

State of Minnesota Consolidated Annual Performance and Evaluation Report

Federal Fiscal Year 2026

December 2026

Table of Contents

CR-05 - Goals and Outcomes 3

CR-10 - Racial and ethnic composition of families assisted 9

CR-15 - Resources and Investments 91.520(a) 11

CR-20 - Affordable Housing 91.520(b) 18

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c) 20

CR-30 - Public Housing 91.220(h); 91.320(j) 26

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j) 27

CR-40 - Monitoring 91.220 and 91.230 32

CR-45 - CDBG 91.520(c) 36

CR-50 - HOME 91.520(e) 36

CR-55 - HOPWA 91.520(e) 43

CR-56 – HTF SECTION 44

CR-58 – Section 3 45

CR-60 - ESG 91.520(g) (ESG Recipients only) 49

CR-65 - Persons Assisted 51

CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes 52

CR-75 – Expenditures 52

Public Comments and State Responses 53

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) 2026, Minnesota Housing alone reserved/committed funds to assist over XXX 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 over XXX units of Section 8 housing for which Minnesota Housing administers the housing assistance contract).

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.

DEED's Small Cities Development Program had some challenges in matching certain activity goals set in the 2026 annual action plan. These goals were set based on the proposed 2026 awarded grants. DEED's final five-year plan (2022- 2026) goal is within reach based on the strategic plan to date’s percentage of completed accomplishments per activity. Projects are still being completed even with the continual after effect of the pandemic and grantees' difficulties

with stalled and short construction season, shortage of lead licensed contractors and lead risk assessors, supply chain issues and the skyrocketing cost of available materials.

In addition, DEED is administrating the CDBG-CV program, funded through the Community Development Block Grant (CDBG), to support activities that prevent, prepare for, and respond to the impacts of the coronavirus (COVID-19). Funded activities under the CDBG-CV program include Broadband Infrastructure Improvements, Building and Shelter Retrofitting, Commercial HVAC systems upgrades, and Public Assistance initiatives. The CDBG-CV program has now been fully completed, with all awarded projects successfully closed out. Completed activities included fourteen (14) grants, comprising of eight (8) broadband projects, one (1) combined broadband and commercial project, one (1) combined broadband and shelter retrofit, two (2) shelter retrofit, thirty (30) commercial HVAC systems upgrades and one (1) food pantry assistance project.

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.

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

Goal	Category	Source/Amount made Available	Indicator	Unit of Measure	Expected Program Year 2026	Actual Program Year 2026	Percent Complete
Address Housing Rehabilitation Needs - DEED	Affordable Housing	CDBG: $ 5,664,080	Rental units rehabilitated	Household Housing Unit	44	272	618%
			Homeowner housing rehabilitated	Household Housing Unit	200	241	121%
Increase Affordable Housing Opportunities-Minnesota Housing	Affordable Housing	HOME: $ 9,500,548.50 NHTF: $3,496,035.12	Rental units constructed	Household Housing Unit	90	78	86.67%
			Rental housing rehabilitated	Household Housing Unit	25	0	0%
Support Economic Development and Workforce Needs - DEED	Non-Housing Community Development	CDBG: $1,120,000	Façade treatment/business building rehabilitation	Business	28	59	211%
Facilitate Housing and Service for the Homeless	Homeless	ESG: $782,277	Tenant-based rental assistance/rapid rehousing	Persons Assisted	150	139	93%
			Homeless person Overnight Shelter	Persons Assisted	3,750	599	16%
			Homelessness Prevention	Persons Assisted	70	96	137%
Enhance Special-Needs Housing & Services	Non-Homeless Special Needs	HOPWA: $0	Homelessness Prevention	Persons Assisted	147	111	75.55%
		CDBG: $12,747,751	Public Facility or Infrastructure Activities	Persons Assisted	12,052	3,880	32%

Goal	Category	Source/Amount made Available	Indicator	Unit of Measure	Expected Program Year 2026	Actual Program Year 2026	Percent Complete
Improve Public Facilities and Infrastructure - DEED	Non-Housing Community Development		other than Low/Moderate Income Housing				
			Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Persons Assisted	15,757	5,977	38%

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. No HOME units were completed this year, but 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, Homework Starts with Home, and Housing Infrastructure Bonds. These programs assisted nearly over XXX households in 2025. Minnesota Housing constructed 78 rental units out of the expected goal of 90 and rehabilitated 0 units out of the expected goal of 25. Performance with the anticipated number of housing units produced depends on how timely a project can get to closing, construction, and lease-up, and can take up to several years from selection to complete. A project's completion date can be impacted by various factors, including increased project costs leading to funding gaps and construction delays, among others.

With its federal resources, the state assists the greatest number of people through the Emergency Solutions Grant (ESG). ESG assistance includes 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.

Commercial rehabilitation projects have 59 accomplishments, surpassing the target goal of 28. Owner-occupied housing rehabilitation projects have 241 accomplishments, surpassing the target goal of 200. Rental housing rehabilitation projects have 272 accomplishments, surpassing the target goal of 44. Although some landlords have expressed hesitation to participate in the program due to rent level restrictions, challenges within the rental market, broader economic conditions and the complexities associated with multifamily housing projects, rental housing rehabilitation activities performed exceptionally well. Despite these challenges, the program exceeded its established target, demonstrating strong demand for rental rehabilitation.

The unit of measurement for public facilities projects is based on person assisted for both Low and Moderate Income (LMI) and other than LMI individuals. Public Facility projects accomplishments of 9,857 assisted persons, consisting of 5,977 LMI persons and 3,880 other than LMI individuals. The owner-occupied housing rehabilitation, rental housing rehabilitation and commercial rehabilitation projects have exceeded the goals established in the annual action plan. Overall, the public facility infrastructure projects have exceeded the 5-year Consolidated Plan goals.

