included in the rehabilitation work conducted by a certified renovator (EPA RRP training) and workers. A lead based paint abatement supervisor is required if the total lead work of the project exceeds \$25,000. Grantees must provide all housing occupants the required handouts and lead hazard information pamphlet and collect owner acknowledgement of receipt. If lead is found through an assessment, all notices in 24 CFR Part 35 must be provided.

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

The Minnesota Family Investment Program (MFIP) is the state's major public assistance initiative for low-income families with children (funded with a combination of federal TANF and state funds). MFIP's three main goals are to help people leave and remain independent of welfare, obtain and keep jobs, and increase income/decrease poverty. Efforts to ensure that the state meets MFIP goals include: employment and job training services, health care assistance, and child care subsidies for MFIP families. This includes a diversionary work program that helps people to find employment before they reach the need for MFIP. The 2019 Minnesota Legislature approved the first increase (of \$100/month) in 33 years to the MFIP monthly cash benefit.

In addition to administering ESG and state-funded homeless assistance programs, the Office of Economic Opportunity (OEO) at the Department of Human Services administers a variety of federal and state funded anti-poverty and self-sufficiency programs, allocating approximately \$110 million a year in federal and state appropriations to more than 200 organizations and programs working with low-income families in Minnesota. These programs address families' basic social needs while providing opportunities for the development of the skills necessary for economic self-sufficiency, and include Federal and State Community Action Grants, Individual Development Accounts (IDA) programs, Supplemental Nutrition Assistance Program (SNAP) Education and Outreach, USDA Commodities (TEFAP) and Minnesota Food Shelf Funding (MFSP).

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

Affordable housing and community development assistance in Minnesota depends upon a large network of local lenders, developers, housing authorities, real estate agents, community action agencies, nonprofit organizations, faith-based organizations, and local governments throughout the state. The state fosters cooperation through interagency task forces, councils, and other cooperative efforts identified in its *Consolidated Plan for Housing and Community Development 2022-2026*.

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

In 2022 Minnesota Housing allocated over \$1 million in grants to local organizations under the Technical Assistance and Operating Support Program, which is funded through both legislative appropriations and Minnesota Housing resources.

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

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

1. The Metro Interagency Stabilization Group (ISG), which works cooperatively to address policy and financing issues related to the stabilization and preservation of federally assisted and publicly funded rental housing in the Twin Cities metro area. ISG members include Minnesota Housing, the Family Housing Fund, the Minneapolis Community, Planning and Economic Development

Department, the Saint Paul Planning and Economic Development Department, Hennepin County, HUD, and the Federal Home Loan Bank of Des Moines.

2. The Greater Minnesota Interagency Stabilization Group (ISG), is a consortium of public and nonprofit funders created to cooperatively address policy issues and financing for the preservation of federally assisted rental housing outside of the Twin Cities metro area. The participants include Minnesota Housing, HUD, USDA, DEED, Minnesota National Association of Housing and Redevelopment Officials (NAHRO), Federal Home Loan Bank of Des Moines, Duluth LISC, and the Greater Minnesota Housing Fund. By coordinating information about properties at risk of converting to market rate housing or at risk of loss due to physical deterioration, the participants are able to strategically target their combined resources.
3. The Minnesota Interagency Council on Homelessness, which includes 14 state agencies, works to investigate, review, and improve the current system of service delivery to people who are homeless or at risk of becoming homeless; improve coordination of resources and activities of all state agencies relating to homelessness; and advise Minnesota Housing in managing the Family Homelessness Prevention and Assistance Program (FHPAP). Some work of the council is supported by private foundations that fund certain activities under the state's action plan.
4. The Stewardship Council, works to address the capital, service, and operating needs of supportive housing for homeless families and individuals. The council includes representatives from federal, state, and local agencies as well as private philanthropic organizations and nonprofit agencies.
5. The Minnesota HIV Housing Coalition, which facilitates access to quality housing and appropriate support services for individuals and families living with HIV in Minnesota. The Coalition advises the City of Minneapolis and Minnesota Housing on the expenditure of HOPWA funds.
6. The Olmstead Subcabinet, which includes 13 state agencies/entities responsible for the development and implementation of the state's Olmstead Plan. The plan strives to ensure that Minnesotans with disabilities will have the opportunity to live, learn, work, and enjoy life in the most integrated setting of their choice.
7. A NOAH Working Group has been formed as a spin-off of the Interagency Stabilization Group. The group is an intergovernmental policy group focused on coordinating advocacy and funding efforts around the preservation of naturally-occurring-affordable-housing (NOAH) properties (which are affordable without government subsidies and income/rent restrictions) in the Twin Cities Metro Area. The group started meeting in the summer of 2020, and includes metro area cities, counties, The Metropolitan Council and intermediaries working on NOAH preservation. The first effort of the Working Group was to coordinate on NOAH data in order to have clear and consistent data (and methodology) about the number of NOAH properties and units in the Metro area. The group also developed a "fact sheet" about NOAH that was used during the 2021 Legislative Session and to help educate local councils on NOAH issues. The group meets monthly, and exchanges information about best practices in preserving NOAH housing, efforts to obtain new funding, and other NOAH related initiatives. This group plans to work to determine priority projects for preservation, as well as to continue to advocate for funding to help preserve NOAH properties.

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

State Agencies adopted the most current Analysis of Impediments to Fair Housing Choice in 2018 and continue taking actions based on that three year plan. The State is currently working on an addendum to further explore how the pandemic impacted the barriers and related strategies.

The state submits the following actions taken in FFY 2022 to address impediments in its ***Analysis of Impediments to Fair Housing:***

State of Minnesota Analysis of Impediments to Fair Housing Choice Federal Fiscal Year 2022 Report

Introduction

It is the policy of Minnesota Housing to affirmatively further fair housing throughout its programs so that individuals of similar income levels have equal access, regardless of protected class status.

Minnesota Housing's fair housing policy incorporates the requirements of the Fair Housing Act, Title VII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988, as well as the Minnesota Human Rights Act. Fair Housing is an important issue across the country; it is crucial that low-income households have access to affordable housing free from discrimination in communities of their choice.

The State of Minnesota's current Analysis of Impediments to Fair Housing Choice (AI) and Action Plan were approved by Minnesota Housing's Board of Directors in September of 2018. Staff developed an action plan to address challenges to fair housing choice for protected classes identified in the AI. This plan was developed to be flexible to respond to market or other forces that impact fair housing challenges. Work in 2022 continued to face challenges not contemplated in the 2018 report, especially as we continue working in an emergency response environment as a result of the COVID-19 pandemic. While this year's reporting includes reporting on the state's response, next year's reporting will include further actions on barriers that were exacerbated by COVID-19.

The following report reflects activities through all of Minnesota Housing's programming and also includes actions in collaboration with the following state partners:

- Department of Human Services (DHS)
- Department of Human Rights (DHR)
- Department of Employment and Economic Development (DEED)
- Minnesota Interagency Council on Homelessness
- Olmstead Implementation Office

The goals reflected in the AI are to:

- 1) Address Disproportionate Housing Needs
- 2) Address Discrimination and Improve Opportunities for Mobility
- 3) Expand Access to Housing for Persons with Disabilities
- 4) Address Limited Knowledge of Fair Housing Laws through Education, Outreach and Developing Tools and Resources
- 5) Decrease the Loss of Housing Through Displacement and Eviction

Goal 1: Address Disproportionate Housing Needs

In this goal area, the State of Minnesota seeks to identify programmatic funding or collaborative responses that can support efforts to increase housing opportunities through expanded or streamlined existing funding resources and through collaboration with a variety of partners to provide services and information and identify other resources.

This goal area addresses a variety of challenges in the housing market faced by households of color and Indigenous communities¹, persons with disabilities, and large families to achieve access to safe quality housing in a community of their choice.

Challenge 1.a. | Rental Housing in Poor Condition

Rental housing in poor condition is the top barrier found across the state, particularly for the most vulnerable low-income renters from protected classes under fair housing law. Minnesota Housing and partners prioritize preserving federally assisted housing and existing affordable housing to ensure conditions are safe as part of the state's key actions to improve conditions. Additionally, supporting tenant education of their rights helps to address this challenge.

Action: Continue and consider expanding programs to support small rental developments (5-50 units) through continued funding of public housing rehabilitation programs and supporting smaller PHAs to build capacity.

Publicly Owned Housing Program (POHP):

POHP is a competitive funding program that uses the proceeds of General Obligation Bonds (GO) to provide financing in the form of a 20-year, deferred, forgivable loan with a 35-year affordability period to public housing authorities and agencies (PHAs). PHAs use these loans to rehabilitate and preserve public housing in the state. Funds can be used only for capital costs that add value or life to the buildings.

In order to balance PHA capacity with program requirements, POHP program staff has worked to streamline the POHP application to a more concept-based approach. Applicants no longer need to order third party reports, nor provide an exact development budget at application. If the applicant moves beyond the application phase, those elements are completed with the assistance of POHP staff post-selection.

A POHP Request for Proposals (RFP) for \$15 million was launched in February 2021 with GO bond funding provided by the State Legislature. Applications were due in late April 2021.

¹ The Analysis of Impediments plan uses the term "People of Color or Hispanic Ethnicity" – in this report, the term "People of Color and Indigenous Communities" will be used interchangeably as consistent with Minnesota Housing's most recently adopted Strategic Plan.

Minnesota Housing staff provided over 25 POHP applicants with individual technical assistance sessions prior to the application deadline. During these technical assistance sessions, POHP staff explained general program guidelines and learned more about each applicant's proposed rehabilitation project. This year the requirement for the applicant to have a minimum Public Housing Assessment Score (PHAS) of 80 score was removed. This enabled new PHAs and HRAs to apply for the first time. Selections were made in July 2021 and included 5 new HRAs that had never received POHP funding. After selection, POHP staff held individual "launch meetings" with each selected PHA to review the due diligence process. These launch meetings took place from August to October 2021.

Technical assistance is also provided post-selection to applicants during the due diligence process and prior to the loan closing process. Program staff has also previously participated in the Minnesota NAHRO conference to provide program information and additional technical assistance. These changes have benefitted PHA applicants by simplifying the process and reducing the cost of applying for Agency funds. It has also benefitted POHP staff by allowing them to provide more in-depth technical assistance and help boost the capacity of the smaller number of selected borrowers.

COVID and the related changes in the construction environment have caused delays and cost increases in many of the selected 2020 POHP projects. However, as of October 2022, 6 of the selected POHP projects have closed, and several more are in the process of completing due diligence.

Rental Rehabilitation Deferred Loan Program (RRDL):

The RRDL program provides resources to rehabilitate existing rental housing in Greater Minnesota so that affordability is preserved and low to moderate income households have access to safe and decent housing.

Due to the recent impact of shortages and escalating costs of certain materials, the developments selected during the 2019 RRDL RD RFP are facing funding gaps after receiving construction bids for their projects. The RRDL program guide states that the maximum loan amount per unit is \$35,000 and \$500,000 per project. Most of the RRDL RD RFP projects selected were awarded the maximum loan amount, leaving no room for a funding increase under the current program requirements. Program staff is proposing a program guide change which will allow funding increases up to a maximum loan amount per unit of \$50,000 and \$700,000 for previously selected projects under certain conditions. Hopefully, this will allow many projects to proceed without eliminating critical needs items from their scope of work. Staff is continuing to provide technical assistance to help borrowers meet due diligence requirements and get their projects to closing.

COVID and the related changes in the construction environment have caused significant delays to the selected RRDL RD RFP projects, as well as the reorganization of the Agency's federal partner, USDA RD. As of October 2022, 2 of the selected RRDL projects have closed, and it is anticipated that five to seven more will close in early 2023.

Small Cities Development Program Rental Rehabilitation

Rental rehabilitation is an eligible activity under the Small Cities Development funding program which is managed by DEED. This would be part of a competitive grant application. Cities and counties that are eligible for the State Community Development Block Grant (CDBG) program funding may submit an application for rehabilitating public and private rental units within their jurisdictions. Funding may assist in rehabilitating single family rental units, duplex rental units and multi-family rental buildings. Single family and duplex rental units must house a low-to-moderate income household and rents must adhere to HUD Fair Market Rent for the term of the loan. Multi-family rental buildings assisted with CDBG funding must house 51% or more low-to-moderate income households and rents must adhere to HUD Fair Market Rent for the term of the loan. This activity may serve as a good leverage and gap financing for larger projects.

Action: Investigate resources for quick response fund for life/safety concerns by continuing and considering expansion of resources for developments currently in Minnesota Housing's portfolio and considering establishment of a receivership revolving loan fund under state statute 504B.451.

Asset Management Loan Program (FA/FAF):

The Asset Management Loan program provides resources on a pipeline basis to address immediate critical repairs, and deferred maintenance. Part of the funding for this program comes from Financing Adjustment and Financing Adjustment Factor (FA/FAF), which are federal funds.

The agency has not taken any formal steps to considering the establishment of a receivership revolving loan fund under current state law but has had preliminary conversations with Family Housing Fund as they have explored state legislation that would impact that section of law.

Action: Continue support for HOME Line as a hotline for tenants' rights.

Minnesota Housing extended a one-year funding contract with HOME Line in the amount of \$200,000 in July of 2022, continuing funding from previous years at similar amounts. In Federal Fiscal Year 2022, HOME Line fielded 17,884 tenant calls, most common reasons related to repairs, security deposits, and evictions.

Challenge 1.b. | Insufficient housing for large families

In Minnesota, large families and immigrant families face much higher rates of cost burden and overcrowding than other types of renters. Large families are also disproportionately affected by

difficulties in finding landlords who accept Section 8 and are met with markets with smaller units. Single family homes are often better sized and configured for larger families.

Action: For rental development resources, continue to provide points for large family housing in selection criteria of Minnesota Housing funding resources, including through the Low Income Housing Tax Credit Qualified Allocation Plan.

Minnesota Housing recognizes the need to improve the housing system. This includes focusing on the people and places most impacted, especially children. The Large Family Housing scoring criterion was revised for the 2022-2023 Qualified Allocation Plan (QAP) and the 2022-2023 Self-Scoring Worksheet (SSW) to further incentivized the development of affordable rental housing for families with children in two ways.

The QAP still contains a family housing threshold option reserved for tax credit projects in the metropolitan area where at least 75 percent of the total tax credit units contained two or more bedrooms and at least one-third of the 75 percent contained three or more bedrooms. Outside of the metropolitan area, projects could meet a locally identified housing need, which could include family housing.