The CDBG-CV projects have been fully completed, with all fourteen awarded projects successfully closed out. These include broadband infrastructure improvements, commercial HVAC system upgrades, building retrofits, and public assistance initiatives.

DEED's Minnesota Investment Fund (MIF) reported no accomplishments related to LMI jobs or businesses. Due to the availability of substantial funding from other states funded sources, federal resources were not utilized. With the authorization of the DEED Commissioner, these funds have been reallocated to the Small Cities Development Program.

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)

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

Race/Ethnicity	CDBG	HOME	HOPWA	NHTF
White	805	0	47	15
Black or African American	6	0	39	42
Asian	8	0	0	1
American Indian or American Native	8	0	6	12
Native Hawaiian or Other Pacific Islander	1	0	0	0
More than one race	15	0	19	8
Total	843	0	111	78
Hispanic	42	0	0	4
Not Hispanic	801	0	0	74

Describe the clients assisted (including the racial and/or ethnicity of clients assisted with ESG).

Table 3 – Table of assistance to racial and ethnic populations for ESG

Race/Ethnicity	ESG
American Indian, Alaska Native, or Indigenous	69
Asian or Asian American	10
Black, African American, or African	298
Hispanic/Latina/e/o	25
Middle Eastern or North African	1
Native Hawaiian or Pacific Islander	1
White	268
Multiracial	162
Client doesn’t know	0
Client prefers not to answer	0

Race/Ethnicity	ESG
Data not collected	0
Total	834

Narrative

According to the Census Bureau's estimates in the **American Community Survey, 2025**, low- and moderate-income households (those earning less than $50,000 in 2025) of a race other than white comprise an estimated 26% of the households in Minnesota, and households of Hispanic or Latino ethnicity comprise an estimated 6% of the households in Minnesota.

CDBG assisted 843 households in FFY 2026. Of that number, 805 were white, 6 Black/African American, 8 Asian, 8 American Indian/Alaskan Native, 1 Native Hawaiian/Other Pacific Islander, 3 American Indian/Alaskan Native and White. 1 Asian & White, 2 American Indian/Alaskan Native & Black/African American and 9 other multi-racial. Of the total, 42 were Hispanic households. Among CDBG-assisted households, 95% of households were white, less than 1 % for the rest of the demographics including households with two or more races that do not fit into the CAPER table above.

No HOME units were completed in FY26, so we are unable to provide demographic data for that program at this time. Of the 78 NHTF units completed, 19% of NHTF-assisted households were white, 54% were Black/African American, 1% were Asian, 15% were American Indian or American Native, 0% were Native Hawaiian or Pacific Islander, and 10% were more than one race.

Note that HOME funds historically have been 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 235 clients during this program year with prevention, and rapid rehousing assistance.

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 *2018 Analysis of Impediments to Fair Housing Choice for Minnesota* available at: Analysis of Impediments to Fair Housing Choice.

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

Table 4 – Resources Made Available

Source of Funds	Resources Made Available	Amount Expended During Program Year
CDBG	$ 27,714,811.27	$ 18,834,734.29
HOME	$9,500,548.50	$9,587,360.08
HOPWA	$0	$367,491.42
ESG	$782,277	$755,993
NHTF	$3,496,035.12	$3,948,827.85

Narrative

In addition to the regular CDBG allocation, HUD awarded the State of Minnesota three special allocations of CDBG-CV funds in 2020 to prevent, prepare for, and respond to the coronavirus (COVID-19) pandemic. 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 to prevent, prepare for, and respond to coronavirus. Grant activities have progressed successfully and are now complete, with total CDBG-CV disbursements of $ 34,715,929.17 supporting broadband infrastructure, retrofitting buildings, commercial HVAC system upgrades, and general administration, planning and technical assistance.

Funding provided by HUD to Minnesota for FFY 2025 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. During FFY25, Minnesota Housing swapped funding for two projects from HOME dollars to another source (Treasury Emergency Rental Assistance Grant) to maximize resources and fully spend down both funding sources. HOME dollars were returned to our entitlement account with HUD and will be reassigned for new projects resulting from the 2025 Consolidated RFP Process. This has resulted in HOME expenditures for 2025 looking significantly smaller this year but will likely show a large increase in HOME expenditures for FFY26.

State agencies provide a large amount of assistance other than federal funds for affordable housing. For example, in FFY 2025, Minnesota Housing reserved/committed loans/grants for approximately $1.2 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, $7 million in 2020 and most recently a fourth round of $ 7.9 million) 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

Table 5 – 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

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.

DEED Small Cities Development Program has received and completed its review of the 2026 SCDP full applications. The program will be prepared to announce funding awards as soon as the 2026 federal award from HUD has been fully executed and received.

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

- Jan 2026 - Conference meeting with partnering agencies and stakeholders on public facility infrastructure activities.
- Feb 2026 – ECRDC City/County/Administrators/ED Partners Meeting.

- Apr 2026 – MN Rural Water Association conference on public facility infrastructure programs.
- Apr 2026 - Friends in the Field.
- June 2026 – Economic Development Professional Partners Meeting
- July 2026 - Conference meeting with partnering agencies and stakeholders on public facility infrastructure activities.
- Sept 2026 - SCDP Implementation Training at City of Bemidji, City of Marshall and City of North Mankato.
- Oct 2026 – National Association of Housing and Redevelopment Officials (NAHRO) 2026 Fall Conference

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 Prevention and Rapid Re-Housing 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 $782,277 in non-ESG funds. These funds were awarded through the State Emergency Service Program (ESP) appropriation that fund emergency shelter across the state.