Second, the SSW offered opportunities for projects to claim points for large family housing with two or more bedrooms if the proposal is for a project that provides family housing that is not restricted to persons 55 years old or older. The owner agrees to market to families with minor children. Additionally, Greater Minnesota proposals were eligible for additional points for proposals that contained units with three or more bedrooms. The new SSW provides an opportunity for 12-15 points for large family housing (previously 5-7 points). In addition, the SSW provides opportunity for additional points for 4-5 bedroom units (previously 3-4). These changes were incorporated to reflect the changing landscape of Minnesotan households.

Action: For homeownership activities, continue to support the enhanced financial capacity program in reaching large immigrant families, prioritize large family housing in the Impact Fund, provide priorities for large families in down payment assistance, and evaluate how these priorities reach large families.

In FFY 2022 Minnesota Housing provided affordable first mortgage loans to 1,345 households with four or more people. 1,325 of whom also received a Minnesota Housing downpayment and closing cost loan.

In FFY 2022, 41% of households receiving financial wellness coaching in the Homeownership Capacity program had 4 or more people.

In FFY 2022, 56% of the households served under the Agency's Impact Fund development program had four or more people.

Challenge 1.c. | Homeownership and mortgage lending gaps

Minnesota experiences one of the largest racial disparities in homeownership in the country compared with other states, though we have seen modest progress recently. 2021 American Community Survey data show Minnesota had the 13th largest disparity between white and BIPOC households, whereas previously Minnesota was consistently in the bottom four states. Homeownership represents one of the most common wealth-building opportunities for households and provides stability for families. A disparity in homeownership rates for Black, Indigenous, and people of color (BIPOC) exacerbates racial disparities in education, health and other outcomes.

Action: Enhance and continue partnerships to remove barriers to homeownership and reduce the lending gaps between BIPOC and white non-Hispanic households, as well as continue supporting and strengthening the Homeownership Opportunity Alliance.

In FFY 2022, 40.0% of Minnesota Housing's Start Up program first time homebuyer loans went to BIPOC households (1,760 of 4,402 loans).

Homeownership Opportunity Alliance:

Minnesota Housing co-leads (with the Minnesota Homeownership Center) an industry-wide coalition to expand homeownership for households of color, called the Homeownership Opportunity Alliance (HOA). The ultimate goal of this coalition is to collaboratively develop partnerships, programs, resources and best practices as a catalyst to systemic change that advances homeownership equity in Minnesota. The HOA provides outreach to BIPOC communities through their "Get Ready. Be Ready!" campaign to connect BIPOC households with homebuyer education services and build awareness that homeownership is possible.

In FFY 2022 the HOA accomplished the following:

- Expanded participation to 60 organizations with over 175 individual members.
- Invited home inspectors to participate in the HOA to include all areas of the homeownership process in the alliance.
- Continued the "Get Ready. Be Ready!" campaign outreach and marketing to the African American and African Immigrant communities, including radio, print, and social media efforts. Examples include:
 - Participated in the Homeownership Center's "Welcome Home Podcast" to help spread the word about the work of the HOA and the resources available to potential homeowners.
- Expanded social media presence and activity through Facebook, LinkedIn, and Instagram
- Hosted an in-person lender event screening of Jim Crow of the North at the UofM Urban Research Outreach/Engagement Center in Minneapolis, followed by a discussion with program producer Dan Bergin, Mapping Prejudice Project co-director Kirsten Delegard and Minneapolis Federal Community Engagement Director Libby Starling.

Action: Identify homeownership education activities occurring in the market and evaluate program activities; this includes the Homebuyer Education Counseling, and Training (HECAT) program at Minnesota Housing, supporting partners in working on initiatives to help households save for down payments, and other homeownership capacity activities:

Homeownership education, counseling, and coaching programs

As the Agency's two homeownership education, counseling, and coaching programs moved from a one-year to two-year cycle, it has given better opportunities to proactively reach out to new potential providers, especially those reaching BIPOC communities and underserved geographic areas of the state. We have also been able to work with our key program partners regarding potential increases in foreclosure counseling due to the COVID-19 pandemic.

As one example of success, incoming participants in the pre-purchase coaching program in FY22 were 90% Black, Indigenous and People of Color (BIPOC), a 3 percent increase over the already-high percentage from the previous year.

Action: Partner with Tribal Nations to consider strategies to increase homeownership for American Indian households both on and off tribal lands, including continued work on the feasibility of eventual tenant ownership for eligible tax credit properties and conducting a mortgage lending session at bi-annual Indian Housing conference.

The Housing Tax Credit (HTC) team continued to work with three owners to start the process of Eventual Tenant Ownership (ETO): two tribal entities: Bois Forte Housing Department (Bois Forte) and Red Lake Reservation Housing Authority (Red Lake) and the City of Moorhead. The HTC team provided check-in meetings with agencies and worked with legal to amend the Declaration of Land Use Restrictive Covenants (LURA) to add the ETO provision to their property. Staff also completed the amendment to the LURA for Red Lake to add ETO provision to their property. Staff is currently reviewing an ETO transition plan submitted by Red Lake.

Multifamily staff have worked with the City of Moorhead to start the ETO process through technical assistance support. The City anticipates ETO is a 1-2 year goal for their renters. City staff are working with tenants to help them become mortgage ready.

Multifamily staff, in coordination with the legal team, will continue to provide ongoing support to these three organizations as needed and will keep the ETO process moving. The agency will also provide technical assistance to other organizations seeking ETO.

Challenge 1.d. | Very high standards for rentals

When rental properties require standards out of reach for many renters, the barriers to getting housing increase dramatically, especially in a very tight rental market, and impact people of color, people with

disabilities and large families most dramatically. Properties often require three times income, high security deposits, and require no past record of criminal activities or credit problems.

Action: If found effective, seek additional resources to expand the Landlord Risk Mitigation Fund program to help address housing needs of persons with criminal records, substance abuse challenges and other barriers.

The Landlord Risk Mitigation Fund program pilot began on September 1, 2017 and ended on August 31, 2021. It initially began as a 3-year pilot and due to the success of the program including a low landlord claim rate, the pilot was extended an additional two years. A total of 281 households and 547 individuals were served. Data indicates that the program effectively targeted households with high barriers including the following related to Heads of Households:

- 78% of experienced more than one episode of homelessness including 23% chronic homelessness and 56% long term homelessness
- 62% have disability of long duration
- 47% experienced domestic violence and of those 20% were fleeing domestic violence at the time of program entry
- 30% had at least one unlawful detainer on their record
- 12% had been released from jail and of those, 49% had been released within the previous year
- 30% had at least one criminal offense (drug, violent, sex, arson) and of those, 29% had drug offenses, 15% violent offenses, and 36% multiple offenses.

Fifty six percent of households served identified as Black, Indigenous or Persons of Color. We continue to evaluate outcomes by race and ethnicity, and though Native American and Asian households represent a relatively small sample size - 17 and 5 households respectively - the median number days to move in to housing for Native American households was nearly three times longer than white, non-Hispanic households and for Asian households, over four times. The median number of days for African American households to move into housing was 34 days compared to white, non-Hispanic households, which was 26. The median number of days for Hispanic households was equal to that of white, non-Hispanic households.

Between September 2018 and August 2021, there were 262 individuals that exited the program. Ninety-one percent of households did not return to homelessness within a year after program exit. Those that were recently discharged from prison, within three months of program entry, had a higher rate of return, 17%, and those experiencing long term homelessness, 12%. It's also notable that BIPOC households returned to homelessness at a higher return compared to white, non-Hispanic households, 8% and 6% respectively.

There was a total of 18 landlord claims during the five-year term, with an average claim amount of \$1561. At the conclusion of the pilot, nearly 88% of the landlord pool was not utilized.

Our Year 5 annual landlord survey experienced an extremely low response rate, however, data trends from each of the previous four years was similar in the areas of program satisfaction, most appealing features of the program, and willingness to utilize the program.

In 2021, the most appealing feature to landlords when considering participation in the program was having access to the fund if needed (39%). After participating in the program, however, only 25% consider this the most appealing feature. The majority of landlords indicate having someone to contact if issues arise (41%) or having a case manager that is providing support to the household (28%) are the most important features of the program, indicating that the majority of landlords, 69%, consider services to households and landlords to be the most appealing features.

Sixty one percent of landlords stated they would be willing to utilize the program again, while 32% stated they may utilize the program again. In addition, 63% would recommend this program to other landlords, and 24% stated they may recommend this to other landlords.

While the Landlord Risk Mitigation Pilot program has concluded, one of the service providers in the pilot, Housing Link, recently launched a statewide landlord risk mitigation program, “Beyond Backgrounds.” Data gleaned from their participation in the pilot was influential in the development of Beyond Backgrounds, which targets households with multiple rental barriers. Households, or providers on their behalf, pay a \$300 fee only if they identify a landlord who is willing to participate in the program and sign a lease with the household. Landlords receive a financial guarantee of up to \$2000 beyond the damage deposit fee which covers unpaid rent, damages, legal fees, etc. for up to one year. The \$300 fee is an eligible Family Homeless Prevention and Assistance Program expense, and FHPAP provides statewide coverage. In addition, households have access to online training around tenant rights and responsibilities and how to discuss the program with a potential landlord.

Action: Regularly provide informational materials on best practices related to tenant selection plans to owners and manager of properties of Minnesota Housing financed rental developments.

Minnesota Housing adopted new Tenant Screening Guidelines in December 2020. The new guidelines add specific tenant screening criteria and processes to address housing access barriers experienced by people most impacted by exclusionary screening criteria. Changes include:

- Added a requirement for all properties to review supplemental evidence at the time of application from applicants who want to refute information in a screening report and/or provide additional information to demonstrate their ability to be a good tenant
- Added criteria for all properties to limit review of housing history, credit and income requirements
- Added criteria for supportive housing units that removes or limits screening criteria for people experiencing homelessness and/or with disabilities:

- Applicants cannot be rejected based on housing and credit history and owner cannot require an income to rent ratio. These are common barriers for people experiencing homelessness and housing instability
- Limits criminal background screening criteria to address the disparate impact of typical criminal screening criteria for Black, Indigenous and People of color and people who have been homeless

Throughout the last year, staff continued to implement new tenant selection plan guidelines and screening criteria with all multifamily rental projects selected for funding. Help text was developed as was additional training tools for staff and housing providers. Staff continue to review all tenant selection plans for adherence to guidelines.

Challenge 1.e. | Affordable housing and landlords accepting housing choice vouchers only located in higher poverty areas

When a household receives a tenant-based Housing Choice Voucher, they are able to find housing of their choice in the marketplace. However, voucher holders face many barriers in utilizing vouchers and often face landlords who do not accept the voucher or have rents above payment standards.

Action: Continue to prohibit properties with funding through Minnesota Housing from refusing to lease to a tenant based on the status of the tenant as a voucher-holder or recipient of similar rental assistance.

Owners of properties financed through Minnesota Housing cannot refuse to lease a unit in the project because the applicant holds a voucher. Compliance of this requirement is monitored through affordability period.

We have made two significant policy changes to the 2022-2023 Low-income Housing Tax Credit Qualified Allocation Plan (QAP) that continue with the 2024-2025.

First, we added the following requirements for LIHTC (9% and 4%) and deferred projects: Must set aside a minimum of 2% of units with rents restricted at 30% Multifamily Tax Subsidy Project (MTSP) rent levels and must set aside a minimum of 3% of unit rents at or below the housing assistance payment (HAP) standard, which may be the same units as the 30% MTSP units or different units.

Second, we created a pointing incentive for deeper rent targeting with four new point tiers ranging from 5-9%, 10-19%, 20-29%, and 30-40% of total units with rents at 30% of MTSP. Rents at the lower 30% MTSP limits align much better with HAP standards than LIHTC rents at 50% or 60% MTSP limits, which exceed the HAP payment standard in some markets.

The QAP also provides geographic scoring incentives for locations with greater housing affordability needs, which are defined as places with a low share of affordable rental housing as

compared to all housing options in a community or a large share of renters that are cost burdened by their rent.

Goal 2: Address Discrimination and Improve Opportunities for Mobility

In this goal area, the State of Minnesota intends to identify strategic and collaborative approaches to consider both place-based solutions and mobility solutions to provide households access to housing in communities of their choice.

Challenge 2.a. | Non-white and Hispanic residents are disproportionately segregated into some, often high poverty neighborhoods

Decades of housing policies that racially segregated communities and continued implicit and explicit practices disproportionately limit choice of households of color and Indigenous communities in Minnesota.

Action: Support efforts to review where investments in creation, preservation, and rehabilitation of affordable housing is occurring relative to areas of concentrated poverty and economic opportunity to encourage a full range of housing choices. (For example, helping to keep HousingLink's Low Income Housing Tax Credit development database current to report distributions).

New LIHTC units financed by Minnesota Housing between 2005 and 2022 are spread throughout the Twin Cities Metropolitan Region, with 8 percent of these units located in HUD's defined "Racially and Ethnically Concentrated Areas of Poverty".

Minnesota Housing annually reviews the distribution of investments in affordable housing. The Low-income Housing Tax Credit is the predominant tool for financing new affordable housing. Through the authority specified in Minn. Stat. §462A.222 and 462A.223, Duluth, Rochester, St. Cloud, Washington County, Minneapolis, St. Paul and Dakota County are authorized to administer HTC allocations as suballocators. The City of Minneapolis, City of St. Paul, Dakota County and Washington County administer their HTCs locally as suballocators. Duluth, St. Cloud and Rochester have entered into Joint Powers Agreements with Minnesota Housing through which the agency will perform the HTC allocation or awards, and compliance monitoring.

LIHTC development proposals submitted to Minnesota Housing are extensively reviewed by a team of staff underwriters, architects, asset management and supportive housing staff for:

- Consistency with Minnesota Housing's mission and strategic priorities
- Compliance with statutes and program rules, including geographic distribution of resources
- Consistency with program requirement, eligible uses, and priorities
- Financial feasibility, market need, architectural quality, and overall development team capacity

Minnesota Housing provides ongoing support of the HousingLink Streams database, which includes LIHTC and other affordable housing to make data accessible for analysis.

Challenge 2.b. | Challenges in accessing housing in concentrated areas of wealth or other opportunities

Households of color or Indigenous communities, large families, and voucher holders disproportionately lack access to housing in concentrated areas of wealth or other opportunities.

Action: Evaluate and continue solutions that mitigate barriers to developing housing in areas of wealth or other opportunities. (For example, address barrier of NIMBYism).

Minnesota Housing staff attend monthly regional housing meetings of housing staff at the city and county housing departments to track local policy and financing strategies to meet housing needs, support housing stability and expand housing choice in their respective cities and counties. The Urban Land Institute – MN and Twin Cities Local Initiatives Support Corporations separately convene these groups to discuss strategies and highlight examples of efforts to advance housing choice.

Minnesota Housing worked with Greater Minnesota Housing Fund to convene three virtual regional housing forums in Greater Minnesota. These forums convened a variety of housing partners including housing developers, city and county staff, community-based organizations, social service providers and others to highlight resources, provide examples of development projects, and highlight the work of organizations leading equity and inclusion efforts in the region.

Through its Capacity Building Initiatives and Intermediary Capacity Building Program, Minnesota Housing has provided grants to organizations whose work focuses on addressing root causes of housing instability, challenges, and disparities. These grants also prioritize efforts to support the self-determination and elevate the voices of those most impacted by housing challenges to define the housing types and locations that fulfill their vision of opportunity.

A few examples of projected funded by the Capacity Building Initiatives and Intermediary Capacity Building include:

The HousingLink and Build Wealth MN, Inc. used the Capacity Building Initiative grant to work together to expand housing choice for renters by providing them the financial coaching services offered Build Wealth MN, Inc's and enrolling them in the Beyond Backgrounds program which works with landlords to rent to Beyond Backgrounds renters who have barriers to rental.

Metropolitan Consortium of Community Development: MCCD will use the Intermediary Capacity Building grants funds to strengthen and grow the community development field by offering free trainings on housing development and finance, supporting the field's ability to create and shape meaningful programs and policies, and develop a strategy to help non-profit affordable housing

developers identify strengths and tools to collectively meet the community's housing needs. Specifically, MCCD will design and implement a Housing Development and Housing Finance training series for community-based organizations led by and/or working in Black, Indigenous, People of Color, low wealth and other groups challenged by housing access and stability. MCCD will also design and implement professional development sessions for a learning cohort comprised of non-profit community development staff that focus on creating effective housing policies and practices to better meet the continuum of housing needs. Finally, MCCD, will lead a strategic planning process on the non-profit development community's collective ability to meet affordable housing needs, identifying gaps and use new tools to better achieve housing stability.

Action: Monitor any proposed regulatory changes regarding source of income protections.

Minnesota Housing is evaluating source of income protection work at the City of Minneapolis and other local jurisdictions through policy and community development efforts.

Minnesota Housing also had a state level proposal supported by the Governor during the 2021 and 2022 legislative session on this topic, but the Legislature has not acted on this proposal. The House included the provision in their supplemental budget bill last year, but the Senate did not.

Challenge 2.c. | Challenges accessing economic and other opportunities

Racially segregated communities have experienced disinvestment and continue to experience disinvestment that reduces economic opportunities in these communities. Accessing opportunities disproportionately impacts persons with Limited English Proficiency.

Action: Promote contracting opportunities for women and Black, Indigenous, and People of Color-owned business entities in all programs.

Minnesota Housing promotes contracting opportunities for women and BIPOC business entities through multifamily and single family programs.

For single family programs, the Impact Fund development program provides an incentive for applicants led by BIPOC and women.

For multifamily, Minnesota Housing's Qualified Allocation Plan (QAP) is the principle document that guides the housing priorities of Housing Tax Credits and other deferred Multifamily funding resources. This plan also incorporates elements of Minnesota Housing's broader Strategic Plan which aims to create an inclusive and equitable housing system, preserve existing affordable housing, and strengthen disinvested communities.

Creating an inclusive and equitable housing system includes diversifying the development partners we work with and promoting opportunities for Woman and Black, Indigenous, and

People of Color-owned Business Enterprises. We implemented new inclusive elements of the 2022-2023 QAP in the 2021 Request For Proposal funding round where additional points are available for development teams that include multiple Women and Black, Indigenous, and People of Color-owned Business Enterprise partners, and for development teams that partner with a Woman and Black, Indigenous, and People of Color-owned Business Enterprise entity with the specific goal of building their capacity to develop, manage, construct, design or own affordable housing in the future.

Agency staff also made significant updates to the Minority-Owned/Women-Owned Business Enterprise (MBE/WBE) Compliance Guide, which addresses equitable marketing and outreach requirements for contracting and purchasing opportunities resulting from Minnesota Housing - financed developments including:

- Changing the term and name of the guide from MBE/WBE to Black, Indigenous, and People of Color-owned Business Enterprise and Women-owned Business Enterprise
- A thorough analysis of our review practices
- The inclusion of new funding resources to the list of programs that trigger the guide's requirements

The 2022-2023 QAP also includes significant policy improvements designed to further promote community and economic development, increasing geographic choice, and promoting preservation activities that preserved existing affordable housing, including:

- Greater priority placed in communities with a low share of affordable rental housing options
- New selection points for Equitable Development made available which aims to empower communities to drive and meaningfully participate in development to be responsive to their needs
- New selection points made available for developments that are in Opportunity Zones to foster greater community investment
- Increased selection points for preservation developments

Minnesota Housing also has hiring process goals for BIPOCBE/WBE that apply to all projects receiving Agency deferred loan funding, including federal and non-federal sources. The goals are designed to achieve certain outcomes of BIPOCBE/WBE participation at the development and subcontractor level. The participation goals are:

- BIPOCBE:
 - Twin Cities metro: 13% of the total amount of all contracts
 - Greater Minnesota: 4% of the total amount of all contracts
- WBE:
 - Entire state: 6% of the total amount of all contracts

Agency staff made updates to the Section 3 Compliance Guide to clarify the requirements of the Section 3 Final Rule. Minnesota Housing will be monitoring its first projects according to the Section 3 Final Rule requirements. New agency forms were developed to document compliance with these requirements. Internal processes and forms were updated to track Section 3 Worker and Targeted Section 3 Worker labor hours. The new agency forms also include a form to track Section 3 Worker and Targeted Section 3 Worker labor hours for projects not tracked in LCPtracker.

Action: Continue to support the preservation of affordable housing opportunities as a strategy for community investment.

Minnesota Housing continues to be involved in a rural preservation workgroup. USDA Rural Development 515 properties have unique preservation challenges, and Minnesota Housing includes a set aside in the Low-Income Housing Tax Credit program to support USDA-RD properties and has partnered with USDA RD to create a specific initiative under the Rental Rehabilitation Deferred Loan program for 515 properties.

Minnesota Housing is also the contract administrator for the Performance Based and Traditional Contract administration programs for project-based Section 8 properties in Minnesota. This administrative work with these properties allows the state to better understand and address the preservation needs of these properties.

Goal 3: Expand Access to Housing for Persons with Disabilities

The State of Minnesota seeks to identify collaborative and programmatic funding responses to rehabilitate and create new accessible affordable housing options, support accessibility improvements in single units, and help people with disabilities transition into independent living settings.

Challenge 3.a. | Shortage of affordable, accessible housing

For people with disabilities, simply acquiring housing and remaining housed are significant challenges. Wait lists for affordable, accessible housing are years long in many rural areas.

Action: Evaluate and enhance existing funding resources to provide preference in housing developments for persons with disabilities, including preference points in the Low Income Housing Tax Credit Qualified Allocation Plan and other competitive capital funding resources.

Multifamily Request for Proposals and Low Income Housing Tax Credit Allocation:

Minnesota Housing recognizes the need to improve the housing system. This includes supporting people with disabilities. The 2022-2023 Qualified Allocation Plan (QAP) and 2022-2023 Self-Scoring Worksheet (SSW) incentivizes the development of affordable rental housing serving people with disabilities in two ways.

First, projects selected through the QAP must meet one of five threshold areas and one specifically pertains to housing persons with disabilities. Projects without age restrictions can achieve this threshold through a percentage of the units set aside and rented to persons who meet one of five definitions related to disabilities.

Second, the SSW offered opportunities for projects to claim 7-13 selection points for units set aside for people with disabilities.

Publicly Owned Housing Program:

Out of the 2020 POHP projects (which were approved in July 2021, and just getting underway), Aitkin County HRA is planning on adding ADA compliant entry doors to the building to improve accessibility for disabled residents. The 2020 POHP projects also included four elevator modernizations which improves accessibility and safety for all residents. Other 2020 projects that received funding included fire safety and sprinkler installations, which were prioritized after a tragic fire in a Minneapolis public housing building in 2019.

COVID and the related changes in the construction environment have caused delays and cost increases in many of the selected 2020 POHP projects. However, as of October 2022, 6 of the selected POHP projects have closed, and several more are in the process of completing due diligence.

Rental Rehabilitation Deferred Loan Program (RRDL):

In 2019 an RRDL RFP was held specifically for RD projects. RRDL resources were made available to any owner of RD buildings of eight or more units in the form of a 20-year deferred loan up to \$500,000 (or \$35,000/unit maximum) with 10% forgiveness at the end of the loan term. In March 2020, selections were approved. Selections included 21 projects, encompassing 544 units. Funds have been committed to address critical deferred maintenance and accessibility issues in these projects. Approximately 65% of USDA Rural Development households are elderly or disabled, and the average household income is \$13,551. Projects selected included improvement such as walkway and pavement fixes, elevator upgrades, and other items designed to improve the overall accessibility and livability of these buildings. (see note about RRDL RD RFP in Section 1a above)

COVID and the related changes in the construction environment have caused significant delays to the selected RRDL RD RFP projects, as well as the reorganization of the Agency's federal partner, USDA RD. As of October 2022, 2 of the selected RRDL projects have closed, and it is anticipated that five to seven more will close in early 2023.

Action: If found effective, seek additional resources to expand the Landlord Risk Mitigation Fund program.

Action within Challenge 1.b. above discusses the LRMF program activities.

Challenge 3.b. | Shortage of resources to make accessibility improvements

If a voucher holder requires a reasonable accommodation, PHAs may not have the resources available to assist with the accommodation. There are also not resources to assist non voucher holders in accessibility improvements more broadly.

Action: Provide education and outreach of existing homeownership programs to make accessibility improvements, including streamlining Minnesota Housing's Rehab Loan Program to make program more accessible to lenders, and promote to seniors and persons with disabilities, evaluating the Impact Fund projects for accessibility improvements, continuing to promote Minnesota Housing's Fix Up Fund for persons with disabilities, and continuing to provide priorities for down payment assistance

Fix Up loan program:

During FFY 2022, Minnesota Housing provided home improvement loans to at least 15 households with a disability. In September 2022, Minnesota Housing increased the maximum Accessibility Loan from \$25,000 to \$35,000 to accommodate more substantial accessibility improvements. The Accessibility Loan option offers a lower interest rate than the standard Fix Up options to make accessibility improvements more affordable, though accessibility improvements are also allowed under other Fix Up loan options (maximum loan amount of \$75,000).

Rehabilitation Loan Program/Emergency & Accessibility Loan Program (RLP/ELP):

In FFY 2022, 41% of the households served by the income-targeted RLP/ELP (an income at or below 30% area median income) had at least one household member with a disability.

Homeownership Programs:

In FFY 2022, Minnesota Housing provided affordable first mortgage loans to at least 104 households with disabilities, 103 of whom also received a Minnesota Housing down payment and closing cost loan. [Michael to update]

Impact Fund Program:

In FFY 2022, 18% of the households served under the Impact Fund program had a household member with a disability.

In FFY 2022, 28% of the new construction homes developed using Minnesota Housing Impact Fund dollars were fully visitable meaning the homes included no step entrances, 32-inch doorways, and a bathroom on the main level.

In FFY 2022, Minnesota Housing awarded Impact Fund dollars in the amount of \$624,925 to Impact Fund Program Administrators to make accessibility improvements for homeowners.

Challenge 3.c. | Shortage of resources to transition to independent living settings

There is a shortage of workers to help transition to and support independent living, and processes to apply for supports are complex and onerous.

Action: Collaborate with housing and supports activities in the state's Olmstead Plan and initiatives that increase the number of people with disabilities who live in the most integrated housing of their choice.

There are several key activities in the Olmstead workplan related to housing and services in partnership with Minnesota Housing. These include:

- The Bridges program (described below)
- The Section 811 program (described below)
- Ensuring HousingLink's products and services serve people with disabilities.

Action: Minnesota Housing will continue to provide rental assistance to persons with serious mental illness and evaluate program effectiveness.

Minnesota Housing was awarded a third round of Section 811 funding bringing an additional \$6,428,000 to the state to assist transitioning people from institutions and homelessness into independent living settings. The Bridges Program (rental assistance to people with a mental

illness) is also expanding its eligibility definition to include people exiting correctional facilities. To integrate this population into the program, the Olmstead team will be building advisory groups and assisting Bridges Program development with the expansion.

Bridges served 661 households, and Section 811 served 171 households and will serve an additional 160 households over the next 3 years with Round 3*.

**The agreement with HUD on this spending is still pending so this coming year will be the beginning of the three-year cycle.*

Action: Minnesota Housing and DHS will continue implementation of the Section 811 rental assistance pilot, partner with HUD in program evaluation, and if found effective, consider other funding sources available for similar program should no further federal assistance become available.

Under the Section 811 PRA Supportive Housing Program, HUD has awarded Minnesota three rounds of funding for a total of 325 units of project-based rental assistance to create integrated supportive housing for people with disabilities who are extremely low-income. Minnesota is focusing these units to serve people who are long-term homeless or leaving institutions of care. The 811 program households have average incomes less than \$10,000 annually and are receiving on average, monthly assistance of about \$629. All households include an individual with a disability and half of households identify as a person of color or from Indigenous communities. Minnesota Housing is implementing this program in collaboration with the Minnesota Department of Human Services (DHS). DHS coordinates outreach and referrals for 811 applicants and ensures that tenants are connected to service providers. The 811 PRA program is an important tool to support the goals of the state's Olmstead Plan to provide integrated housing options for people with disabilities. Minnesota Housing has awarded contracts to property owners for 159 units at 24 properties, and there are currently 147 households living in Section 811 PRA units. Round Three funding has been used in the 2021 and 2022 RFPs producing 41 units that are anticipated to begin service in 2023. The pipeline application for existing units has been postponed and a scheduled date has not been identified.

Action: Other programmatic action to provide resources to transition into independent living settings, Housing Infrastructure Bonds

Minnesota Housing continues to make significant advancements in addressing statewide housing needs for people with disabilities. Providing pointing incentives for many types of multifamily developments to include units for persons with disabilities has been an Agency priority for over a decade. Project selections continue to advance the objectives of Minnesota's Olmstead Plan, and in the 2021 Request for Proposal funding round, Minnesota Housing created or preserved 66 units specifically set-aside to serve people with disabilities.