DEED strategically leverages its CDBG housing rehabilitation funds with resources from Minnesota Housing, USDA Rural Development, Greater Minnesota Housing Fund, private lender, and property owner contributions. Each applicant jurisdiction is expected to provide local funding to the greatest extent practicable, based on its financial capability. DEED, in coordination with the Public Facility Authority, USDA Rural Development, and the Department of Health, aligns funding to address and improve public infrastructure, particularly in low- and moderate-income communities. DEED staff estimates that CDBG projects have historically leveraged nonfederal resources in amounts at least equal to the total CDBG investment.

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 7 – 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 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.

Minnesota Housing, DEED, and DHS do not own any land or property that is relevant to use under the federal programs covered by this plan. Consequently, no publicly owned land or property was used to address the needs identified by in the plan.

Table 6 – Fiscal Year Summary - HOME Match Report

Match Category	Amount
1. Excess match from prior Federal fiscal year	$228,129,380
2. Match contributed during current Federal fiscal year	$14,755,290
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	$242,884,670
4. Match liability for current Federal fiscal year	$1,927,937.368
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	$240,956,732.64

Table 7 – 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	09/30/2024	$9,242,677.00	0	0	0	0	0	$9,242,677.00
2	09/30/2024	$5,512,613.00	0	0	0	0	0	$5,512,613.00

Table 8 – Program Income, Program Amount 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
$12,279,258	$2,650,378	$810,000	$0	$14,119,636

Table 9 – Minority Business Enterprises – Number and dollar value of contracts for HOME projects completed during the reporting period

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

Table 10 – Women Business Enterprises – Number and dollar value of contracts for HOME projects completed during the reporting period

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

Table 11 – Minority Owners of Rental Property - Number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

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

Table 12 – Relocation and Real Property Acquisition - Number of parcels acquired and the cost of acquisition

	Number of parcels	Cost of Acquisition
Parcels Acquired	2	$2,390,000
Businesses Displaced	1	0
Nonprofit Organizations Displaced	1	0
Households Temporarily Relocated, not Displaced	0	0

Table 13 – Relocation and Real Property Acquisition - Number of persons displaced and cost of relocation payments

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

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.

Table 14 – Number of Households

	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	115	78
Number of Special-Needs households to be provided affordable housing units	0	0
Total	115	78

Table 15 – Number of Households Supported

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through the Production of New Units	115	78
Number of households supported through Rehab of Existing Units	0	0
Number of households supported through Acquisition of Existing Units	0	0
Total	**115**	**78**

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

The one-year goal of 115 units (Table 11), set out in the state's FY 2026 Action Plan, is stated as the overall goal for rehabilitated and newly constructed rental units funded through HOME and NHTF.

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

As stated in CR-10, Minnesota Housing constructed 78 new rental units compared to the expected goal of 90, which is not unusual given the various factors that may impact a project's completion date. Performance with the anticipated number of housing units produced depends on how timely a project can close on financing, complete construction, and lease-up, and can take up to several years from selection to completion. A project's completion date can be impacted by various factors, including increased project costs leading to funding gaps and construction delays, among others. There are currently 4 HOME projects in the closeout process, to be fully completed in early 2027.

The goal of serving 150 persons with tenant-based rental assistance/rapid rehousing was not met as only 139 persons were served. However, this was an increase of 13 from the previous reporting year. It continues to be challenging to find and maintain affordable housing, especially in greater Minnesotan communities. This results in programs needing to spend more on rental assistance per household which therefore necessitates serving fewer households.

The goal of serving 3,750 persons with Homeless Person Overnight Shelter was not met as only 599 persons were served. This 599 represents individuals served at shelters with state Emergency Services Program (ESP) funds that are being used as eligible match for ESG Prevention/Rapid-Rehousing programs. A Substantial Amendment to our FY2025 Annual Action Plan has been drafted, posted for Citizen Participation, and will be added in IDIS for review. The Substantial Amendment will adjust performance measures moving forward to reflect the new priorities of the program. 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 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.

Table 16 – Number of Households Served

Number of Households Served	CDBG Actual	HOME Actual	NHTF Actual
Extremely Low-income	183	0	78
Low-income	149	0	0

Number of Households Served	CDBG Actual	HOME Actual	NHTF Actual
Moderate-income	167	0	0
Total	499	0	52

Narrative

As reported in IDIS, 97% of beneficiaries of CDBG rehabilitation housing programs in 2026 had incomes at or below 80% of HUD median income. Non-low-mod income participants accounted for the other 3%. The 97% meets HUD's CDBG requirements of 51% of rental units be occupied by LMI participants.

In accordance with program 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. 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 22, 2025. Preliminary data from the 2025 PIT identified 8,489 individuals and people in families experiencing homelessness on a single night in January, an 8% decrease from the 2024 count. Both the number of people experiencing unsheltered homelessness and the number of people in shelter decreased from the 2024 count, by 13% and 6% respectively. Many view the annual Point-In-Time (PIT) count 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 14 Cabinet-level agencies and the chair of the Metropolitan Council, and it is

accountable for leading the State's efforts to move towards housing, health, and racial justice for people experiencing homelessness.

Crossroads to Justice: Minnesota's New Pathways to Housing, Racial and Health Justice for People Facing Homelessness is the State's strategic plan to prevent and end homelessness Building on previous Minnesota strategic plans, it goes further than any previous effort to center the voices and expertise of people with lived expertise and focuses our measures of success not only on reducing the number of people who are experiencing homelessness in the state, but also on reducing the disparity of who experiences homelessness.

The plan was developed in phases over a year and a half long process that was co-led by ten paid Justice Consultants, all people with lived experience of homelessness representing different experiences and different parts of the state. In April – June 2022, the Council contracted with, a third party vendor, to lead Phase 1 creating an operational definition of housing, racial, and health justice. The Council required the third-party vendor to hire 10 consultants with lived experience of homelessness to lead the work. The vendor 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.