Minnesota Housing also prioritizes the creation of units to prevent and end homelessness in support of the 5,000-unit goal in the Heading Home Together Plan. Data from supportive housing providers, service providers, and local HUD Continuum of Care point-in-time counts provide evidence that many individuals who experience homelessness may also have Behavioral Health needs (people with mental illness or substance use disorders). Thus, the new permanent supportive housing units created via Minnesota Housing's funding resources provide independent-living housing for these populations. In the 2021 Request for Proposal funding round, Minnesota Housing created or preserved 342 units specifically set aside for households experiencing homelessness.

Also, new units of Section 811 Rental Assistance were made available in the 2021 Request for Proposal funding round funding 10 units and pointing incentives were added to the 2022-2023 QAP to encourage projects to incorporate this federal subsidy.

Goal 4: Address Limited Knowledge of Fair Housing Laws Through Education, Outreach, and Developing Tools and Resources

The State of Minnesota will engage in collaborative approaches to expand education efforts by partnering with the Department of Human Rights, participation in conferences, and sustaining and improving tools like the Affirmative Fair Housing Marketing Toolkit.

Challenge 4.a. | Limited knowledge of fair housing laws and resources

A perennial fair housing issue is lack of knowledge. Tenants, landlords, lenders, and borrowers do not always know their rights or responsibilities. In addition, we need to strengthen relationships with other Fair Housing entities and partners.

Action: Support efforts to maintain and promote the FairHousingMN.org website and online tool to develop Affirmative Fair Housing Marketing Plans and expand education and oversight of AFHMPs in Minnesota Housing's portfolios

In FFY 2021, reviews of AFHMP's were included with all physical inspections conducted by compliance officers on properties financed with Housing Tax Credits, HOME, National Housing Trust, and/or agency deferred loans. The task was added to each physical inspection to track these reviews in Minnesota Housing's system. The AFHMP review task is considered completed after the review or the compliance officer determines that the review is not applicable because the property is not required to have an AFHMP or the AFHMP is already reviewed by another staff person or entity.

As of September 30, 2022, of the 269 inspections due in CY 2022, 112 AFHMP's have been successfully reviewed, 78 were not applicable, and the remaining inspections are not yet completed.

Minnesota Housing provided an operations grant of \$175,000 to the HousingLink to maintain updated affordable housing listings, Affirmative Fair Housing Marketing Toolkit, research and housing supply data and other efforts to support housing choice and stability. The HousingLink reported that in 2021, 208 companies used Affirmative Fair Housing Marketing Toolkit to create their Affirmative Fair Housing Marketing Plans. This resulted in 285 users and 1,145 projects created using the toolkit.

Action: Work with Minnesota Department of Human Rights, Minnesota NAHRO, Minnesota Multi Housing Association and similar organizations to provide education regarding housing discrimination laws through their annual conferences.

Minnesota Housing staff continues to meet with industry partners to explore the possibilities of training multifamily property owners, managers and service providers on fair housing. Meetings are conducted with Minnesota Multi Housing Association, Minnesota NAHRO and HUD to

brainstorm and develop trainings on current issues to draw attendees in and educate them in fair housing.

Training session topics are developed by reaching out to MMHA members, as well as our staff and customers, to determine where gaps in knowledge exist and further training is desired.

Training sessions were available during the 2022 Working Together Conference and were publicized by Minnesota Housing via email blasts to owners, agents and service providers, as well as having the information displayed and promoted on our website. Minnesota Multi Housing Association and Minnesota NAHRO sent multiple email blasts as well as hard copy mailings. This was the first year we returned to an in-person event since the COVID pandemic sent us to a virtual platform.

2022 Working Together Conference sessions included:

1. Happening Now in Fair Housing
2. Happening Now in Fair Housing, Part II
3. Respecting Culture in People's Homes

Action: Continue to support educational opportunities and outreach efforts with suburban community elected and appointed officials to understand the important and effectively plan for a full range of housing choices.

Minnesota Housing regularly participates in the annual policy making processes of Metro Cities and League of Minnesota Cities to understand their upcoming priorities and receive feedback on the agency's work. Minnesota Housing's Commissioner has spoken to both of these constituencies about the importance of housing that is affordable and equitable and has focused the presentations on new initiatives that Minnesota Housing is undertaking to address barriers to housing choice. Staff have also historically participated in the Regional Council of Mayor's meetings.

Action: Distribute fair housing educational materials at annual conferences, public venues, and other opportunities.

Documents about fair housing were available at the 2022 Working Together Conference and as mentioned above, there were at least three session about this topic.

Minnesota Housing's internal cultural competency committee hosts monthly events that are often directly related to fair housing issues. The agency hosted a specific fair housing training in April for Fair Housing month. Agency staff are required to attend 4 hours of training through this program each year and was at least one training on fair housing.

Action: Each State CDBG Grantee must complete at least one fair housing activity each year.

Each State CDBG grantee completed at least one unique fair housing activity each reporting period.

DEED Small Cities Development Program (SCDP) staff carries out education efforts for grantees and potential grantees on fair housing and equal opportunity topics during SCDP implementation trainings and application webinar trainings.

DEED staff distributed Fair Housing and Equal Opportunity brochures and posters (multiple languages) to attendees during events focused on engagement and outreach efforts and during individual technical assistance with grantees throughout the year.

Action: Build relationships and internal capacity for Fair Housing related work

The agency continued to focus on three key areas with respect to Fair Housing work this year. This year, we finalized the reporting process with HUD and provided updated data on LIHTC selected projects to ensure their Fair Housing team's LIHTC database is current. The second involves coordination with both HUD and the Minnesota Department of Human Rights where we identify a list of properties and management companies that have been found to be in violation with Minnesota Housing's Fair Housing policy. This year our outreach has increased to quarterly. This information is then used to report any Fair Housing violation to the IRS through the 8823 process for LIHTC projects and is used to determine applicable penalties associated with any new applicants for LIHTC funding as outlined in the paragraph below.

Minnesota Housing has clarified in the approved 2022-2023 LIHTC Qualified Allocation Plan that failure to comply with Minnesota Housing's policies, procedures or requirements may be penalized according to Minnesota Housing's Fair Housing Policy, up to an including disqualification of the application. In addition, Minnesota Housing may impose up to a -35 point penalty on future HTC development to all parties involved in the ownership and/or management on the development(s) that are in non-compliance. The penalty points will be assessed in four funding rounds (generally two calendar years).

Goal 5: Decrease the Loss of Housing Through Displacement and Eviction

To move towards this goal, the State of Minnesota will identify opportunities to support preservation of Naturally Occurring Affordable Housing (NOAH) and other ways to mitigate the effects of displacement or evictions.

Challenge 5.a. | Redevelopment displacing current renters of Naturally Occurring Affordable Housing (NOAH)

NOAH properties reflect a large stock of homes that are affordable to lower income households and are without subsidy. Redevelopment of NOAH properties is displacing current residents, and is predominantly occurring in the Twin Cities Region. It is estimated that Minnesota is losing 2,000 units every year.

Action: Continue support of the NOAH Impact Fund and partner with the Greater Minnesota Housing Fund to evaluate the effectiveness of the fund.

Naturally occurring affordable housing (NOAH) is unsubsidized housing without income or rent restrictions that is affordable to moderate- and low-income renters. A substantial number of naturally affordable rental developments are being converted to higher-market rents or are simply operated under poor management and in disrepair. These conditions threaten the stability of families and communities, and these impacts disproportionately impact persons of color and persons with disabilities. Minnesota Housing has joined with the Greater Minnesota Housing Fund to invest in the NOAH Impact Fund to finance the acquisition and preservation of naturally affordable class B and Class C rental housing in partnership with high performing owner-operators with the shared social goal of preserving affordability for the long term.

Minnesota Housing staff were in active conversations with Greater Minnesota Housing Fund (GMHF) as GMHF explore raising additional funding for NOAH Impact Fund 2. Staff anticipates further development on this issue by next year.

Action: Monitor state legislation regarding right of first refusal and opportunity to purchase measures for manufactured home parks (tenant purchase rights) and consider the next steps for Minnesota Housing related to the preservation of manufactured home parks to address critical infrastructure issues that limit preservation opportunities, or offset/replace opportunities that are no longer available.

Minnesota Housing staff is in regular conversations with key stakeholders on this issue including North Country Foundation, All Parks Alliance for Change and the Manufactured and Modular Home Association.

Agency staff are in the process of awarding its third round of Manufactured Home Community Redevelopment Program infrastructure grants. Manufactured home park infrastructure is

funded by state appropriations and is also an eligible use of Housing Infrastructure Bond proceeds.

Action: Other NOAH actions – NOAH Working Group

A NOAH Working Group has been formed as a spin-off of the Interagency Stabilization Group. The group is an intergovernmental policy group focused on coordinating advocacy and funding efforts around the preservation of NOAH properties in the Twin Cities Metro Area. The group started meeting in the summer of 2020, and includes metro area cities, counties, The Metropolitan Council and intermediaries working on NOAH preservation. The first effort of the Working group was to coordinate on NOAH data in order to have clear and consistent data (and methodology) about the number of NOAH properties and units in the Metro area. The group also developed a “fact sheet” about NOAH that was used during the 2021 Legislative Session. The group meets monthly, and exchanges information about best practices in preserving NOAH housing, efforts to obtain new funding, and other NOAH related initiatives.

Challenge 5.b. | Eviction filings negatively impact renters regardless of outcome

Evictions disproportionately impact households of color and Indigenous communities and even an eviction filing will raise ongoing barriers to accessing housing.

Action: Monitor work to define and limit predatory rental practices, including questionable eviction practices and poor conditions of rental units.

Minnesota Housing policy and community development staff are tracking and evaluating the work of local jurisdictions related to this, including in Minneapolis.

Minnesota Housing worked closely with the Governor and Lt. Governor through COVID Response workgroups on the eviction moratorium and off-ramp law put into place to provide housing stability for Minnesotans impacted by COVID.

The Attorney General’s Office also acted on several cases related to predatory rental practices in the past year.

Action: Eviction Prevention Programming Activities

The Family Homeless Prevention and Assistance Program (FHPAP) provide financial assistance to households at risk of losing their housing.

Funds for the FHPAP program are specifically targeted to households most at risk of eviction, such as households who will lose their housing within 14-30 days. From October 1, 2021 through September 30, 2022, FHPAP provided 2,458 households with assistance to prevent the loss of housing. Of those that exited the program, 95% were still in stable housing. In addition,

1065 homeless households received assistance with 85% of those exiting the program securing permanent housing.

Achieving equitable outcomes is important to the FHPAP program, therefore we do measure the percent of households who are Black, Indigenous or People of Color (BIPOC). From October 1 2021 to September 30, 2022, 53% of all FHPAP households, including those who were homeless or seeking prevention assistance, were Black, Indigenous or People of Color. This was comparable to the year prior. The 2018 Wilder Homeless Survey identified that 66% of homeless households in Minnesota identified as Black, Indigenous or People of Color. However, we do not know if the percentage is the same proportion for households who are seeking prevention assistance. We are currently working on identifying proxy populations, such as households accessing free and reduced lunch through schools, to help us determine the proportion of BIPOC households in need of prevention assistance.

Another asset of FHPAP is that funds may be used to pay for staff who can support clients and work with landlords to mitigate the housing emergency and prevent loss of housing. Some of the programs have utilized staff to provide mediation help for landlords as an option for assisting households prior to filing evictions. Several counties across the state have also started eviction prevention programs that are coordinated with court processes so that tenants are able to avoid eviction. FHPAP is often a funding source that can be utilized for tenants facing a court eviction process to mitigate or resolve the situation to avoid an unlawful detainer being added to their rental record.

FHPAP wrapped up a landlord risk mitigation fund which was available in three areas of the state to incentivize landlords to rent to households with barriers, such as an unlawful detainer. This program has received mostly positive feedback from landlords and assisted households who may not otherwise be able to obtain housing. Although the program has ended, a local nonprofit called Housing Link started a similar statewide landlord risk mitigation program which will continue to provide resources for eligible households.

Emergency Response Programs

Other eviction prevention activities occurred through two federally funded emergency response programs, the Coronavirus Relief Fund (implemented as COVID Housing Assistance Program), and the Emergency Rental Assistance program.

Supported by federal funds, Minnesota Housing established RentHelpMN to provide financial assistance to households at risk of losing their housing. The program covered eligible costs that were incurred between April 2021 and January 2022. RentHelpMN received approximately 102,000 applications and paid out more than \$449 million to help create housing stability for people at risk of losing their housing.

Below are several important demographics from household served by the program:

- 3% of households served were Indigenous
- 53% of households served were Black or other People of Color
- 38% of households served were White
- 85% of households served had incomes of 200% or less of the federal poverty level
- 67% of households served were in urban settings (Metro)
- 33% of households served were in greater Minnesota

Housing Stability Services

Supported by federal funds, Minnesota Housing established the Housing Stability Services program. By contracting with 21 local service providers across the state of Minnesota, people experiencing a housing emergency may receive either eviction prevention services and/or housing navigation services under this program. Minnesota Housing is finalizing the contract negotiations with the service providers and the program began in June 2022.

A team of 16 Agency volunteers partnered with RentHelpMN Field Partners, Legal Aid Services and the Minnesota Courts to assist 2,093 people facing eviction over the period October 21, 2021 to June 1, 2022 in all 10 Minnesota Judicial Districts. Under Minnesota's COVID-19 related eviction moratorium phaseout law, effective October 21 all protections for renters were lifted except for eligible renters with pending COVID-19 rental assistance applications.

The Agency volunteers performed two main tasks to assist tenants –

- Pre-court outreach to tenants with upcoming eviction hearings by emailing and calling them. The outreach communication (1) reminded tenants about their upcoming court hearings, (2) strongly encouraged tenants to attend their eviction court hearing, (3) provided Zoom online court hearing login and call-in information, and (4) provided legal aid and other advocate/support contact information.
- In court support where Agency volunteers were present in Zoom court sessions and assisted tenants by providing RentHelpMN pre-qualification letters (proof of RentHelpMN applications) and legal aid or other advocate contact information, as needed in breakout rooms.

NOTE: The pre-court outreach and in court support eviction diversion work transitioned to Field Partners in March 2022.

CR-40 - Monitoring 91.220 and 91.230

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

For DEED's Small Cities Development Program (SCDP), grantees are monitored through desk and on-site monitoring. Desk monitoring is conducted on an ongoing basis which includes reviewing startup documents, policies and procedures, environmental documents, ongoing activities, disbursement requests, labor standards, annual reports/performance measurements, audits, final reporting, and closeouts reporting. On-Site monitoring is conducted at least once during the term of the grant agreement. The State decides to conduct desk versus on-site monitoring based on cost and time evaluation. Follow-up monitoring may occur if there are significant findings of non-compliance with program requirements or if other administrative difficulties become apparent from reviews. DEED staff provides technical assistance to grant administrators. Monitoring of economic development projects uses the same process as those established through the state of Minnesota's CDBG competitive program. During the midst of the pandemic, the monitoring process had remained the same and was conducted remotely due to the health emergency brought on by coronavirus disease (COVID-19) and actions taken to prevent the spread of the disease. HUD's Personally Identifiable Information policy has been maintained. With the pandemic lifted, on-site monitoring is being implemented.

DEED has developed a checklist to assist in the monitoring areas such as grant management, fair housing and equal opportunity employment, Davis Bacon Labor Standards, inspections and bidding, and contractor payments. Activities are reviewed for eligibility, meeting federal objectives, and if adequate progress has been made by the grantee within the time stated in the funding agreement. Below and attached in IDIS is the SCDP Internal Monitoring Procedures.

DEED has developed a checklist to assist in the monitoring areas such as grant management, fair housing and equal opportunity employment, Davis Bacon Labor Standards, inspections and bidding, and contractor payments. Activities are reviewed for eligibility, meeting federal objectives, and if adequate progress has been made by the grantee within the time stated in the funding agreement. Below and attached in IDIS is the SCDP Internal Monitoring Procedures.

SCDP Monitoring Process

All grants will be monitored to determine whether or not the grant activities meet the following: National Objective, Eligible Activities, Grant and Financial Management, Activity Specific and Grant Progress.

There are two types of monitoring conducted:

1. Onsite Monitoring
2. Desk Monitoring-ongoing

Onsite monitoring will be completed at least one time within the grant period. The goal is to monitor each grantee early enough to prevent problems but late enough to review grantee performance and progress. A monitoring checklist will be used at the visit with a description of a concern or a finding if applicable. Upon monitoring completion staff will input data into the monitoring spreadsheet.

The following is the onsite monitoring process:

1. Notification of visit: The grantee and administrator will be emailed or called to set up the monitoring appointment and provided the monitoring checklist for preparation.
2. Entrance meeting onsite(describing the process) will occur between the state, grantee, and administrator;
3. State monitoring conducted using monitoring checklist: see areas reviewed in next section;
4. Exit Meeting: Provide positive feedback and discuss findings/concerns;
5. Cover letter and monitoring report written and approved by director prior to mail out;
6. Notification of results to mayor and administrator: Cover letter and report;
7. Follow up to clear Findings within 60 days from report date (when possible).

Areas reviewed will consist of:

1. Activity Eligibility and National Objective;
2. Grant and Financial Management;
3. General areas of review: environmental, fair housing, labor standards- if applicable, grant progress, policies/procedures, and individual case files

Desk monitoring consists of DEED reviewing the items below at any time during the grant period:

1. Annual Reports/Performance Measurements
2. Disbursement Requests
3. Labor Standards-Notice of Contract Awards and Final Reports
4. Policies and procedures
5. Environmental
6. Requested information

For ESG, each year DHS program staff review all ESG grantees using a risk analysis tool created with technical assistance from HUD. The tool has four broad areas of analysis: 1) General agency information, e.g., previous monitoring results, 2) program operations, e.g., compliance and reporting issues, 3) fiscal operations, and 4) organization Board of Directors/Executive Management.

The tool allows DHS staff to determine if a grantee needs immediate attention or can receive a visit as part of regular monitoring. A regular monitoring rotation ensures grantees are monitored at least once every two years. Staff review a random selection of files for specific documentation of: homelessness, disability status, target population, on-going assessment, follow-up, and supportive services. Staff verify the full number of participants being served, timeliness and eligibility of grant expenditures, and eligibility of matching fund expenditures.

For HOME, Minnesota Housing monitors HOME rental properties for compliance, requiring owners to submit tenant income and rent information for review annually. Requirements include: 1) owners annual submission of a Deferred Loan Owner Certification and report of unit events, including income and rent certifications, in the Property Online Reporting Tool; and 2) property inspections at least as frequently as required by 24 CFR §92.504(d) for compliance with property standards and to verify the accuracy of information owners submitted.

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

issues and, if any violations still remain, a failure to comply notice is sent with an additional 10-day correction period. If noncompliance remains uncorrected, possible action may be an extension of the effective period or calling the loan due.

For HOPWA, Minnesota Housing's inspection of HOPWA properties includes a physical inspection of the property, tenant file review to confirm eligibility, and a HOPWA Development Review, which uses a checklist that covers: 1) whether there are service plans in place, 2) whether HOPWA residents receive the services offered to them, 3) if any adverse actions have been taken against residents since the last HOPWA review, 4) if residents who were terminated from the program were provided due process, and 5) if the property complies with audit and record retention requirements.

Minnesota Housing requirements include: 1) owners annual submission of a Deferred Loan Owner Certification and report of unit events, including income and rent certifications, into the Property Online Reporting Tool; and 2) property inspections per Minnesota Housing Board-approved inspection cycle unless there have been compliance issues that require more frequent inspections. The inspection cycle is every three years for properties with \$500,000 or more of deferred loan financing and every five years for deferred loan amounts less than \$500,000, unless the property also received Low-Income Housing Tax Credits, in which case the property is inspected according to the tax credit schedule. If a property is found to be out of compliance, the owner receives a notice of noncompliance. If noncompliance is not corrected within the allotted period, usually 30 days, the owner is given a 10-day grace period in which to address issues and, if any violations still remain, a failure to comply notice is sent with an additional 10-day correction period. If noncompliance remains uncorrected, possible action may be an extension of the effective period or calling the loan due.

Description of the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The state notified the public of the availability of the draft the State Register and through state social media outlets and eNews, including to organizations and partners that work directly with minorities, non-English speaking persons and persons with disabilities. For example, per our Citizen Participation Plan, we reach out to a wide network of councils and coalitions focusing on specific populations, including the Council on Asian Pacific Minnesotans, Central Cultural Chicano, CLUES, Council for Minnesotans of African Heritage, Minnesota Council on Latino Affairs, and the Upper Midwest American Indian Center. In addition, our eNews distribution includes an extensive network of providers for persons with disabilities, through the Olmstead Implementation Office currently located at Minnesota Housing. The draft CAPER for 2021 was available for public comment for 15 days beginning November 18, 2022 and extending through the close of the business day on December 2, 2022. Minnesota Housing and DEED posted copies of the CAPER on their websites and hard copies were available from Minnesota Housing, DEED, and DHS upon request. The electronic copies of the CAPER we created were fully accessible documents suitable for screen readers.

Public input into the draft CAPER is considered in preparing the final report to HUD and the state responds in writing to each commenter. One public comment letter was received on the 2022 CAPER draft.

CR-45 - CDBG 91.520(c)

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

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

However, during these unprecedented times of the COVID-19 pandemic, Minnesota Department of Employment and Economic Development thru the supplemental allocation of the CARES Act have developed and funded new CDBG-CV activities based on community outreach for both entitlement and non entitlement communities to prevent, prepare for and respond to the coronavirus/COVID19 pandemic. Projects include broadband development, public services, retrofitting buildings and commercial rehabilitation. Projects are currently underway and are set to meet the CDBG-CV grant deadline.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?	No
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[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 91.520(e)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

In the past, Minnesota Housing has used HOME allocations to fund down payment assistance to first-time homebuyers, rehabilitation loans to homeowners, and rehabilitation loans to owners of rental property. Currently, based on the critical need to both preserve existing affordable rental housing and develop new rental housing to meet a very large gap in the availability of affordable housing, all HOME funds have been allocated to fund rental housing activities, including rehabilitation and new construction.

Minnesota Housing conducted a remote review of administrative records and tenant files for properties due to be inspected in 2022 and completed the on-site habitability inspections. The following table lists the inspection dates and results of these reviews. With respect to Violence Against Women Reauthorization Act of 2013, Minnesota Housing implemented the final rule of VAWA, promulgated in 2016 and effective December 16, 2016. For HOME (and National Housing Trust Fund) properties, this implementation included: 1) notice of occupancy rights and certification forms distributed at appropriate times, and 2) the development and adoption of an emergency transfer plan (found here: [Minnesota Housing Finance Agency Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking](#)). Policies and procedures were put in place to ensure privacy and data security for reporting of VAWA transfer requests and results. For FFY 2022, there were no transfer requests made.

Inspection Date Range: 1/1/2021 to 12/31/2021

Property Number	Property Name	City	Compliance Officer	Total HOME Units	IDIS Nbr	HOME Written Agreement Dt	HOME Compliance Start Dt	Compliance End Dt	Year on-site inspection due	Date of Physical Inspection	Physical Inspection	Date of Admin Records & File Review	Admin Records & File Review Findings	Compliance Status
D0012	Northbridge Apartments	Albert Lea	Jessica Hehling	26	8936		02/06/14	02/06/24						
D0232	Unity Place	Brooklyn Center	Connie Montgomery	98	8339		07/10/14	07/10/24						
D0246	Woodmere Apartments	Buffalo	Sue Morrison	54	7043		01/09/13	01/09/23						
D0489	Yorkdale Townhomes	Edina	Marisa S Myhre	22	8933		11/13/13	11/13/28	2022	4/12/2022	Yes	4/12/2022	Yes	Habitability and 2 tenant file violations in process of being corrected
D0703	Edgewood Townhomes (fka Groveland Estates)	Litchfield	Sue Morrison	29	7115		07/17/13	07/17/23						
D0734	Gus Johnson Plaza	Mankato	Jessica Hehling	26	9345	04/30/14	03/16/16	03/16/26						
D0854	Seward Square	Minneapolis	Connie Montgomery	19	9238	01/16/14	04/22/15	04/22/25	2022	8/25/2022	Yes	8/25/2022	Yes	Tenant file violations were clarified; 2 habitability violations are in process of being corrected
D1130	Storybrook Apartments	Pipestone	Sue Morrison	12	8231		08/09/13	08/09/23						
D1194	Jordan Tower II	Red Wing	Sue Morrison	86	9850	06/13/17	12/11/19	12/10/39	2022	8/23/2022	Yes	9/27/2022	No	Habitability violations have been corrected.
D1552	Lewis Park Apartments	Saint Paul	Sue Morrison	63	9239	01/16/14	05/09/15	05/09/25						

Property Number	Property Name	City	Compliance Officer	Total HOME Units	IDIS Nbr	HOME Written Agreement Dt	HOME Compliance Start Dt	Compliance End Dt	Year on-site inspection due	Date of Physical Inspection	Physical Inspection Findings	Date of Admin Records & File Review	Admin Records & File Review Findings	Compliance Status
D1886	Northern Oaks (aka Three Rivers Duplexes)	Northfield	Jessica Hehling	8				12/31/26						
D1893	Fisher Townhomes	Fisher	Marisa S Myhre	10				11/21/30	2022	9/27/2022	Yes	In progress	In progress	3 habitability violations in process of correction
D2391	West Birch Estates	Princeton	Susan Bucko	8				10/12/28						
D2393	Ridgeview Court Townhomes	Paynesville	Susan Bucko	8				11/01/28						
D3370	Ebenezer Tower	Minneapolis	Connie Montgomery	43	9344	04/25/14	07/01/16	07/01/31						
D3468	Como By The Lake	Saint Paul	Jessica Hehling	24	10068	09/16/18	01/04/20	10/22/33	2022	8/19/2022	No	In progress		Will send notice of noncompliance for habitability violations after completion of tenant file review.
D3475	Maryland Park	Saint Paul	Jessica Hehling	32	9381	06/11/14	01/05/16	01/05/26						
D3524	Morningside Terrace / Bluff View Flats	Winona	Sue Morrison	26	9709	12/21/15	04/05/17	04/05/27						
D3787	New San Marco Apts	Duluth	Susan Bucko	6	4944		06/04/08	06/04/28						
D7586	Minneapolis Portfolio Preservation (MP3)	Minneapolis	Sue Morrison	183	9577	02/04/15	01/21/17	01/21/27	2022	8/3/2022	Yes		Yes	Tenant file violations and Habitability violations are in process of being corrected.

Property Number	Property Name	City	Compliance Officer	Total HOME Units	IDIS Nbr	HOME Written Agreement Dt	HOME Compliance Start Dt	Compliance End Dt	Year on-site inspection due	Date of Physical Inspection	Physical Inspection Findings	Date of Admin Records & File Review	Admin Records & File Review Findings	Compliance Status
D7713	Seward Towers East and West	Minneapolis	Marisa S Myhre	122	9710	12/28/15	08/04/17	08/04/27						
D7717	Solace Apartments	Saint Peter	Sue Morrison	16	1000090	09/29/17		12/06/37						
D7718	Maplewood Apartments	Saint Peter	Jessica Hehling	24	9711	01/26/16	05/05/17	05/04/32						
D7858	Riverview Apartments & Hilltop Villas	Sebeka	Susan Bucko	23	9851	06/26/17	02/03/19	02/03/34						
D7963	Amorce II - Bridgeway and Park Acres	Robbinsdale	Jessica Hehling	32	9958	12/13/17	04/02/19	04/02/34	2022	8/5/2022	Yes	In progress		Will send notice of noncompliance for habitability violations after completion of tenant file review.
D8103	Spring Creek II	Northfield	Sue Morrison			5/22/2022		08/11/42						
D8108	Le Sueur Meadows II	Le Sueur	Jessica Hehling	27	10347	12/7/2020	12/22./2022	12/22/40	2022	5/24/2022	Yes		No	Habitability violations in one unit. Violation is corrected.
D8118	North Moorhead Village	Moorhead	Marisa S Myhre	17	10354	3/12/2021								
D8121	Dublin Heights	Mankato	Sue Morrison	26	10197	10/23/2019	6/24/2021	06/23/41						
D8122	White Oak Estates	Baxter	Susan Bucko	8	10198	9/1/2022	6/30/2021	06/29/41						

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

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

Minnesota Housing's guidance for lending or development promote and require compliance with fair housing laws and regulations. Minnesota Housing requires Affirmative Fair Housing Marketing Plans for the marketing and occupancy of assisted units in developments of five units or more. Owners are required to review Affirmative Fair Housing Marketing Plans every one to two years, and as part of its inspection procedures, Minnesota Housing will review to determine if updates are needed.

Note that HOME funds historically were available primarily in non-entitlement areas, which are less diverse and may have limited previous opportunity for HOME-funded projects to serve a higher percentage of people of color or Hispanic ethnicity.