In Phase 2, the Council identified a set of bold results to move the state's work to prevent and end homelessness towards justice and developed specific strategies to achieve those results. These three pieces form the framework of the 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 and actions:** The specific, measurable commitments by agencies and interagency teams to achieve the results.

MICH agencies began their implementation of the Crossroads to Justice Plan in early 2024. Fourteen Implementation Consultants with lived experience of homelessness were onboarded in April and assigned agencies to support in May. The Implementation Consultants and the community are at the center of the Plan's implementation structure; their expertise and priorities help shape the work of agency Action Leads, who collaborate within and across their agencies and report their progress in quarterly Results meetings and in written updates to MICH staff. The purpose of the Results meetings is to understand if the strategies and actions we are taking are getting us closer to the results we want to achieve and if any adjustments need to be made. In 2025, agencies approved 19 modifications to the actions to clarify efforts and deepen impact.

In June 2026, MICH announced the next phase of partnership with people with lived expertise: the Lived Experience Consultant Pool. Developed in partnership with people with lived experience of homelessness, the Pool extends the state's commitment to co-leadership in exciting ways. Instead of having to go through a third-party vendor, the pool will allow selected consultants to contract directly with state agencies on defined scopes of work. It will also expand the number of individuals eligible for contract selection. Individual consultants are selected through a competitive Request for Proposal (RFP) process to be at the ready as agency projects come up. When a MICH agency has a specific project they will write up a scope of work detailing the tasks, timeline and budget and engage with individual consultant/s in the pool through a work order contract. Currently, contracts are being finalized with the first pool of consultants.

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 prevention, and rapid re-housing. In addition, 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.

Additionally, DHS implemented a new structure for the RFP and granting process in 2019, with updates in 2023. The RFP process continues to look for new strategies 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.

The largest capital resource authorized by the Legislature to build housing (permanent supportive housing) for people facing homelessness is the Housing Infrastructure program. In 2026, Minnesota Housing received $105 million each year in new authorization for Housing Infrastructure Bonds. This funding was made available for rental housing, single-family development and manufactured home park infrastructure in 2026 Request for Proposal processes. Additional permanent supportive housing resources can be financed with federal low-income housing tax credits through the agency's Consolidated Request for Proposal Process.

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 collaborate on a 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 $5.5 million from two sources: Housing Trust Fund and Family Homeless Prevention and Assistance Program.

In 2025, Minnesota Legislature made an appropriation to the Department of Human Services 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 and match funds were provided to sub-recipients in six CoC regions. ESG funds were provided to programs 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 $6,184,000in state funds each year. In State Fiscal Year 2024, the state provided $22,094,000 in Emergency Services Program (ESP) funding.

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 and other barriers to entry.

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 $2,260,283 in FFY 2025 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. ESG funds were used to provide supportive services as well as prevent and rapidly re-house funds, to households who were at-risk of or experiencing homeless.

Supportive services included case management, transportation, and connections to 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 2025, The Minnesota Legislature provided $28.9 million for the next two-year period and in 2026, an additional $40 million was appropriated. With FHPAP, Minnesota Housing assisted over 14,045 households in 2025 by providing short-term housing and services, primarily to families with children with a median annual income of ~ $12,000.

The state also provides $23.3 million for the biennium in base appropriation funding for the state Housing Trust Fund. In 2025, the program served just over 1,080 households with rental assistance and over 460 rental units with operating subsidies. Many of the individuals served by the program have experienced homelessness.

The 2025 Legislature also provided $10.7 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 580 households in 2025. This program helps people with disabilities live in a more community-based and integrated setting while receiving services. The administrators for this program prioritize individuals leaving segregated settings.

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. Minnesota Housing supports six CoCs in Greater Minnesota with grants ranging from $40,000 to $56,000 each for operating costs.

Local Homeless Prevention Aid from the Department of Revenue 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. Counties must use this aid to fund new or existing family homeless prevention and assistance projects or programs.

In 2025, the Minnesota Legislature appropriated additional resources for statewide rent assistance program modeled after the federal Section 8 Housing Choice Voucher program administered by Housing and Urban Development (HUD). Typically, only 1 in 4 households that qualify for the federal program receive financial assistance. The program received appropriations of $46 million for FY 2026-27 and is also funded by an increase in the metro area sales tax that took effect on October 1, 2023.

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

The 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:

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

Council agencies are implementing 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. All ten of Minnesota's Continuum of Care regions have been certified as having met all the criteria to demonstrate they have effectively 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 28, 2026, 4,795 Veterans have found a home through this coordinated approach, and 157 Veterans remain on the Veterans Registry statewide.

Minnesota also 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

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.

Funding for the Family Homeless Prevention and Assistance program is also used for rapid re-housing to provide rental assistance for people sleeping outside.

The funds are also used for street outreach.

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

Actions taken to address the needs of public housing

In 2026, the Legislature appropriated $17.5 million for the purpose of preserving public housing. The funds provided to Minnesota Housing are used for health and life safety, critical needs, accessibility, and energy efficiency improvements in existing public housing in all 87 counties. The funds will be a part of a Request for Proposal process in 2027. Since 2012, the Legislature has authorized $192 million in resources specifically for the preservation of public housing:

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 2024, these programs served over 3,600 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 (POHP). In the 2026 State Legislative session, Minnesota Housing received an additional $17.5 million to support public housing.

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)

Since 2024, the Legislature evaluated proposals regarding local land use and zoning, but nothing passed. It is anticipated that this will be an issue in the 2027 Legislative session.

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 2024 the Legislature has authorized a total of $200 million in Housing Infrastructure resources.

In addition to Housing Infrastructure resources, in 2025 the Legislature appropriated over $183.9 million for FY 2026-27 to support a wide range of affordable housing programs administered by Minnesota Housing, and an additional $63 million in 2026. More information can be found here.

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

For the 2026-2027 biennium, the Minnesota Legislature appropriated funds to people with some of the greatest housing needs, including: $10.7 million through the Bridges program to provide rent assistance to households experiencing mental illness; $28.9 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 2024, median annual household income for these programs were $12,228, $12,216, and $10,968 respectively.

In addition, the Minnesota Legislature provided $5.5 million in base funding for the Homework Starts with Home initiate to provide rental assistance to families with school age children that are homeless or highly mobile.

In 2025, the Workforce Housing Development program received $4 million in funding which provide development resources for housing in underserved, smaller communities (populations less than 5,000) in Greater Minnesota. This program received an additional $14.3 million in 2026.

In 2025, the Minnesota Legislature appropriated additional resources for statewide rent assistance program modeled after the federal Section 8 Housing Choice Voucher program administered by Housing and Urban Development (HUD). Typically, only 1 in 4 households that qualify for the federal program receive financial assistance. The program received appropriations of $46 million for FY 2026-27 and is also funded by an increase in the metro area sales tax that took effect on October 1, 2023.

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.

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 conducted by a certified risk assessor. All identified lead hazards must be included in the rehabilitation work conducted by a certified renovator trained under the EPA's Renovation, Repair, and Painting (RRP) program, along with appropriately trained workers. A lead-based paint abatement supervisor is required for projects where the total lead related work exceeds $25,000. Grantees must provide all housing occupants with the required lead hazard handouts and pamphlets and obtain owner acknowledgement of receipt. If lead is found through an assessment, all notices required under 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 childcare 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 Department of Human Services and the Office of Economic Opportunity at the Department of Children, Youth, and Families 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 2026, Minnesota Housing allocated over $1.895 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 several 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 RD, DEED, Minnesota National Association of Housing and Redevelopment Officials (NAHRO), 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 can 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.

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 (AI) in 2018 and continue taking actions based on that plan. The goals currently reflected in the AI are 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 development tools and resources; and 5) decrease the loss of housing through displace and eviction. The AI details the consistent and persistent challenges with these goals as well as strategies to help overcome them. The State also spent time identifying how the pandemic impacted the barriers and related strategies including the distribution of over $500 million in emergency rental assistance.

In 2026, the State continued its core work in addressing barriers to fair housing choice, especially as it relates to the Low-Income Housing Tax Credit Qualified Allocation Plan. This includes maintaining points in the RFP process for developers prioritizing large family housing, persons with disabilities, and preservation projects, as well as reviewing the distribution of investments in affordable housing to encourage a full range of housing choices for those in high poverty neighborhoods. We continue to partner with the Homeownership Opportunity Alliance to co-lead an industry wide coalition to expand homeownership for households of color, and we serve as a member of the Twin Cities Section 3 Collaborative to notify currently certified Section 3 Businesses of upcoming contracting opportunities that implement HUD's suggested qualitative efforts.

More specific actions in fair housing undertaken this year include:

- Awarding HousingLink and Northwest Minnesota Foundation a total of $1,160,000 as part of Minnesota Housing's Risk Mitigation Fund. Activities for these grants include reimbursing property owners for damages or other eligible financial losses and linking property owners and renter households to tenant support services. We anticipate that 275 Property Owners will be enrolled and 425 households will be housed through the Fund's 4-year grant term. As of now 21 property owners are enrolled.
- Applying for and receiving over $7 million in FY26 Section 811 funding to develop and provide rental assistance for over 100 units serving persons with disabilities.
- Continuing to allow State Housing Trust Fund applicants to request "time limited" navigation funds which may be used to provide housing search support to eligible recipients who struggle to find housing due to rental barriers.

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, on-site, and/or remote monitoring. Desk monitoring is conducted on an ongoing basis and includes review of startup documents, policies and procedures, environmental review documents, ongoing project activities, disbursement requests, labor standards compliance, annual reports and performance measurements, audits, final reporting, and closeouts reporting. On-Site monitoring or remote monitoring is conducted at least once during the term of the grant agreement. The State determines whether on-site or remote monitoring is appropriate based on a cost and time evaluation. HUD's Personally Identifiable Information (PII) policy has been fully maintained.

Attached in IDIS is the SCDP Internal Monitoring Procedures.

Internal SCDP Monitoring Procedures

All grants will be monitored to ensure that grant activities comply with the following: national objective, eligible activities, grant and financial management requirements, and progress on both activity specific and overall grant goals.

There are three types of monitoring conducted:

1. On-site Monitoring
2. On-going Desk Monitoring
3. Remote Monitoring - Case by case basis

On-site monitoring will be conducted at least once during the grant period. The goal is to monitor each grantee early enough to prevent potential issues, while allowing sufficient time to assess grantee performance and progress. DEED has developed a checklist to guide monitoring in key areas, including grant management, fair housing and equal employment opportunity, Davis Bacon Prevailing Wages Labor Standards, inspections, bidding, and contractor payments. Activities are reviewed to ensure eligibility, compliance with federal objectives, and satisfactory progress within the timeframe specified in the funding agreement. The checklist is used during the site visit, with any concerns or findings documented as applicable. Upon completion of monitoring, staff will record the results in the monitoring spreadsheet.