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

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

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

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

Based on an assessment of local housing needs, Minnesota Housing has developed and updated a tax credit allocation plan that gives preference to certain types of development, e.g., those that serve the lowest income households and/or high-priority homeless, preserve federally assisted housing, and/or provide increased geographic choice. The state's most recent Qualified Allocation Plan and priorities for housing tax credit allocation may be viewed at: [Tax Credits](#)

CR-55 - HOPWA 91.520(e)

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

Table for report on the one-year goals for the number of households provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance payments to prevent homelessness of the individual or family; tenant-based rental assistance; and units provided in housing facilities developed, leased, or operated with HOPWA funds.

Number of Households Served Through:	One-year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	220	165
Tenant-based rental assistance		
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds		
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds		

Table 14 – HOPWA Number of Households Served

Narrative

The state provided housing assistance to 165 households through the use of HOPWA funds for short-term rent, mortgage, and utility (STRMU) assistance payments to prevent homelessness for a low-income individual or family living with HIV/AIDS. Forty-four of these households were assisted through regular HOPWA and HOPWA-CV funds. The five-year plan projected 220 households be served with HOPWA funds in 2022. Across the five years of the plan, the goal for HOPWA is to serve 1,100 households and is based upon HUD projections for Minnesota through formula modernization, which will be phased in over a five year period.

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

Minnesota Housing received \$283,536 in HOPWA funds in FFY2022 and carried over \$30,065 in FFY2021 HOPWA-CV funds and committed this funding to Rainbow Health Minnesota. Rainbow Health has established statewide networks to deliver assistance in areas of need throughout Greater Minnesota. Rainbow Health's Greater Minnesota emergency housing assistance program has worked closely with HIV service providers in Greater Minnesota, including the Mayo Clinic's HIV Clinic and Social Services, the Rural AIDS Action Network, and Rainbow Health's own case management program in Duluth.

Using HOPWA assistance, Rainbow Health provides (STRMU) assistance to prevent the homelessness of eligible individuals or families.

CR-56 – HTF SECTION

Describe the extent to which the grantee complied with its approved HTF allocation plan and the requirements of 24 CFR part 93.

Tenure Type	0 – 30% AMI	0% of 30+ to poverty line (when poverty line is higher than 30% AMI)	% of the higher of 30+ AMI or poverty line to 50% AMI	Total Occupied Units	Units Completed, Not Occupied	Total Completed Units
Rental	45	0	0	0	0	45
Homebuyer	0	0	0	0	0	0

Table 15 - CR-56 HTF Units in HTF activities completed during the period

Narrative

Two NHTF projects were completed in FFY2022: White Oaks Estates, with 20 HTF units, and Park 7, with 25 HTF units. White Oaks Estates was a new construction project in Baxter, MN that focused on permanent supportive housing for people facing homelessness as well as housing for the local workforce. Park 7 was a new construction project in Minneapolis, Minnesota focused on permanent supportive housing people facing homelessness, people with disabilities and housing for individuals at really low incomes.

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

ESG Supplement to the CAPER in *e-snaps*

For Paperwork Reduction Act

1. Recipient Information—All Recipients Complete

Basic Grant Information

Recipient Name	MINNESOTA
Organizational DUNS Number	804832640
UEI	
EIN/TIN Number	411599130
Identify the Field Office	MINNEAPOLIS
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	Rochester/Southeast Minnesota CoC

ESG Contact Name

Prefix	Mr
First Name	ISAAC
Middle Name	D
Last Name	WENGERD
Suffix	
Title	Agency Policy Specialist

ESG Contact Address

Street Address 1	MN Dept Human Services
Street Address 2	444 Lafayette St.
City	St. Paul
State	MN
ZIP Code	55164-
Phone Number	6514313815
Extension	
Fax Number	6514317309
Email Address	ISAAC.WENGERD@STATE.MN.US

ESG Secondary Contact

Prefix	Mr
First Name	Annie
Last Name	Wells
Suffix	
Title	Homeless Assistance Grant Manager
Phone Number	6517282196

Extension
Email Address

annie.wells@state.mn.us

2. Reporting Period—All Recipients Complete

Program Year Start Date 10/01/2021
Program Year End Date 09/30/2022

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

Subrecipient or Contractor Name: BI-COUNTY COMMUNITY ACTION PROGRAM, INC

City: Bemidji

State: MN

Zip Code: 56619, 0579

DUNS Number:

UEI: TJGDJRBE72B3

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 45000

Subrecipient or Contractor Name: PRAIRIE FIVE COMMUNITY ACTION COUNCIL, INC

City: Montevideo

State: MN

Zip Code: 56265, 1370

DUNS Number:

UEI: JC92LNDR5RJ4

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 60000

Subrecipient or Contractor Name: THREE RIVERS COMMUNITY ACTION COUNCIL

City: Zumbrota

State: MN

Zip Code: 55992, 0157

DUNS Number:

UEI: JNTGNQ33U378

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 70000

Subrecipient or Contractor Name: WEST CENTRAL MINNESOTA COMMUNITIES

City: Elbow Lake

State: MN

Zip Code: 56531, 4414

DUNS Number:

UEI: SYEMLLVWWVG5

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 57500

Subrecipient or Contractor Name: United Community Action Program

City: Willmar

State: MN

Zip Code: 56201, 3304

DUNS Number: 037473485

UEI: PEZYQ4FPLLC7

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 168313

Subrecipient or Contractor Name: KOOTASCA COMMUNITY ACTION, INC.

City: Grand Rapids

State: MN

Zip Code: 55744, 3982

DUNS Number:

UEI: GNR2RU9M8WN4

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 40000

Subrecipient or Contractor Name: INTER-COUNTY COMMUNITY COUNCIL

City: Oklee

State: MN

Zip Code: 56742, 0189

DUNS Number:

UEI: NPQXE2JK83D9

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 92500

Subrecipient or Contractor Name: LAKES AND PRAIRIES COMMUNITY ACTION PARTNERSHIPS

City: Moorhead

State: MN

Zip Code: 56560, 2083

DUNS Number: 039375647

UEI: S21TNXM8THK9

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 115000

Subrecipient or Contractor Name: RED LAKE HOMELESS SHELTER, INC

City: Redlake

State: MN

Zip Code: 56671, 0280

DUNS Number: 623149254

UEI: FDHCNCFAMKC7

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 225000

Subrecipient or Contractor Name: SALVATION ARMY ROCHESTER

City: Rochester

State: MN

Zip Code: 55906, 3706

DUNS Number: 125485958

UEI: J6HZN2R6G894

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Faith-Based Organization

ESG Subgrant or Contract Award Amount: 11000

Subrecipient or Contractor Name: SCOTT CARVER DAKOTA CAP

City: Shakopee

State: MN

Zip Code: 55379, 1547

DUNS Number: 085104610

UEI: Z9MKVEHU4K36

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 195000

Subrecipient or Contractor Name: Mahube-Otwa Community Action Partnership

City: Detroit Lakes

State: MN

Zip Code: 56501, 2722

DUNS Number: 037473071

UEI: C3KLVM2JD2D7

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 80000

Subrecipient or Contractor Name: Partners for Affordable Housing

City: Mankato

State: MN

Zip Code: 56001, 4430

DUNS Number: 015129260

UEI: HJJKEGCH1JD8

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 69587

Subrecipient or Contractor Name: Salvation Army - Brainerd

City: Brainerd

State: MN

Zip Code: 56401, 3506

DUNS Number: 081033115

UEI: YQ64NMZKAJM3

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Faith-Based Organization

ESG Subgrant or Contract Award Amount: 15585

Subrecipient or Contractor Name: Salvation Army - St. Cloud

City: Saint Cloud

State: MN

Zip Code: 56304, 1247

DUNS Number: 002805922

UEI: VU22A5YJSLJ3

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Faith-Based Organization

ESG Subgrant or Contract Award Amount: 140000

Subrecipient or Contractor Name: Semcac

City: Rushford

State: MN

Zip Code: 55971, 8812

DUNS Number: 066860073

UEI: RLNGKXWT3C17

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 80000

Subrecipient or Contractor Name: A Place for You

City: Pine City

State: MN

Zip Code: 55063, 1530

DUNS Number: 758511277

UEI:

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 110000

Subrecipient or Contractor Name: Servants of Shelter of Koochiching County

City: International Falls

State: MN

Zip Code: 56649, 2241

DUNS Number: 079386356

UEI:

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 90000

Subrecipient or Contractor Name: Stepping Stone

City: Anoka

State: MN

Zip Code: 55303, 1161

DUNS Number: 362238870

UEI:

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 151582

Subrecipient or Contractor Name: Alexandra House

City: Blaine

State: MN

Zip Code: 55434, 1534

DUNS Number: 926939539

UEI: NLU1HMKVKS7Q9

Is subrecipient a victim services provider: Y

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 70000

Subrecipient or Contractor Name: Violence Intervention Project

City: Thief River Falls

State: MN

Zip Code: 56701, 4305

DUNS Number: 193113198

UEI: DUTLNMNCRFE4

Is subrecipient a victim services provider: Y

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 31000

Subrecipient or Contractor Name: Alluma

City: Crookston

State: MN

Zip Code: 56716, 2914

DUNS Number: 084113620

UEI: Z6NGYXJ8QPS9

Is subrecipient a victim services provider: N

Subrecipient Organization Type: Other Non-Profit Organization

ESG Subgrant or Contract Award Amount: 110000

CR-65 - Persons Assisted

HUD has transitioned ESG Persons Assisted reporting from CR-65 (embedded within the CAPER report) to the Sage Repository for HUD reporting. As a result, this section will no longer be completed. An ESG CAPER statewide report with similar data (downloaded from the Sage system) will be an attachment to the state's overall published CAPER.

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

8. Shelter Utilization

Number of New Units - Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	452,911
Total Number of bed-nights provided	395,789
Capacity Utilization	87.39%

Table 15 – Shelter Capacity

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

SHELTER GOAL

GOAL: 9,300 individuals in households receiving safe, adequate emergency shelter.

OUTCOME: 7,519 The goal of sheltering 9,300 individuals was not achieved in 2021, largely due to the pandemic and the required reductions in congregate shelter capacity and increased cost of quarantine and isolation hotels.

PREVENTION/RAPID RE-HOUSING GOALS

GOAL: 275 persons are stably re-housed. OUTCOME: The goal of stably re-housing 275 persons in households (total for prevention and rapid re-housing) was not achieved, as 222 persons achieved this outcome in 2022

GOAL: 75 percent of households exiting rapid re-housing will exit to permanent destinations.

OUTCOME: Achieved. 83 percent of households exiting rapid re-housing (115 of 139) exited to permanent destinations.

CR-75 – Expenditures

Expenditure Data for CR-75 is included in the Complete CAPER attached to the state's larger CAPER submission.

Public Comments and State Responses

The state received one letter of public comment on the 2022 CAPER from MICAH. The following is the text from the email from MICAH with the state responses in italics font.

December 2, 2022

Thank you for the opportunity to comment on the State of Minnesota Consolidated Annual Performance and Evaluation Report for Federal Fiscal Year 2022

MICAH's comments in bold.

God's peace,

Sue Watlov Phillips, M.A.

Executive Director, MICAH

1. Page 4 Limited Lead Contractors- Will we use U.S. Dept of Labor ARP funds to train people- especially people who have experienced homelessness, with disabilities, connections with correctional institutes through apprenticeship jobs to become Lead licensed contractors?

The CAPER for which the public comment was sought only addresses funding allocated to the State by the U.S. Department of Housing and Urban Development. The Department of Labor ARP funds are outside of the purview of this public comment and jurisdiction of HUD program funds.

2. Page 7 Race- Ethnicity breakdown Disparity in homeownership, housing instability, and homelessness. ESG looks like only program addressing this concern. Why are other programs especially CDBG and NHTF primarily serving Caucasians? Please provide more details on Asian race breakdown.

DEED's CDBG funds are specifically for non-entitlement communities in the Greater Minnesota area. Unlike the Metropolitan areas, populations of people of color are not represented in every Greater Minnesota community. Racial demographics are captured for housing projects as eligibility is determined based on the participating households. To provide another snap shot of who the National Housing Trust Fund is serving, according to Minnesota Housing's 2021 Program Assessment, nearly 60% of households served were Black, Indigenous and People of Color. Additionally, HUD determines the race categories- so there is not further breakdown in the Asian category.

3. Page 8: Link went to error page- for DEED's, Minnesota Housing's, and DHS's current Analysis of Impediments to Fair Housing Choice report and action plan continues to make progress on the 2020 Analysis of Impediments to Fair Housing Choice for Minnesota available at: Analysis of Impediments to Fair Housing Choice. The State is in the process of making an addendum to this work related to the pandemic.- Please summarize info in this report.

The link will be entered once the final version is posted, and the entire Analysis of Impediments is also including in the CAPER Public Comment Draft document on pages 31-58.

4. Page 12: CDBG , 47% for housing which included owner occupied housing projects and rental housing,. Please provide % of this for rental housing and at what income levels. Please id this info in PR26 report too.

Funding for CDBG fund had been delayed due to the approval date of the 2022-2026 HUD's 5-Year Consolidated Plan. Grantees were awarded after the end of the federal fiscal year 2022. Therefore, the funding obligation information will not be reflected in the PR28. The breakdown of the 2022 funding distribution for housing consists of 38% Owner Occupied Housing and 9% rental housing. The beneficiaries would be households with low-to-moderate income per the county of residence. The PR26 report lists the CDBG Financial Summary Report for program year 2022.

5. Page 13: For ESG Prevention and Rapid ReHousing funding, funds are only awarded to applications from non-ESG entitlement areas of the state, resulting in all ESG Housing funds being expended in these Balance of State areas. What is total amount spent in these 2 programs and how many were served ?

\$646,226 was the total amount spent in these two programs and a total of 223 persons were served.

6. Page 16 Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period. Only 1 contract to Hispanics contractor \$13,075 of the \$10,812,989.50 contracts awarded
Women contractors (3) received \$123,464 and male contractors awarded: \$10,702,600.50- WHY? What is the plan to contract with diverse and women owned business contractors?

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted- 0 WHY? What is the plan to contract with diverse owners?

State and federal regulations direct that affirmative steps must be taken to help ensure that MBE/WBE Enterprises are contracted when possible. The general contractors for the two HOME projects completed during FY2022 advertised the projects to MBE/WBE and Section 3 registered subcontractors and encouraged their participation during the bidding process, and when feasible, awarded contracts to these entities.