The following is the onsite monitoring process:

1. Notification of visit: The grantee and administrator will be contacted via email or phone to schedule the monitoring appointment and provided with the monitoring checklist for preparation.
2. Entrance meeting: An on-site (describing the process) will occur between the state, grantee, and administrator.
3. Monitoring review: The State conducts the monitoring using the monitoring checklist, reviewing the specific areas outlined in next section.
4. Exit Meeting: Positive feedback is provided, and any findings or concerns are discussed with the grantee.
5. Report preparation: A cover letter and monitoring report written are drafted and approved by the director before delivery.
6. Notification of results: The cover letter and report are sent to the mayor and administrator.
7. Follow up: Grantees are expected to address and resolve findings within 60 days of the report date, whenever possible.

During the COVID-19 pandemic and Stay Home Order, SCDP staff continued monitoring activities through desk reviews, utilizing available technologies to conduct remote meetings and receive documents electronically. This approach proved to be effective. To accommodate grantees with limited technological capabilities, alternative communication methods such as telephone calls, and US mail were used to exchange necessary monitoring documents. All electronic transmissions adhere to HUD's Personally Identifiable Information (PII) handling policies and procedures. Monitoring of economic development projects followed the same processes established under the State of Minnesota's CDBG competitive program.

The SCDP unit has since incorporated remote monitoring as an option on a case-by-case basis, particularly in response to potential infectious disease outbreaks.

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, 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, with most receiving annual monitoring visits. 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 and NHTF 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 and NHTF-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 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.

Currently, Minnesota Housing uses HOPWA funds to provide only STRMU assistance. Minnesota Housing currently contracts with Clare Housing to implement STRMU programming and follows

applicable provisions of 2 CFR 200 and State of Minnesota statute for subrecipient monitoring under the HOPWA program.

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 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. 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 2025 will be available for public comment for 15 days beginning November 24, 2025, through the close of the business day on December 8, 2025. Minnesota Housing and DHS posted copies of the draft CAPER on their websites, and DEED posted a link to the version on Minnesota Housing's website. Hard copies were available from Minnesota Housing, DEED, and DHS upon request.

Public input into the draft CAPER is considered in preparing the final report to HUD. Public comments are incorporated into the final submission upon close of the comment period.

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, 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. All awarded CDBG-CV projects have been completed.

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

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.

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 Minnesota Housing's HOME funds are allocated to fund rental housing activities, including rehabilitation and new construction.

Minnesota Housing conducted a remote review of administrative records and tenant files for rental properties due to be inspected in 2026 and completed the on-site habitability inspections

or accepted inspections conducted by HUD's Real Estate Assessment Center (REAC). The following table lists the inspection dates and a summary of the results of these reviews.

With respect to Violence Against Women Reauthorization Act of 2013 and the reauthorization in 2022, Minnesota Housing implemented the final rule of VAWA, promulgated in 2016 and effective December 16, 2016, and has incorporated 2022 changes. 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 VAWA). Policies and procedures were put in place to ensure privacy and data security for reporting of VAWA transfer requests and results. For FFY 2025, no transfer requests were received.

Table 17 – Inspection Date Range: 1/1/2026 to 12/31/2026

Property Number	Property Name	City	Total HOME Units	IDIS Number	Compliance End Date	No Longer Monitored Reason	Year onsite physical inspection due	Date of Physical Inspection	Date of File Review	Violation Summary	Compliance Officer
D0489	Yorkdale Townhomes	Edina	22	8933	11/13/2028		2025	REAC scheduled for 9/29/2025	Scheduling in process		Marisa S Myhre
D1194	Jordan Tower II	Red Wing	86	9850	12/10/2039						Sue Morrison
D1886	Northern Oaks (aka Three Rivers Duplexes)	Northfield	8		12/31/2026		2026	8/4/2026	7/30/2026	Two units with physical violations. All were corrected	Jessica Hehling
D1893	Fisher Townhomes	Fisher	10		11/21/2030						Kate Norman
D2391	West Birch Estates	Princeton	8		10/12/2028						Susan Bucko
D2393	Ridgeview Court Townhomes	Paynesville	8		11/1/2028		2026	7/7/2026	7/6/2026	One building physical violation. Corrected	Susan Bucko
D3370	Ebenezer Tower	Minneapolis	43	9344	7/1/2031						Kate Norman
D3468	Como By The Lake	Saint Paul	24	10068	10/22/2033						Kate Norman

Property Number	Property Name	City	Total HOME Units	IDIS Number	Compliance End Date	No Longer Monitored Reason	Year onsite physical inspection due	Date of Physical Inspection	Date of File Review	Violation Summary	Compliance Officer
D3475	Maryland Park	Saint Paul	32	9381	1/5/2026	Compliance obligations successfully fulfilled for full term					Sue Morrison
D3524	Morningside Terrace / Bluff View Flats	Winona	26	9709	4/5/2027		2026	6/5/2026	7/20/2026	3 units with physical violations. All were corrected	Jessica Hehling
D3787	New San Marco Apartments	Duluth	6	4944	6/4/2028						Susan Bucko
D7586	Minneapolis Portfolio Preservation (MP3)	Minneapolis	183	9577	1/21/2027					1 Unit uninhabitable due to casualty loss. Other units are being assessed.	Sue Morrison
D7713	Seward Towers East and West	Minneapolis	122	9710	8/4/2027					11 units with physical violations found. In the process of being of corrected.	Marisa S Myhre

Property Number	Property Name	City	Total HOME Units	IDIS Number	Compliance End Date	No Longer Monitored Reason	Year onsite physical inspection due	Date of Physical Inspection	Date of File Review	Violation Summary	Compliance Officer
D7717	Solace Apartments	Saint Peter	16	9941	12/6/2037		2026	7/9/2026	8/19/2026	One unit with physical violation. All were corrected	Jessica Hehling
D7718	Maplewood Apartments	Saint Peter	24	9711	5/4/2032		2026	8/6/2026	9/29/2026	no violations	Jessica Hehling
D8108	Le Sueur Meadows II	Le Sueur	28	10347	12/28/2042		2026	6/9/2026	7/22/2026	no violations	Jessica Hehling
D8118	North Moorhead Village	Moorhead	26	10354	3/8/2044						Marisa S Myhre
D8121	Dublin Heights	Mankato	26	10197	6/23/2041						Sue Morrison
D8122	White Oak Estates	Baxter	8	10198	6/29/2041						Susan Bucko
D8253	Bridgewell	Cambridge	28	10619	12/19/2044						Susan Bucko
D8118	North Moorhead Village	Moorhead	26		3/8/2044						Marisa S Myhre
D8121	Dublin Heights	Mankato	26		6/23/2041						Sue Morrison

Property Number	Property Name	City	Total HOME Units	IDIS Number	Compliance End Date	No Longer Monitored Reason	Year onsite physical inspection due	Date of Physical Inspection	Date of File Review	Violation Summary	Compliance Officer
D8122	White Oak Estates	Baxter	8		6/29/2041						Susan Bucko
D8253	Bridgewell	Cambridge	28	10619	12/19/2044						Sue Bucko
D8313	Restoring Waters	Saint Paul	16	10497	12/21/2053					2- units out of service due to flood. In the process of being restored to a habitable status	Connie Montgomery
D8389	5240 Apts	Crystal	6		1/23/2045						Kate Norman

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 using 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.

Table 18 – HOPWA Number of Households Served

Number of Households Served Through:	One-Year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	190	111
Tenant-based rental assistance		
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds		

Narrative

The state provided housing assistance to 228 households using 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. The five-year plan projected 190 households be served with HOPWA funds in 2024. 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 15-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.

In 2023, Minnesota Housing put out a Request for Proposals for new Project Sponsors to provide STRMU assistance to eligible individuals and families. This RFP resulted in $188,619 committed to Rainbow Health and $340,000 to Clare Housing in FY22 and FY23 HOPWA entitlement funds. Both project sponsors have established statewide networks to deliver assistance in areas of need throughout Greater Minnesota. The project sponsors' programs have 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.

In July 2024, Rainbow Health Minnesota dissolved. Minnesota's Department of Human Services worked with regional service providers to ensure continued housing stability to all existing households. Minnesota Housing, Rainbow Health, and Clare Housing collaborated to assign Rainbow Health's remaining $111,336 HOPWA funds to Clare Housing, effective January 2026. Clare Housing has leveraged their own network as well as the above-mentioned HIV service providers to continue service to eligible households while expanding service to newly referred households.

Using HOPWA assistance, Rainbow Health and Clare Housing provided (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.

Table 19 - CR-56 HTF Units in HTF activities completed during the period

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	78	0	0	78	0	78
Homebuyer	0	0	0	0	0	0

Narrative

Two NHTF project were completed in FFY 2026: Emerson Village, with 33 HTF assisted units, and Kyle Garden Square, with 45 HTF assisted units. Emerson Village is a 40-unit new construction project in Minneapolis, providing permanent supportive housing to formerly homeless families. Kyle Garden Square is a 59-unit adaptive reuse project in Minneapolis providing permanent supportive housing to formerly homeless.

CR-58 – Section 3

Table 20 – CR-58 Total Labor Hours

	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	64	7	0	0	3
Total Labor Hours	49,925	157,238	0	0	30,049
Total Section 3 Worker Hours	1,185	20,784	0	0	1,147
Total Targeted Section 3 Worker Hours	1,185	10,409	0	0	995

Table 21 – CR-58 Qualitative Efforts – Number of Activities by Program

	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0	1	0	0	1
Outreach efforts to generate job applicants who are Other Funding Targeted Workers	2	5	0	0	3
Direct, on-the-job training (including apprenticeships)	2	7	0	0	3
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training	0	0	0	0	0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching)	0	1	0	0	0
Outreach efforts to identify and secure bids from Section 3 business concerns	2	7	0	0	3
Technical assistance to help Section 3 business concerns understand and bid on contracts	2	4	0	0	2

	CDBG	HOME	ESG	HOPWA	HTF
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns	0	6	0	0	3
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services	2	4	0	0	0
Held one or more job fairs	1	1	0	0	0
Provided or connected residents with supportive services that can provide direct services or referrals	2	1	0	0	0
Provided or connected residents with supportive services that provide one or more of the following" work readiness health screenings, interview clothing, uniforms, test fees, transportation	2	0	0	0	0
Assisted residents with finding childcare	0	0	0	0	0
Assisted residents to apply for, or attend community college or a four year educational institution	0	0	0	0	0
Assisted residents to apply for, or attend vocational/technical training	0	0	0	0	0
Assisted residents to obtain financial literacy training and/or coaching	0	0	0	0	0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns	0	2	0	0	2
Provided or connected residents with training on computer use or online technologies	2	0	0	0	0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses	0	2	0	0	2
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act	0	0	0	0	0

	CDBG	HOME	ESG	HOPWA	HTF
Other	0	0	0	0	0

Narrative

Eleven SCDP grants and one CARES-CV grant reported Section 3 activities. The CARES-CV grant met the benchmark for Targeted Section 3 Worker hours but did not meet the Section 3 Worker hours benchmark. The remaining eleven SCDP public facility infrastructure projects did not meet the benchmark requirements for either Section 3 Worker hours and Targeted Section 3 Worker hours. Despite not meeting these benchmarks, all public facility infrastructure projects completed qualitative efforts to promote and advance Section 3 objectives.

Since Minnesota's ESG funds did not fund housing rehabilitation, housing construction, or other public construction projects, Section 3 is not applicable to Minnesota's ESG-funded projects.

Since Minnesota's HOPWA funds did not fund housing rehabilitation, housing construction, or other public construction projects, Section 3 is not applicable to Minnesota's application of STRMU programming under HOPWA.