Minnesota Housing has worked on further incentivizing projects that will be owned by MBE/WBE entities through its QAP and Self-Scoring Worksheet in the past few years. Minnesota Housing looks at developer capacity among several other factors when assessing whether a project is suitable for federal funds. In this case, the two HOME projects completed during FY2022 did not have a MBE ownership entity

7. Page 19 Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.- With the greatest need being for folks with incomes under 30% of median income. We think that at least 66% of these funds should be targeted to people at 30% median income and below.

Minnesota Housing has been further incentivizing development targeting households at 30% AMI or below and asking for additional state resources, specifically Housing Infrastructure Bonds, to do more of this work. Unless paired with rental assistance, subsidizing new units to be affordable at 30% AMI requires more deferred resources. Minnesota Housing has a goal that 40% of all units financed through the agency's through Consolidated Request for Proposal Process serve people at 30% AMI or below.

8. Page 20 HUD's limited definition creates a limited count of people experiencing homelessness in PIT and does not count for majority of over 17,000 students and their families experiencing homeless in MN according to Department of Education's definition. We agree with this statement: However, the annual Point-In-Time (PIT) count is viewed by many as a significant undercount of persons who experience homelessness over the course of the year, or even a single night. Limitations include HUD's requirement that the PIT be conducted in January, and lack of additional funding to support this major undertaking. Please identify the number of funded beds in 2020 vs 2022 in the State.

10,198 beds were funded by ESG in 2022 and 8,688 beds were funded by ESG in 2020.

9. Page 20 Recognizing homelessness as the most egregious form of housing injustice, the Minnesota Interagency Council on Homelessness (MICH) has committed in May 2021 to focus its next strategic plan on housing, racial, and health justice. MICAH believes Livable Incomes, Education/Training and Civil Rights should be included in this plan.

This comment has been shared with MICH staff.

For over 20 years MICAH has encouraged including people with lived experience and expertise to be decision makers at Interagency level. We need to listen to and implement solutions of people experiencing homelessness in all the Interagency's plans and work. We were pleased to see this positive step.- The Council required Rainbow to hire 10 consultants with lived experience of homelessness to lead the work.

10. Page 21. MICAHA was honored to assist MDH in facilitating the State Trusted Messenger program with ACER. Over 1000 people experiencing homelessness and/or housing instability were vaccinated!

Thank you for your team's effort.

11. Page 21 In addition, in 2022 Minnesota Housing supported six CoCs in Greater Minnesota and one Minnesota Tribal Collaborative with grants ranging from \$42,500 to \$60,000 each for planning and operating costs. That means MN is using at least \$250,000/year for planning and admin because HUD does not provide adequate administrative funds. How much are we spending for HMIS, including State Agency staff time, contracts and provider's time?

Under the current contract, the State provides approximately \$1.3M per year in funding to Minnesota's HMIS Administrator. The contract deliverables included hundreds of reports and program-specific deliverables for 13 state and federal homeless and housing programs. Minnesota Housing supports this contract through the state appropriation it receives as well as through additional agency resources as necessary.

12. Page 22 MICAHA appreciates this strategy we have been promoting for years, is now being implemented: Additionally, DHS implemented a new structure for the RFP and granting process in 2019, with updates planned for 2023, with the goal to make the process more equitable and accessible, in particular for new and culturally specific organizations. The RFP process continues to look for new strategies to support this as well as increase the input of people with lived experience in determining priorities for funding, such as having people with lived experience on the review panel.

In 2015, 2017, 2019 and 2021, the Minnesota Legislature made an appropriation of \$125,000 per year to support the statewide Homeless Management Information System (HMIS). This system helps housing and service providers to more effectively coordinate assistance and services to meet the needs of the homeless or near-homeless people. Minnesota Housing and the Department of Human Services annually supports the operation of HMIS, along with contributions from providers and CoCs. How much are we spending for HMIS, including State Agency staff time, contracts \$2.8 Million and providers' time?

Under the current contract, the State provided \$1.3 million per year in funding to Minnesota's HMIS Administrator. The contract deliverables included hundreds of reports and program-specific deliverables for 13 state and federal homeless and housing programs. Minnesota Housing supports this contract through the state appropriation it receives as well as through additional agency resources as necessary

13. GOOD: The Minnesota Department of Human Services (DHS) has initiated a Best Practices and Technical Assistance effort to encourage shelter providers to reduce the number of barriers faced by vulnerable populations seeking emergency shelter. These populations facing barriers may be part of the increase in unsheltered persons who are unable to access emergency shelter due to limited space as well as sobriety, criminal background exclusions, work or case management participation requirements and other barriers to entry.

Thank you for your comments.

14. Page 23 Please include passage Local Homeless Prevention Aid (LHPA) Certified for 2023 The annual appropriation for Local Homeless Prevention Aid is \$20 million. It has two components: I. Population-based aid II. Student data-based aid Law Changes Local Homeless Prevention Aid was created by the 2021 Legislature. 2023 will be the first year it is paid. <https://www.revenue.state.mn.us/sites/default/files/2022-07/2023%20Local%20Homeless%20Prevention%20Aid%20Summary.pdf#:~:text=Summary%20of%20Local%20Homeless%20Prevention%20Aid%20%28LHPA%29%20Certified,will%20be%20the%20first%20year%20it%20is%20paid.and> describe how Public Housing Authorities are utilizing Federal legislation to provide Housing Choice Vouchers for youth aging out of foster care- in this Section. Helping low-income individuals and families avoid becoming homeless, especially extremely low income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Information about the new Local Homeless Prevention Aid has been added to the CAPER document. Thanks for identifying that state aid that will soon be available to local units of government for additional homelessness prevention. Since the State does not receive Housing Choice Vouchers, we are not able to comment on how they are or are not being used to address the critical issue of youth aging out of foster care.

15. Page 25 GOOD! The five Foundational Service Practices are: 1. Know the housing status of people served 2. Actively reach out to the homeless 3. Limit requirements for in-person appointments 4. Assist with gathering required verifications/ documentation 5. Allow for multiple methods of communication about benefits and services. The Federal government as having met all criteria to show they have ended Veteran homelessness Does not account for veterans at risk. Regions have also presented evidence that they have systems in place to meet the needs of Veterans at-risk of or experiencing homelessness on an ongoing basis. As of October 7, 2022, 282 Veterans remain on the Veterans Registry statewide. Good.

It would be helpful if we provided these same individualized responses and resources to every person experiencing homelessness in Minnesota.

MICAH strongly supports mixed income units which includes supportive housing. Most developments that receive (bonding) funding have at least some supportive housing units.

Thanks for these comments. Minnesota Housing has been requesting another eligible use of Housing Infrastructure Bonds which could facilitate more developments that have both supportive housing and deeply affordable rental housing.

16. Page 26 Actions taken to encourage public housing residents to become more involved in management and participate in homeownership
MICAH encourages expansion of Housing Choice Vouchers Homeownership. Please also described Enhanced Homeownership Program administered by culturally diverse organization established in 2013 and became a permanent program in 2018. (MICAH was honored to be asked by African American Leadership Forum to help coordinate 30 diverse groups in 2013 to create the HOME Collaborative and encouraged MN Housing to develop the Enhanced Homeownership Initiative.)
In 2014, the Home Collaborative passed the HOME Law- Housing Opportunities Made Equitable- unfortunately the law was never funded or implemented by MN Housing to address the Homeownership disparities in Minnesota.

Thanks for these comments. Minnesota Housing recently hit a new milestone that 40% of first-time homebuyers were Black, Indigenous and People of Color and we know that working with other stakeholders and partners more needs to be done to close the racial disparity gap.

17. Page 27 This link went to error page. Details can be found here: Annual Cost Containment Report
Spelling error: financial assistance

These have been fixed. Thanks for identifying them.

18. In its five-year plan, Minnesota identifies that the greatest unmet housing need is among extremely low income renters (<30% are median income). We would like to see State Amend the current and include in next 5 year plan that 66 -80% of funds goes to this population with greatest housing need

Minnesota Housing currently has a goal that 45% of the units financed through the agency's Consolidated Request for Proposal process serve individuals and households at 30% AMI or below. While we are not changing the goals in the Consolidated Plan because the state needs to balance several critical priorities with these scarce resources,

we will continue to incentivize and utilize state and federal resources to hit and exceed this goal.

19. Page 28 What is racial breakdown of folks using this program? Under the Section 811 PRA Supportive Housing Program, HUD has awarded Minnesota three rounds of funding for a total of 325 units of project-based rental assistance to create integrated supportive housing for people with disabilities who are extremely low-income. Minnesota is focusing these units to serve people who are long-term homeless or leaving institutions of care. Minnesota Housing is implementing this program in collaboration with the Minnesota Department of Human Services (DHS).

From FFY2022 data for the Sec. 811 program: 47% white, 39% Black, 8% American Indian/Alaska Native, 2% Asian, 4% other. 4% Hispanic ethnicity.

20. Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j) DEED requires that all proposed housing rehabilitation projects on homes built prior to 1978 complete a lead risk assessment by a certified risk assessor. All lead hazards identified must be included in the rehabilitation work conducted by a certified renovator (EPA RRP training) and workers. A lead based paint abatement supervisor is required if the total lead work of the project exceeds \$25,000. Grantees must provide all housing occupants the required handouts and lead hazard information pamphlet and collect owner acknowledgement of receipt. If lead is found through an assessment, all notices in 24 CFR Part 35 must be provided.. MICAH would State of Minnesota's support to pass Lead Safe Homes Bill. 1 in 3 homes(Homeownership/Rental) has Lead paint 500-700 children poisoned each year. We need to make all our current housing Lead paint Safe!

Thank you for these comments. DEED is pleased that CDBG funding is addressing the lead-based paint hazards in low-to-moderate income homes in Greater Minnesota. The CAPER address actions taken to protect households from lead-based paint hazards by adhering to lead-based requirements promulgated in 24 CFR 35 and not State regulations or proposed bills. The Lead Safe Homes Bill is outside of the purview of this report and jurisdiction of the CDBG program funds

21. Page 28 &29 MN Needs to provide livable MFIP grants so families (that do not have HCV or other rental subsidy) can afford housing and their basic needs Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j) The Minnesota Family Investment Program (MFIP) is the state's major public assistance initiative for low-income families with children (funded with a combination of federal TANF and state funds). MFIP's three main goals are to help people leave and remain independent of welfare, obtain and keep jobs, and increase income/decrease poverty.

The MFIP payment standard is set by the Minnesota Legislature and administered by the Department of Human Services. While the standard remains insufficient to cover the cost

of housing, the Legislature did increase the maximum possible grant a family could receive by \$100/month in 2020 and introduced an annual cost of living adjustment in 2021.

22. Page 29 In 2022 Minnesota Housing allocated over \$1 million in grants to local organizations under the Technical Assistance and Operating Support Program, which is funded through both legislative appropriations and Minnesota Housing resources. What changes or increases in resources resulted from this TA?

These resources were provided to wide range of organizations including non-profits and local units of government. Each year, the state appropriations provide resources to HomeLine for their free tenant hotline, OpenAccess, Continuums of Care organizations and HMIS. Additional agency resources are used in the agency's Capacity Building Program to provide one-time grant resources to address an organization's unique and specific needs. In previous years, we have seen recipients of these funds be competitive for other agency development resources.

23. Page 29- 30 The state hosts a number of councils or work groups, including: How are diverse populations, people that have experienced homelessness and/or housing instability at these discussion/decision making tables?

To our understanding, the race/ethnicities of these councils and work groups is not collected and/or readily available. The groups vary on the whether people that have experienced homelessness and/or housing instability are the tables, but some of the larger decision and policy making groups such as the Olmstead Implementation Office and Interagency Council on Homelessness include such groups in a number of their practices and processes.

24. Pages 30-59 MICAH appreciates detailed description of plans to address: Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

MN Interagency Council on Homelessness Strategic Plan should include these goals

- a. Rental Housing in Poor Condition: Lead Safe Homes need to be a goal in this section 1 of 3 homes in Minnesota has lead paint and is a safety risk for children under 6.
- b. Rental Rehabilitation Deferred Loan Program (RRDL): The RRDL program provides resources to rehabilitate existing rental housing in Greater Minnesota so that affordability is preserved and low to moderate income households have access to safe and decent housing. Small Cities Development Program Rental Rehabilitation We need greater focus on housing for people with greatest need- incomes from 0 to 30% median income.
- c. Continue support for HOME Line as a hotline for tenants' rights.
- d. MICAH strongly supports continuing to provide points for large family housing in selection criteria of Minnesota Housing funding resources, including through the Low

Income Housing Tax Credit Qualified Allocation Plan. We also continue to encourage innovative practices by creating movable wall/ door to make a 3 and 4 bedroom unit into a 7 Bedroom unit for our very large families.

- e. MICAH strongly supports: homeownership activities, continue to support the enhanced financial capacity program in reaching large immigrant families
- f. MICAH strongly supports: Action: Partner with Tribal Nations to consider strategies to increase homeownership for American Indian households both on and off tribal lands, including continued work on the feasibility of eventual tenant ownership for eligible tax credit properties and conducting a mortgage lending session at bi-annual Indian Housing conference
- g. MICAH strongly supports this program our MICAH South- Dakota County Chapter members helped to create and get this program passed into law. MICAH and Homes for All support increasing resources to expand the Landlord Risk Mitigation Fund program to help address housing needs of persons with criminal records, substance abuse challenges and other barriers.
- h. MICAH strongly supports these provisions: Applicants cannot be rejected based on housing and credit history and owner cannot require an income to rent ratio. These are common barriers for people experiencing homelessness and housing instability Limits criminal background screening criteria to address the disparate impact of typical criminal screening criteria for Black, Indigenous and People of color and people who have been homeless
- i. MICAH strongly supports: Action: Continue to prohibit properties with funding through Minnesota Housing from refusing to lease to a tenant based on the status of the tenant as a voucher-holder or recipient of similar rental assistance.
- j. MICAH appreciates many of our QAP recommendations on income targeting, number of bedrooms and provides geographic scoring incentives for locations with greater housing affordability needs, which are defined as places with a low share of affordable rental housing as compared to all housing options in a community or a large share of renters that are cost burdened by their rent. have been implemented
- k. MICAH believes it is critical to keep HousingLink's Low Income Housing Tax Credit development database current to report distributions- so we know what has been funded and where and we are providing people with opportunities for equity in place (in every community) and other choices in our communities.
- l. In addition to Evaluate and continue solutions that mitigate barriers to developing housing in areas of wealth or other opportunities. (For example, address barrier of NIMBYism). MICAH recommends reducing bonding , DEED and or other resources to communities that do not mitigate these barriers.
- m. MICAH encourages Minnesota to support proposed regulatory changes regarding source of income protections.
- n. Action: Promote contracting opportunities for women and Black, Indigenous, and People of Color-owned business entities in all programs.- We are NOT doing this with our Federal resources see comment #6. We appreciate and supported Creating an inclusive and equitable housing system includes diversifying the development partners

we work with and promoting opportunities for Woman and Black, Indigenous, and 45 People of Color-owned Business Enterprises. We implemented new inclusive elements of the 2022-2023 QAP in the 2021. Minnesota Housing also has hiring process goals for BIPOCBE/WBE that apply to all projects receiving Agency deferred loan funding, including federal and non-federal sources. The goals are designed to achieve certain outcomes of BIPOCBE/WBE participation at the development and subcontractor level. We support this progress but the Goals are too low!

- o. MICAH strongly supports preserving our existing housing stock: Action: Continue to support the preservation of affordable housing opportunities as a strategy for community investment.
- p. Goal 3: Expand Access to Housing for Persons with Disabilities. This is critical especially since we do not know impacts of Long Term COVID (long haulers) and impact on frail and elderly.
- q. Shortage of resources to make accessibility improvements- MICAH encourages increased funding in this area from ARP funds and provide educational materials at health care settings, so medical professionals can help identify types of accessibility changes that will need to be made to accommodate their patient's issues.
- r. Shortage of resources to transition to independent living settings There is a shortage of workers to help transition to and support independent living, and processes to apply for supports are complex and onerous.- MICAH encourages use of apprenticeships funds in ARP in Dept. of Labor to create livable jobs for people experiencing homelessness, people with disabilities, people who have had correctional connections.
- s. Limited knowledge of fair housing laws and resources A perennial fair housing issue is lack of knowledge. Tenants, landlords, lenders, and borrowers do not always know their rights or responsibilities. In addition, we need to strengthen relationships with other Fair Housing entities and partners. MICAH supports this being a required class in middle and high school. A requirement to pass a fair housing laws test for every landlord. to rent in MN. Violation of Fair Housing Law, should be a fine and loss of license/eligibility to rent property in MN.
- t. In addition, Minnesota Housing may impose up to a -35 point penalty on future HTC development to all parties involved in the ownership and/or management on the development(s) that are in non-compliance. The penalty points will be assessed in four funding rounds (generally two calendar years).MICAH disagrees with this position. Organizations violating Fair Housing Law. should not be able to apply for at least 1 year or until all issues are resolved.
- u. NOAH properties reflect a large stock of homes that are affordable to lower income households and are without subsidy. Redevelopment of NOAH properties is displacing current residents, and is predominantly occurring in the Twin Cities Region. It is estimated that Minnesota is losing 2,000 units every year.. MICAH believes this loss of units is significantly higher than 2000/year.
- v. MICAH recommends the State strongly supports not just Monitor state legislation regarding right of first refusal and opportunity to purchase measures for manufactured home parks (tenant purchase rights) and consider the next steps for Minnesota Housing

related to the preservation of manufactured home parks to address critical infrastructure issues that limit preservation opportunities, or offset/replace opportunities that are no longer available..

- w. MICAH strongly encourage a very coordinated effort with MN Attorney General's Office to legally enforce laws to protect tenants not just Monitor work to define and limit predatory rental practices, including questionable eviction practices and poor conditions of rental units.
- x. Prevention: Please add:
 - Local Homeless Prevention Aid (LHPA) Certified for 2023 The annual appropriation for Local Homeless Prevention Aid is \$20 million. It has two components: I. Population-based aid II. Student data-based aid Law Changes Local Homeless Prevention Aid was created by the 2021 Legislature. 2023 will be the first year it is paid. <https://www.revenue.state.mn.us/sites/default/files/2022-07/2023%20Local%20Homeless%20Prevention%20Aid%20Summary.pdf#:~:text=Summary%20of%20Local%20Homeless%20Prevention%20Aid%20%28LHPA%29%20Certified,will%20be%20the%20first%20year%20it%20is%20paid.>

The State appreciates these comments, support the work and encouragement to do more. MICAH's work on many of the strategies identified to improve access to quality and safe housing are greatly appreciated.

- 25. Monitoring 91.220 and 91.230- MICAH strongly encourages State agencies to monitor to ensure people who have experienced homelessness, housing instability, people with disabilities, people from diverse backgrounds and/or people with income at 0-30% of median income are at every decision making table, hired by State agencies and organizations that are funded.

The State continues to make progress in this space and share lessons learned and best practices between agencies. Some specific examples including MICAH's work on the statewide, justice-oriented strategic plan to prevent and end homeless as well as Minnesota Housing's Capacity Building program where community reviewers and people with lived experiences were compensated for their time and thoughts related to reviewing grant proposals.

The following are additional comments from MICAH's Board President: Gary Kwong Ph.D

P 20 The Council is working in phases to complete the strategic plan focused on achieving housing, racial, and health justice for people facing homelessness. In April – June 2022, the Council contracted with Rainbow Research, a local firm, to lead Phase 1 which was focused on creating an operational definition of housing, racial, and health justice. The Council required Rainbow to hire 10 consultants with lived experience of homelessness to lead the work.

Rainbow and the team of consultants facilitated five workgroup meetings and two community conversations to build the justice definition. In June 2022, the Council committed to the justice definition.

No consideration seems to have been given to the problem of under-housed (limited space/person because of clan or extended family sharing limited space in addition to homelessness.

No mention of Rainbow Research having a racially and ethnically diverse composition of consultants. No mention of where the workgroup meetings were held, and in the two community conversations were there interpreters and a number of various means to recruit a racial and culturally diverse attendance. A definition of “Housing justice” desired outcomes and strategies could have a range of cultural aspects.

In sections dealing with chronic homelessness and/or mental illness and disability there is no information on whether cultural social service agencies were consulted on lack of housing occurring within the cultural group and/or mental health issues are handled. Language and communications with groups such as Rainbow Research are limited by understanding that cultural agencies exist and little interaction across cultural groups.

At the beginning of the process, Rainbow Research hired a diverse group of consultants that brought a diversity of perspectives including age, race/ethnicity, sexual orientation, gender identity, geographic distribution, Veterans, people with disabilities, single adults and families. The hired consultants are members of different races and ethnicities and bring a diversity of perspective. The workgroup and community conversation process was open to anyone who wanted to join the conversations. The opportunity was advertised through the Minnesota Interagency Council on Homelessness weekly webinar, newsletter, and website and encouraged partners to share within their networks. All the meeting materials and information can be reviewed here: <https://mich.mn.gov/justice-strategic-plan>. Utilizing the discussion and input in the workgroups and community conversations, Rainbow Research staff and the hired consultants with lived experience of homelessness developed the definition of housing, racial, and health justice. The next phase of work focuses on developing results and strategies.

P 26 Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

No mention is made in this section of the outreach being made by culturally competent people and in verbal as well as written manner.

As it relates to homeownership, Minnesota Housing has dedicated staffing that work in a culturally competent manner and provide outreach sessions, attend cultural community events and provide trainings to be serve potential homebuyers of all race and ethnicities.

P 29 No mention is made that the groups and councils will be cross culturally and linguistically competent to deal with planning strategies and communications to take into account cultural, language, and educational needs of the homeless and overcrowded.

Depending on the specific workgroup, culturally specific issues and topics are typically a significant part of the discussion especially as it related to specific topics or issues. One example is all the targeted work in the past year MICH, Department of Health and others spent working with providers on COVID-19 vaccinations for people sleeping outside.

P 30 “A NOAH Working Group has been formed as a spin-off of the Interagency Stabilization Group.” No mention if the group is cross cultural, if any of the NOAH properties are evaluated in terms of desegregation, quality of schools public or charter, or employment

This working group was formed in part because of the mass displacement caused the sale and new ownership of large rental properties in the suburbs that often disproportionately impacted Black, Indigenous and People of Color. The group includes city and community planners that are Black, Indigenous and People of Color.

P7 “According to the Census Bureau's estimates in the American Community Survey, 2021, low and moderate income households (those earning less than \$50,000 in 2021) of a race other than white comprise an estimated 21% of the households in Minnesota, and households of Hispanic or Latino ethnicity comprise an estimated 5% of the households in Minnesota. CDBG assisted 1,045 households in FFY 2022. Of that number, 1014 were white, 3 Black/African American, 8 Asian, 5 American Indian/Alaskan Native, 3 American Indian/Alaskan Native & white, 4 Black/African American and white and 8 other multi-racial. Of the total, 24 were Hispanic households. Among CDBG-assisted households, 97% of “households were white, less than 1% Black/African American, less than 1% American Indian/Alaskan Native, less 1% Indian/Alaskan Native & white, less than 1% Black/African American and white and less than 1% other multi-racial. Households with two or more races do not fit into the CAPER table above. “ The small cities are outside of the Twin Cities metro area, however, is there no data in the American Community Survey, 2021 for the number of low an moderate income households in the non-Twin Cities to show the very small (34) number of households in the served in the CDBG SCD which is about 3% is proportionate for the small cities where grants were made? It would seem that 3% outstate is disproportionate to the 21% statewide.

DEED continues to provide outreach and training opportunities to local units of government and administrators of the CDBG program to connect with their communities to promote awareness and participation in this program

I find the use of “BIPOC” unhelpful because it's not clear that all of the groups included are proportionately affected making it unclear how culturally appropriate actions could be taken given literacy, language, and types of communication differences to deal with concerns.

Thank you for this comment and we understand that using this term is not as specific or as helpful depending on how and when it is used. DEED continues to provide outreach and training opportunities to local units of government and administrators of the CDBG program to connect with their communities to promote awareness and participation in this program.

P 36 Homeownership Opportunity Alliance

I cannot tell if the publicity of the one meeting or opportunity included trying to personally talk with those who are of lower literacy and those cannot benefit much from internet social media and printed materials being distributed. Were social service agencies, ethnic organizations such as churches, utilized? Why only 1 meeting?

The materials that are available through this effort are available to any organizations and we appreciate any help to spread the word on the materials. We understand that trusted community partners, such as churches, play a critical role in spreading the news and helping people feel more comfortable in the materials.

P 36 90% of those involved in the pre-home purchase counseling were BIPOC. What was the disaggregated distribution of those participating?

Here are the breakdowns. 1% American Indian (Ojibwe/Anishinaabe-0.11% Other North American Tribe-0.09%, Other Not Listed-0.80%) 2% Asian (Chinese-0.12%, Hmong-0.82%, Other 0.94%), 71% Black/African American (Black American-50%, Black-Other-9%, Ethiopian-2%, Somali-10%) 16% Hispanic/Latinx (Mexican-9%, Other Hispanic/Latix-6%, Puerto Rican-0.5%, Spaniard-0.35%, Cuban: 0.01%)

P 42 Action: Support efforts to review where investments in creation, preservation, and rehabilitation of affordable housing is occurring relative to areas of concentrated poverty and economic opportunity to encourage a full range of housing choices. (For example, helping to keep HousingLink's Low Income Housing Tax Credit development database current to report distributions).

Is the goal to encourage desegregation of affordable housing and decrease concentration?

That specific action is under the goal of addressing discrimination and improving opportunities for mobility.

P 45 While it's good to provide points for business owned by BIPOC, what about a requirement that other companies should have on the job training programs or work with technical colleges to have building trades programs which include BIPOC trainees?

Are points awarded to HRA's and other's seeking grants for having BIPOC and people with disabilities on their staff?

Minnesota Housing also has hiring process goals for BIPOCBE/WBE that apply to all projects receiving Agency deferred loan funding, including federal and non-federal sources. The goals are

designed to achieve certain outcomes of BIPOCBE/WBE participation at the development and subcontractor level.

P 52 Action: Support efforts to maintain and promote the FairHousingMN.org website and online tool to develop Affirmative Fair Housing Marketing Plans and expand education and oversight of AFHMPs in Minnesota Housing's portfolios

No mention is made of The Housing Department having staff from the BIPOC cultures who speak the language of their cultural group and can address the educational limitations and can provide verbal on-line and in-person training on rules and regulations for providers and seekers of assistance and do follow-up.

Minnesota Housing attempts to make its programs and people available in their primary language. Since the agency finances housing and provides grants to other organizations, selecting culturally competent organizations and partners is a consideration of most programs.

P 53 Training sessions were available during the 2022 Working Together Conference and were publicized by Minnesota Housing via email blasts to owners, agents and service providers, as well as having the information displayed and promoted on our website. Minnesota Multi Housing Association and Minnesota NAHRO sent multiple email blasts as well as hard copy mailings. This was the first year we returned to an in person event since the COVID pandemic sent us to a virtual platform.

2022 Working Together Conference sessions included:

1. Happening Now in Fair Housing
2. Happening Now in Fair Housing, Part II
3. Respecting Culture in People's Homes"

Again email blasts assume literacy and respect for the educational range within a culture. High school dropouts, and high school graduates and completely uneducated such as in refugee cultural groups need presenters who can work WITH them. Does the MN Housing and collaborating agencies have such staff?

Minnesota Housing attempts to make its programs and people available in their primary language. Since the agency finances housing and provides grants to other organizations, selecting culturally competent organizations and partners is a significant consideration of most programs.

P 54 No mention of DEED staff working to provide multi-language CD's or speakers to answer phone calls for those who have questions.

DEED conducts outreach, encouraging SCDP administrators and local unit of government to actively reach out to their residents providing interpreters for residents that need additional assistance. DEED also distributes pamphlets in multiple languages and all SCDP forms are accessible on DEED's website. All resources are available with agencies that administer the Small Cities Grant in the State of Minnesota.

P 57 “Another asset of FHPAP is that funds may be used to pay for staff who can support clients and work with landlords to mitigate the housing emergency and prevent loss of housing. “grants to social service agencies to reduce the disconnect because Housing employees may not have the trust of those in non-English literate cultures.

All of the FHPAP grantees have sub-grantees which often are selected by local jurisdiction to help deploy the resources and sometimes in order to better provide culturally-specific activities and services.

P 61 “we reach out to a wide network of councils and coalitions focusing on specific populations, including the Council on Asian Pacific Minnesotans, Central Cultural Chicano, CLUES, Council for Minnesotans of African Heritage, Minnesota Council on Latino Affairs, and the Upper Midwest American Indian Center. “

These councils have few staff and little funding, are they provided funding to provide Housing services

These specific organizations are a critical part but just one aspect of how state agencies work and provide funding to the community.