During the FY 2026 reporting period, there were eight projects that received over $200,000 in HUD funding from Minnesota Housing under construction. For these projects, there was a combined $21,247,000 in HOME funding and $17,348,849 in NHTF funding awarded, with total HUD funding of $38,595,849, and a combined Total Development Cost, or business opportunity, of $167,020,494.

For the FY 2026 reporting period, Minnesota Housing overall fell short of the Section 3 Worker labor hour benchmark of 25% at 13.17% but exceeded the Targeted Section 3 Worker labor hour benchmark of 5% at 6.60%. Across the seven active projects receiving HOME funds, 13.22% of the total labor hours worked were worked by Section 3 Workers, and 6.62% were worked by Targeted Section 3 Workers. For the three active projects receiving NHTF funds, 3.82% of the total labor hours worked were worked by Section 3 Workers and 3.31% were worked by Targeted Section 3 Workers.

Across the eight active projects, a combined 138 contractors and subcontractors performed work during the reporting period. Out of these, 8 certified Section 3 Businesses performed work.

During the FY 2026 reporting period, Minnesota Housing continued to be a member of the Twin Cities Section 3 Collaborative. Minnesota Housing most notably collaborated with Twin Cities Section 3 Collaborative staff to notify currently certified Section 3 Businesses of upcoming contracting opportunities and to identify and certify more Section 3 Businesses and Workers.

This work resulted in continued improved performance with these benchmarks overall during the FY 2026 reporting period when compared to previous years, most notably for Targeted Section 3 labor hours worked.

Minnesota Housing's other activities during the FY 2026 reporting year consisted of directing general contractors to existing resources to identify existing Section 3 Businesses to outreach to when bidding out a project, providing examples of qualitative efforts that can be used, and working with general contractors and subcontractors to identify and certify Section 3 Workers and Businesses already working on its Section 3 projects. Minnesota Housing also worked on providing more project-specific resources to help general contractors more effectively implement HUD's suggested qualitative efforts. This included forwarding invitations from Goodwill-Easter Seals and the Summit Academy OIC for their hiring fairs and mock interview events to the general contractors for all current Section 3 projects.

During this reporting period, the City of St. Paul, which leads the Twin Cities Section 3 Collaborative, participated in two major annual outreach events to promote Section 3 opportunities and increase awareness of the certification process. In January, staff presented and hosted an information table at the annual Supplier Fair. Through direct engagement with more than 100 attendees, the City of Saint Paul provided information about the Section 3 program and led a workshop for prospective applicants. The workshop focused on certification requirements, application procedures, and pathways to working with government agencies within the construction industry. In April, the City of Saint Paul also presented and hosted an information table at the SABDOC Fair. Staff conducted a workshop and engaged with attendees to discuss Section 3 opportunities, eligibility requirements, and the certification process for workers and businesses. During this reporting period, the City of St. Paul also certified, 33 Section 3 Businesses, 141 Section 3 Workers, and 17 Targeted Section 3 Workers.

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: KGAPBAMK58L3
EIN/TIN Number: 411599130
Identify the Field Office: MINNEAPOLIS
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance:
Minneapolis/Hennepin County CoC

ESG Contact Name

Prefix: Mr
First Name: Eric
Middle Name: D
Last Name: Goetz
Suffix:
Title: Grants Manager

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: 6514219759
Extension:
Fax Number: 6514317309
Email Address: Eric.goetz@state.mn.us

ESG Secondary Contact

Prefix:
First Name: Isaac
Last Name: Wengerd

Suffix:
Title: Agency Policy Specialist
Phone Number: 6514313815
Extension:
Email Address: Isaac.wengerd@state.mn.us

2. Reporting Period—All Recipients Complete

Program Year Start Date: 10/01/2022
Program Year End Date: 09/30/2023

3. 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: 53,000

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: 114,500

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: 158,000

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: 555,000

Subrecipient or Contractor Name: Sanford Health of Northern Minnesota
City: Bemidji
State: MN
Zip Code: 56601-6151
DUNS Number: 036909278
UEI:
Is subrecipient a victim services provider: N
Subrecipient Organization Type: Other Non-Profit Organization
ESG Subgrant or Contract Award Amount: 125,000

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: 201,777

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, beginning in 2021 this section will no longer be completed. An ESG CAPER statewide report with similar data (downloaded from the Sage system) will be an included attachment to the state's overall published CAPER.

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

4. Shelter Utilization

Table 22 – Shelter Capacity

Number of New Units — Rehabbed	0
Number of New Units — Conversion	0
Total Number of bed-nights available	63,875
Total Number of bed-nights provided	52,196
Capacity Utilization	82%

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

SHELTER GOAL

GOAL: 3,750 individuals in households receiving safe, adequate emergency shelter.

OUTCOME: 599. The goal of sheltering 3,750 individuals was not achieved this year. The 599 only represents shelters used with funds used as eligible match for ESG Prevention and R-Housing Programs. ESG funding was not used for shelters in FY2026. A Substantial Amendment was submitted reflecting new outcome measurements specific to only Prevention and Re-Housing Programs moving forward.

PREVENTION/RAPID RE-HOUSING GOALS

GOAL: 150 persons received tenant-based rental assistance/rapid rehousing.

OUTCOME: The goal of 150 persons receiving tenant-based rental assistance/rapid rehousing was not achieved, as 126 households achieved this outcome this year.

GOAL: 70 persons are assisted with homelessness prevention services.

OUTCOME: The goal of 70 persons assisted with homelessness prevention services was achieved as 96 persons were assisted with homelessness prevention services.

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

1. Comment from Resident

State Response:

2. Comment from Resident

State Response: