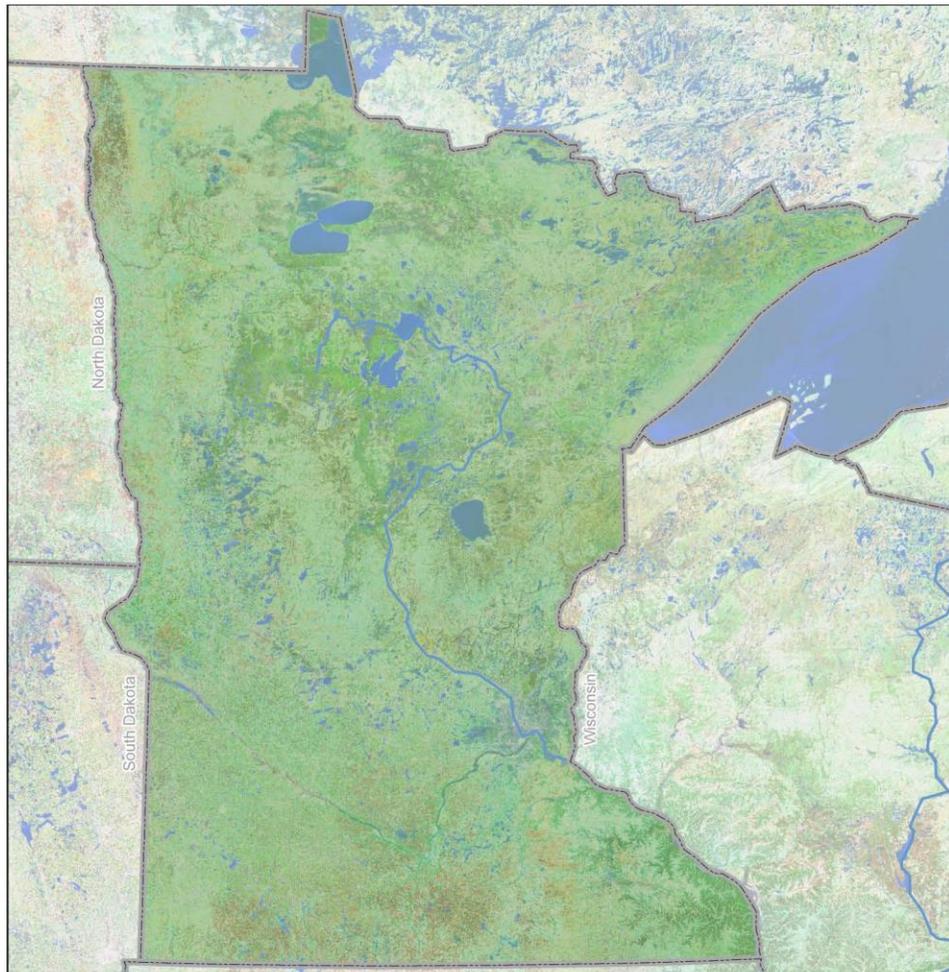


MINNESOTA ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT 2018



FINAL - JUNE 2018

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Since the U.S. Department of Housing and Urban Development (HUD) has required consolidating the planning, application, reporting, and citizen participation processes for the formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), National Housing Trust Fund (NHTF), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The new single-planning process, termed the Consolidated Plan for Housing and Community Development, was intended to more comprehensively fulfill three basic goals: to offer decent housing, to provide a suitable living environment, and to expand economic opportunities. According to HUD, the Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for housing and community development actions. It offers entitlement communities the opportunity to shape these housing and community development programs into effective, coordinated housing and community development strategies. It also allows for strategic planning and citizen participation to occur in a comprehensive context, thereby reducing duplication of effort. As the lead agency for the Consolidated Plan for the State of Minnesota, the Minnesota Department of Employment and Economic Development (DEED), in coordination with the Minnesota Housing Finance Agency (Minnesota Housing), and the Department of Human Services (DHS), hereby follows HUD's guidelines for citizen and community involvement. Furthermore, these agencies are responsible for overseeing these citizen participation requirements, those that accompany the Consolidated Plan and the CDBG, HOME, HOPWA, NHTF, and ESG programs, as well as those that complement the DEED planning processes already at work in the state.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The strategies of the programs administered by the DEED, Minnesota Housing, and DHS are to provide decent housing, a suitable living environment, and expanded economic opportunities for the state's low- and moderate-income residents. The agencies strive to accomplish these strategies by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that will serve the economically disadvantaged residents of the state. By addressing needs and

creating opportunities at the individual and local government levels, the agencies hope to improve the quality of life for all residents of the state. These strategies are further explained as follows:

- Providing decent housing requires helping homeless persons obtain appropriate housing and assisting those at risk of homelessness, preserving the affordable housing stock, increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination, and increasing the supply of supportive housing.
- Providing a suitable living environment entails improving the safety and livability of neighborhoods, increasing access to quality facilities and services, and reducing the isolation of income groups within an area through integration of low-income housing opportunities.
- Expanding economic opportunities involves creating jobs that are accessible to low and moderate income persons, making mortgage financing available for low- and moderate-income persons at reasonable rates, providing access to credit for development activities that promote long-term economic and social viability of the community, and empowering low-income persons to achieve.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The State's evaluation of its past performance has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER). This document states the objectives and outcomes identified in the State's last Plan for 2017-2021 Consolidated Plan and includes an evaluation of past performance through measurable goals and objectives compared to actual performance. The past year Consolidated Plan and CAPER can be found at:

<http://mn.gov/deed/government/financialassistance/community-funding/small-cities.jsp> and
<http://www.mnhousing.gov>

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

As part of the consolidated planning process, the lead agency must consult with a wide variety of organizations in order to gain understanding of the housing and community development stage. This Consolidated Plan represents a collective effort from a broad array of entities in Minnesota including private, non-profit and public organizations, non-entitled communities, county governments, Continuum of Care organizations, and various other state agencies. The public participation process included focus groups, outreach committees, public input sessions, and a Housing and Community Development Needs

Surveys. Public comment narratives will be attached once received as an appendix in Citizens Participation Comments.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

6. Summary of comments or views not accepted and the reasons for not accepting them

7. Summary

The 2018 Action Plan has the following goals. These goals will use HOME, ESG, HOPWA, NHTF and CDBG funds.

- Provide Decent Affordable Housing - DEED

Fund housing rehabilitation activities for low to moderate income homeowner and rental households through CDBG funds, DEED

- Enhance Affordable Housing Opportunities - Minnesota Housing

Fund housing activities for low-to-moderate income households, including rehabilitation and new construction of rental housing using HOME and NHTF funds.

- Promote Economic Development - DEED

Encourage robust economic growth through the development and retention of businesses and jobs throughout the State

- Facilitate Housing and Service for the Homeless - Minnesota Housing and Department of Human Services

Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota

- Provide Funds for Special-Needs Housing and Services - Minnesota Housing

Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS

- Address Public Facility Needs - DEED

Address community needs through improvements to public facilities and streetscape.

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	MINNESOTA	
CDBG Administrator	MINNESOTA	Department of Employment and Economic Development
HOPWA Administrator	MINNESOTA	Minnesota Housing Finance Agency
HOME Administrator	MINNESOTA	Minnesota Housing Finance Agency
ESG Administrator	MINNESOTA	Department of Human Services
HOPWA-C Administrator		
	MINNESOTA	Minnesota Housing Finance Agency

Table 1 – Responsible Agencies

Narrative

Three state agencies administer HUD CPD programs, Minnesota Department of Employment and Economic Development, Minnesota Department of Human Services, and the Minnesota Housing Finance Agency.

Consolidated Plan Public Contact Information

Minnesota Department of Employment and Economic Development is the lead agency and primary point of public contact on the consolidated plan.

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

As part of the consolidated planning process, the lead Agency, DEED, along with Minnesota Housing and DHS, must consult with a wide variety of organizations in order to gain understanding of housing and community development needs.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

This plan, as part of the 2017-2021 Consolidated Plan, represents a collective effort from a broad array of entities in Minnesota, ranging from advocacy groups for the disabled to economic development organizations. Private, nonprofit, and public organizations, including mayors, county supervisors, county commissioners, county managers, planning and development district administrators, councils of government, persons interested in the CDBG program, persons interested in the HOME or National Housing Trust Fund programs, persons associated with Continuum of Care organizations, and the Minnesota Department of Health were contacted through email correspondence, telephone interviews, and face-to-face interactions. These persons were solicited to discuss housing and community development needs in Minnesota, including the ranking of those needs and activities that DEED, Minnesota Housing, and DHS might consider to better address needs throughout the state. Further, individuals were asked to provide additional insight into prospective barriers and constraints regarding housing and community development needs in Minnesota.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The DHS hosts a monthly meeting of all Continuum of Care Coordinators. Also in attendance are staff from various state administered homelessness programs as well as HUD CPD staff. Issues such as accessing HUD Super NOFA funding, the allocation of program resources, development of common assessment tools, performance measurement and HMIS as these issues relate to the CoC's are discussed at these meetings.

Representatives from the Minnesota Interagency Council on Homelessness (MICH) subcommittee on Continuum of Care Planning send representatives to all Continuum of Care regional meetings.

As part of the DHS and Minnesota Housing's participation in the MICH, staff are working with CoCs around the state to implement the State's Heading Home plan, which includes many goals related to the needs of chronic homeless individuals and families, families with children, veterans and unaccompanied youth. These goals include but are not limited to ending veteran homelessness, eliminating transitions to homelessness in youth and adult systems of care, and connecting homeless and highly-mobile families with students to rental assistance and other resources to improve housing stability.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The DHS hosts a monthly meeting of all Continuum of Care Coordinators. Also in attendance are staff from various state administered homelessness programs as well as HUD CPD staff. Issues such as accessing HUD Super NOFA funding, the allocation of program resources, development of common assessment tools, performance measurement and HMIS as these issues relate to the CoC's are discussed at these meetings.

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2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Minnesota Housing
	Agency/Group/Organization Type	Housing Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The state recipient of HOME, NHTF, and HOPWA allocates other housing resources for a range of affordable housing activities, supportive housing through homeownership. The agency coordinates the HUD CPD resources with state funding programs and Low Income Housing Tax Credits.
2	Agency/Group/Organization	USDA-Rural Development
	Agency/Group/Organization Type	Housing Other government - Federal
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Through regional forums, Minnesota Housing and DEED participate with USDA Rural Development and the Greater Minnesota Housing Fund in gathering community inputs on housing needs across the state, particularly in rural communities. In addition, USDA Rural Development local office is often consulted in evaluation of homeownership lending activities to identify and address lending gaps in rural areas.
3	Agency/Group/Organization	Greater MN Housing Fund (GMHF)
	Agency/Group/Organization Type	Housing Regional organization Community Development Financial Institution

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Through regional forums, Minnesota Housing and DEED participate with USDA Rural Development and the Greater Minnesota Housing Fund in gathering community inputs on housing needs across the state, particularly in rural communities. Minnesota Housing partners with GMHF in particular to preserve naturally occurring affordable housing by coordinating with and participating in the NOAH fund.
4	Agency/Group/Organization	MN Community Action Association
	Agency/Group/Organization Type	Housing Services - Housing Services-Education Services-Employment Regional organization
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Throughout the year, the umbrella community action group as well as individual community action agencies to coordinate with CAP programs such as housing construction, rehabilitation and assistance, energy assistance, and financial literacy education. Regular consultations with CAP agencies help state agencies direct resources in ways that are consistent with other CAP programming.
5	Agency/Group/Organization	League of Minnesota Cities
	Agency/Group/Organization Type	Other government - Local Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Regular consultation with the League of Minnesota Cities helps to identify local jurisdictions for further discussions. This year, the following local governments are among consulted to help identify specific local housing needs: Minneapolis, St. Paul, Duluth, Red Wing, Lake City, and Thief River Falls. Discussions with these local jurisdictions help to coordinate resources (federal, state and philanthropic) to meet local needs.</p>
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Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Minnesota Interagency Council on Homelessness	Minnesota has a statewide plan to end homelessness which includes all CoCs in the state. This plan is coordinated by the MICH, in which staff from 11 state agencies participate. The MN Plan to End Homelessness encompasses all of the affordable housing and suitable living environment goals of the Strategic Plan. In addition, DHS and other state agency staff regularly attend local and regional CoC and FHPAP planning meetings to give and receive input to inform the Strategic Plan.
Olmstead Plan	Olmstead Implementation Office	The Olmstead Plan is a broad series of key activities our state must accomplish to ensure people with disabilities are living, learning, working, and enjoying life in the most integrated setting. The Plan will help achieve a better Minnesota for all Minnesotans, because it will help Minnesotans with disabilities have the opportunity, both now and in the future to live close to family and friends, live more independently, and participate in community life.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Affordable Housing Plan	Minnesota Housing	Minnesota Housing is a strategic plan guides an annual affordable housing plan, essentially a work plan for the agency. In 2018, the agency continues to support core activities that include financing affordable rental opportunities, preserving existing housing stock (with a strategic priority to preserve housing with federal project-based rent assistance), and provide housing resources to support community and economic development. In addition, the agency has a strategic priority to prevent and end homelessness. All of these priorities and goals align with the strategic plan as part of the consolidated planning process.
Analysis of Impediments to Fair Housing	Minnesota Housing	An updated state of Minnesota Analysis of Impediments to Fair Housing Choice is in process. The draft AI will be available for public comment along with the Annual Action Plan for 2018 and is expected to be effective through the duration of the Consolidated Plan five year period (through 2021).The goals of the strategic plan informed the development of the AI through identification of affordable rental housing needs and barriers.
Small Cities Grantees	DEED	Gathered input from 60 individuals at training sessions June 4-6, 2018.

Table 3 - Other local / regional / federal planning efforts

Narrative

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The Consolidated Planning process has been designed to enumerate Minnesota's overall strategy for coordinating federal and other housing and community development resources to provide decent housing, establish and maintain a suitable living environment, and expand economic opportunities, particularly for low- and moderate-income persons. Interested groups and individuals have also been encouraged to provide input into all aspects of Minnesota's Consolidated Planning activities, from assessing needs to setting priorities through performance evaluation. The public involvement process was initiated with the Citizen Participation Plan (CPP). The objectives of the CPP are to ensure that the citizens of Minnesota, particularly persons of low- and moderate-income, persons living in slum and blight areas, units of local government, housing agencies, and other interested parties, are provided with the opportunity to participate in the planning process and preparation of the Consolidated Plan, including amendments to the Consolidated Plan and the Annual Performance Report. The CPP is attached in admin tab.

The State has aimed to broaden public participation through numerous opportunities for citizens to contribute information, ideas, and opinions about ways to improve Minnesota's neighborhoods, promote housing affordability and enhance the delivery of public services to local residents. These include a broad-based, statewide survey of interested citizens and stakeholders pertaining to Minnesota's housing and community development needs; meetings with agency representatives and stakeholders during focus group sessions to address rental, homeowner, and homeless needs; and regional forums held across the state to gather input from Minnesota citizens and interested parties. Other steps the State took to encourage widespread participation in the planning process included publishing notices in a variety of media formats, and direct solicitation of stakeholders and their interest groups.

The State of Minnesota continues to be committed to keeping all interested groups and individuals informed of each phase of the Consolidated Planning process and of activities being proposed or undertaken under HUD formula grant programs. DEED, Minnesota Housing, and DHS published the draft Consolidated Plan for public review in a manner that afforded citizens, public agencies, and other interested parties a reasonable opportunity to examine its contents and submit comments. The draft Plan included the amount of assistance the state agencies expect to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income.

The availability of a completed draft Plan, how to access a copy of it, and information on public hearings was published in the state register on January 29, 2018, and emailed by Minnesota Housing and DEED to [xxxx] individual and organization stakeholders. The notices described the purpose of the Plan and directed readers to where the Plan and directions on how to submit comment on needs, the draft action plan, and the CAPER was available. Documentation of this information is included in unique appendices.

DEED presented ideas to its participants during input meetings throughout the state as part of the initial Consolidated Plan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Non-targeted/broad community	Held on Tuesday, February 20 at Rondo Library, in Saint Paul Minnesota. Five attendees participated in conversation.	The bulk of this discussion was on how to more effectively partner with state agencies on these programs and education on how the programs work.	No specific requests for changes were brought forth during this discussion.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Internet Outreach	Non-targeted/broad community	Two written comments were received by the Metropolitan Interfaith Council on Affordable Housing and Three Rivers Community Action.	Many comments were related to programs outside the scope of the Annual Action Plan. Some comments related to HOME included requests for use of HOME funds for tenant based rental subsidies. Several comments pertained to Continuum of Care organizations and the Homeless Management Information System.	No Changes were made as a result of written comments.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
3	Public Meeting	Non-targeted/broad community Residents of Public and Assisted Housing	A regional housing dialogue was conducted in Bemidji on October 26 and included 86 participants including local government, business and civic leaders.			

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The following section describes the annual allocation the State of Minnesota expects to receive for program year 2018 and for the remainder of the Consolidated Plan period 2017-2021.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	18,512,875	867,854	8,673,499	28,054,228	45,000,000	Department of Employment and Economic Development(DEED)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	8,363,982	1,000,000	0	9,363,982	15,000,000	Minnesota Housing(MH)(acquisition, multifamily rental new construction and rehab only)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	198,445	0	0	198,445	700,000	MH(STRMU only)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	2,055,825	0	0	2,055,825	0	MN Dept. of Human Services(DHS)
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	3,445,781	0	0	3,445,781	9,000,000	MH(acquisition, multifamily rental new construction and rehab only)

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The HOME match requirement is met through tenant-based rental assistance from Minnesota Housing's Bridges program, which provides a rent subsidy for up to five years to persons with mental illness until they can obtain a permanent rent subsidy; and the State Housing Trust Fund program. The CDBG match will be a mix of private, local, and state resources such as loans from local banks, weatherization funds, and Minnesota Housing rehabilitation loans. CDBG-Economic Development match is through local initiatives, local banks, and owner equity.

ESG match requirements are met two ways depending on the funded activity. For Emergency Shelter programs, DHS has required its sub-recipients to provide eligible matching funds at the sub-recipient level for each dollar requested in ESG funding. To ensure compliance with the requirement, DHS has required identification of matching funds in all sub-recipient contracts as well as a separate ESG Matching certification form that follows requirements outlined in the ESG Regulations. Because of the diverse nature of local homelessness program funding, it is not possible to summarize at the State level the exact types and amounts of each funding source, but the most common sources of matching funds include state Family Homelessness Prevention and Assistance Funds (FHPAP), state and HUD Transitional Housing Program funds (for scattered-site programs), Minnesota Community Action Grants, Private Foundations and Individual Donations.

For the ESG Prevention and Rapid Re-Housing providers, DHS has chosen to match ESG funding with state-appropriated Emergency Services Program (ESP), which is entirely used to fund emergency shelter (an eligible activity under ESG match regulations) Providers receiving these ESP funds certify they will be used in compliance with the ESG Regulations and are aware they cannot be used to meet any other match requirements.

Minnesota Housing's HOME and NHTF funds will leverage other agency, private, and low income housing tax credit investment. The NHTF funds will be made available through the agency's Consolidated RFP, which consolidates and coordinates multiple housing resources into one application process. Funding partners include the Metropolitan Council, Department and Employment and Economic Development, Family Housing Fund and Greater Minnesota Housing Fund. Financing opportunities that could be leveraged with NHTF funds include several nonfederal sources through the State of Minnesota:

- Amortizing first mortgages through the State of Minnesota's Low and Moderate Income Rental Program
- Deferred loans through State of Minnesota funded Economic Development and Housing Challenge program

- Deferred loans through the State of Minnesota funded Preservation Affordable Rental Investment Fund
- Housing Investment Bonds through the State of Minnesota

One of Minnesota Housing's selection priorities incorporate a project's ability to leverage other resources: efficient use of scarce resources and leverage.

CDBG prior year resources include the 15% set-aside for the federal Minnesota Investment Fund program from the previous allocation, which is \$2,416,860 million. And unspent funds from 2017 CDBG allocation of \$6,256,639, this is due to no state bonding bill which did not allow us to fund Public Facility projects in partnership with Rural Development and Public Facilities Authority. We hope to use these funds in 2018 and 2019 projects.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The State will not use state-owned land to address the needs identified in the plan, though CDBG recipients may use locally-owned land.

Discussion

Should the expected annual allocation be different (more or less) than anticipated during Minnesota's citizen participation process of this plan, the agency's will continue to run their programs as described throughout this plan, and will adjust expected outcomes accordingly.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Decent Affordable housing-DEED	2017	2021		Non-Entitlement	Low-Moderate Income Renter/Owner Situations	CDBG: \$11,397,105	Rental units rehabilitated: 200 Household Housing Unit Homeowner Housing Rehabilitated: 350 Household Housing Unit
2	Enhance Affordable Housing Opportunities-MH	2017	2021	Affordable Housing	Statewide	Low-Moderate Income Renter/Owner Situations	HOME: \$9,363,982 HTF: \$3,445,781	Rental units constructed: 125 Household Housing Unit Rental units rehabilitated: 125 Household Housing Unit
3	Promote Economic Development	2017	2021	Non-Housing Community Development	Non-Entitlement	Economic Opportunities	CDBG: \$3,319,327	Facade treatment/business building rehabilitation: 75 Business
4	Facilitate Housing and Service for the Homeless	2017	2021	Homeless	Statewide	Homelessness	ESG: \$2,060,135	Tenant-based rental assistance / Rapid Rehousing: 381 Households Assisted Homeless Person Overnight Shelter: 10200 Persons Assisted Homelessness Prevention: 91 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Provide Funds for Special-Needs Housing & Services	2017	2021	Non-Homeless Special Needs	Statewide	Human Services	HOPWA: \$172,000	Homelessness Prevention: 180 Persons Assisted
6	Address Public Facility-Infrastructure Needs-DEED	2017	2021	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: \$5,263,022	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 2000 Households Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Provide Decent Affordable housing-DEED
	Goal Description	Rehabilitation of Owner Occupied and Rental Units through SCDP, DEED. Owner Occupied at \$8,447,336 and Rental at \$3,458,519.
2	Goal Name	Enhance Affordable Housing Opportunities-MH
	Goal Description	<i>Fund housing activities for low-to-moderate income renter households, including rehabilitation and new construction. HOME resources will be used to assist rental units for low-to-moderate income households, while National Housing Trust Fund (NHTF) resources will be used to assist rental units for extremely low income households.</i>
3	Goal Name	Promote Economic Development
	Goal Description	<i>Encourage robust economic growth through the development and retention of businesses throughout the State. ED plans on no activity this year with thier 15% allocation. Commercial rehab through SCDP for \$3,319,327 for 75 units.</i>

4	Goal Name	Facilitate Housing and Service for the Homeless
	Goal Description	<i>Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota. For Goal Outcome Indicator #13 (Homeless Person Overnight Shelter) the projected number of persons served includes all programs using ESG and ESG-match funds.</i>
5	Goal Name	Provide Funds for Special-Needs Housing & Services
	Goal Description	<i>Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS</i>
6	Goal Name	Address Public Facility- Infrastructure Needs-DEED
	Goal Description	<i>Address community needs through improvements to public facilities and streetscape.</i>

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The following section describes the allocation priorities for FY 2017.

Funding Allocation Priorities

	Provide Decent Affordable housing-DEED (%)	Enhance Affordable Housing Opportunities-MH (%)	Promote Economic Development (%)	Facilitate Housing and Service for the Homeless (%)	Provide Funds for Special-Needs Housing & Services (%)	Address Public Facility-Infrastructure Needs-DEED (%)	Total (%)
CDBG	60	0	18	0	0	22	100
HOME	0	100	0	0	0	0	100
HOPWA	0	0	0	0	100	0	100
ESG	0	0	0	100	0	0	100
HTF	0	100	0	0	0	0	100

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

Percentages include administration costs. Allocation priorities are based on needs in market study, needs assessment and public input.

CDBG: CDBG spending will be split between affordable housing, economic development and public facilities and infrastructure. These spending priorities have been established through the planning process of 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 the State. Economic Development funds will be utilized to support the Minnesota Investment Fund Program by providing gap financing to businesses creating jobs that benefit LMI workers.

HOPWA: Federal regulations dictate both the geography in which HOPWA funds may be used and the beneficiaries. Because only 15% of persons living with HIV/AIDS live in counties outside the seven-county Twin Cities metropolitan area and most are already housed, preventing homelessness is a more cost-effective approach than housing development or tenant-based rent assistance.

NHTF: National Housing Trust Funds will be directed towards efforts to enhance affordable housing opportunities through new construction and rehabilitation.

HOME: Many federally assisted and naturally affordable housing developments need rehabilitation to preserve their federal rent subsidy or affordability of their units. There is a growing need for affordable rental housing. All of the HOME funds will be directed toward enhancing the affordable housing opportunities for low to moderate income households throughout the State.

ESG: The total funds for ESG will be spent on services and housing, including homelessness prevention and emergency shelter, for homeless households and households at-risk of homelessness in the State.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

For CDBG, the distribution of funds address the high needs of low to moderate income households, economic opportunities, and public facilities.

For HOME and NHTF, the Consolidated Plan ranks the low to moderate income households as a high need. There is a high need for rental and owner rehabilitation. Funds will be targeted to projects that will serve low to moderate income households in the State.

Minnesota uses its HOPWA resources to maintain persons with HIV/AIDS in their current housing by providing emergency assistance because that is the most pressing need identified for this population.

As outlined in the Consolidated Plan, ESG funds will be used to meet the priority needs of providing emergency shelter, prevention and rapid re-housing to persons at-risk of, and experiencing, homelessness.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

Formula grant funds from the CDBG, HOME, NHTF, HOPWA, and ESG programs may be directed to their highest and best use first, within each set of program guidelines, given the funding of all housing and community development programs throughout Minnesota.

Still, the housing and community development needs statewide far exceed the available resources to address them. Therefore, it is necessary to consider needs by type of activity and geography in order to ensure the greatest impact with limited resources. Diversity across the state means that different areas have different housing and community development needs that are best addressed through different types of investment activities. Such activities are guided by selected ranking criteria. Minnesota's experience with these programs shows that these resources are indeed distributed throughout the state. The entire state will be served by NHTF, HOME and ESG funds, and non-entitlement areas will be served by CDBG and HOPWA funds.

As of 1/1/2018, the State has agreed to accept the City of North Mankato back into non-entitlement status by request of the local Minneapolis HUD office. This includes any Program Income and Revolving Loan Fund balances.

Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	DEED:Small Cities Development Program and ED
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>DEED intends to provide SCDP funds in accordance to the following approximate allocations: 30% for Single Purpose and 55% for Comprehensive Applications. The remaining 15% allocation is designated for DEED's federal economic development set-aside. If there is not a need from the unit administering federal economic set-aside funds, these funds will go towards SCDP projects, which would be approved by the Commissioner of DEED. Allocation percentages may be modified by the Commissioner of DEED if it is determined that there is a shortage of fundable applications in any category, as allowed in State Rules. DEED does not distribute funds based on specific geographic area. Applications are competitive in nature. Grants are typically 30 month projects but may longer depending on various factors including but not limited to timing of HUD release of funds and disasters affecting the project area. 20% of fund are allocated towards administration with a maximum of 15% of projects cost to grantees and 5% for state staff.</p> <p>MOD calculation: The State subtracts from the CDBG Award the amount it sets aside for State Administration (\$100,000 + 3% of the CDBG Award (2% for Administration and 1% Administration for Technical Assistance which does not require a state match)) to determine the amount available for CDBG grants. The 1% Administration for Technical Assistance is to support state staff to provide application and technical assistance workshops to grantees. Lastly, added to the current SCDP allocation are funds reverted from grantees who did not spend their total grants awarded to them in previous fiscal years. In addition, grantees must bring forward any program income they have and spend it first before any new CDBG award funds will be released from DEED.</p> <p>In the event of a disaster, the State of Minnesota reverses the right to use funds for any eligible CDBG activity to an eligible grantee. Awarded applicants who have Program Income must expend before any new CDBG funds will be disbursed as per grantees approved Program Income Plan.</p> <p>This year's allocation from HUD was \$18,512,875, admin was subtracted out totalling \$655,386 which equals \$17,857,488 available for grants. \$2,416,860 was assigned to ED. From 2017, ED reverted their allocation of \$2,416,860 to SCDP, plus SCDP had unallocated funds of \$6,256,639</p>
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		<p>from 2017. There were also reverted funds from previous grants which totalled \$2,845,478. This totals available for 2018 grants of \$29,376,446. 2018 grantees will also bring forward \$867,854 in program income. DEED does not intend on allocating all of the 2018 funds in this round.</p> <p>Once the State has determined a total SCDP allocation available for award, it allocates this total to the Comprehensive and Single Purpose grant budget based on the Comprehensive funds which is at 62% and Single Purpose funds which is 38%. Once SCDP determines their grant awards for the year, they determine the percentage of grants awarded for comprehensive projects. If that percentage is less than 55%, SCDP will seek approval from DEED Commissioner for the lesser percentage. DEED allows a maximum of 15% of project cost to administer the grant payable to grantees.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Projects are evaluated based on an assessment of need, impact and capacity of the applicant to complete the project in a timely manner. SCDP Funds: Up to 240 of the points will be awarded based on evaluation of the proposed project to serve low and moderate income persons in relation to housing, alleviate slum and blight in commercial areas, and/or address public facility activities. Up to 180 points will be awarded based on need, impact, and capacity for the proposed project. Need-up to 90 points given for the following: Benefit to low and moderate income persons and are either substandard or pose a threat to the health or safety of the occupants; An inadequate supply of affordable housing for low or moderate income persons; or other documented condition that gives evidence of the need for improvement or additional units to the housing stock serving low and moderate income persons. Impact- up to 90 points given for the following: An evaluation of the extent to which the proposed project will eliminate housing deficiencies or improve public facilities services serving low and moderate income persons. Evaluation of administrative capacity to complete the activity in a timely manner. The application must include applicant’s history in administering SCDP funds and/or other programs similar programs. Prior SCDP performance will be taken into consideration. Cost-Effectiveness- up to 30 points given for the following: An evaluation of the extent to which the proposed project will make cost-effective use of grant funds, funds from other public and private sources. Per household benefit is reasonable. Project benefits existing, rather than future, population, unless growth is beyond applicant’s control. State Demographics-Up to 30 points based on: The number of poverty-persons in the area under the applicant’s jurisdiction. The percentage of persons residing in the area under the applicant’s jurisdiction. The per capita assessed valuation of the area under the jurisdiction of the applicant, such that points are awarded in inverse relationship to the applicant’s per capita assessed valuation.</p> <p>ED: Funds disbursed via the Minnesota Investment Fund to support economic development activities are selected based upon potential job creation and retention, project financial viability and community need factors. In more detail, projects are scored based upon the proposed project’s ability to improve local economic stability, unemployment rate and median income ratios, projected job creation & retention, wage and tax base impact, financial feasibility, and public and private investment ratios.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Selection Criteria for the Minnesota Investment Fund is guided by Minnesota Statutes 116J.8731 which are available on the MN Office of the Revisor of Statutes web page. Application information for Minnesota Investment Fund and CDBG is available on the State of MN Department of Employment and Economic Development’s website, www.mn.gov/deed.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>All funds must be used for economic development related activities undertaken by a Minnesota business. The State allocates the amount available for CDBG grants to three categories based on State Rules. 15% for Economic Development Set-Aside, 55% for SCDP Comprehensive Grants, and 30% for SCDP Single Purpose Grants. The Business Finance Unit administers the Economic Development Set-Aside Grant Program and the Community Assistance Unit administers the Small Cities Development Program. No more than 20% of a CDBG allocation can be spent towards general administration. This includes general administration funds expended by DEED along with funds awarded and expended by grantees.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>The maximum MIF grant size is \$1,000,000 and is determined by financing need, project leverage capacity and number of jobs to be created or retained. The maximum SCDP funds for Single Purpose Application - owner occupied housing rehab and/or rental rehab is \$600,000. The maximum SCDP funds for Comprehensive Application - a combination of at least two interrelated activities; housing, public facility or commercial activity is \$1.4 million. Each activity within the comprehensive application is limited to a maximum of \$600,000 which includes administrative dollars.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Number of LMI jobs created or retained and private leverage achieved. SCDP funds will benefit low and moderate income (LMI) persons/households, low and moderate area (LMA), prevent or eliminate slum and blight conditions and alleviate urgent community development needs caused by condition that pose a serious and immediate threat to the health or welfare of the community.</p>

2	State Program Name:	Minnesota Emergency Solutions Grant Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	Emergency Solutions Grant Program.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	For more detail on criteria, see "AP-30 ESG Methods of Distribution" Attachment under AP-90 Attachments.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Announcement of the Request For Proposals for the ESG program will be distributed to all Department of Human Services - Office of Economic Opportunity funded housing agencies, all Continuum of Care committees, all members of the Minnesota Interagency Council on Homelessness, the Minnesota Coalition for the Homeless, the U.S. Department of Housing and Urban Development local office. The RFP will be posted on the Minnesota Department of Human Services website and published in the State Register.

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>2018 ESG funds will be awarded through a two-year competitive Request For Proposals. Eligible applicants will include non-profit 501 (c) (3) organizations and local units of government. Many of non-profits are community and/or faith based.</p> <p>For more detail, see "AP-30 ESG Methods of Distribution" attachment under AP-90 Attachments.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not Applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The State of Minnesota will use the maximum amount of funding allowable for shelter activities, which in FFY2017 was 60 percent of the State's estimated allocation or \$1,236,081.</p> <p>The State of Minnesota and its sub-recipients will use the maximum allowed amount for ESG Administration. A portion of these funds are shared with sub-recipients to assist in administration of their ESG programs. Additional ESG funds above the allowable shelter and administration limits will be used exclusively for prevention and rapid re-housing activities.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>The State of Minnesota does not have grant limits in awarding ESG funds. However, because DHS attempts to achieve statewide distribution with emergency shelter and re-housing funds, sizes of grant awards may be limited by available funds and the number of requests. There are no threshold factors for funding other than those identified in "AP-30 ESG Methods of Distribution" attachment under AP-90 Attachments, which is limited to the timely and complete submission of application materials by the deadline.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>For the upcoming program year, we anticipate that ESG and ESG-matching funds will be used to provide 10,252 persons experiencing homelessness with adequate emergency shelter and that 472 households who are either at-risk of, or currently experiencing homelessness, will be moved to permanent housing.</p> <p>By funding a continuum of activities with ESG, we address the needs of homeless persons for both crisis and short or medium-term housing, including emergency shelter, prevention (re-housing those at-risk of homelessness) and rapid re-housing (for those already homeless by HUD's definition). We are the only State agency providing funding for emergency shelter activities, which meets a critical needs gap in rural parts of Minnesota.</p>
<p>3 State Program Name:</p>	<p>Minnesota Housing Nation Housing Trust Fund</p>
<p>Funding Sources:</p>	<p>HTF</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Minnesota will not allocate funds to subgrantees for their distribution to owners/developers. Instead, NHTF funds will be distributed directly to owner/developers of affordable housing via Minnesota Housing’s annual Consolidated Request for Proposals. The NHTF funds will be part of a deferred loan pool of resources which are targeted to address specific and critical needs in rental housing markets, including multiple geographic priority areas: areas of opportunity with access to transit, areas with strong job markets or job growth, economic integration areas with higher incomes, and locations with higher performing schools; rural and tribal areas; and areas with active implementation of planned community development efforts . Minnesota Housing retains the option to offer funds on a pipeline basis in the event qualified proposals are insufficient to use the entire HTF grant.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>There are three main components of the RFP review process that are captured in the attached RFP guide</p> <ul style="list-style-type: none"> • Initial Eligibility and Feasibility: Applicants must satisfy project feasibility and organizational capacity requirements to be considered for funding. Once applications are submitted to the agency, they undergo application and eligibility review to determine if they meet the basic eligibility requirements. The applications then undergo feasibility review by staff underwriters, asset managers, supportive housing officers and architects; including detailed analysis of applicant and organization capacity and priority housing need. • Strategic Priorities: Seven strategic priorities reflect the Agency’s policy goals for funding priorities. Every proposal must satisfy at least one strategic priority to be eligible for funding through the RFP. Minnesota Housing gives priority to proposals that best meet the greatest number of strategic priorities. • Selection Priorities: Among proposals that satisfy the Agency’s strategic priorities, the Agency gives priority in awarding funding to those proposals that best meet the greatest number of selection priorities.

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not Applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not Applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not Applicable.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Minnesota Housing will allocate 10% of its grant to program planning and administration costs; up to one-third for operating cost assistance or funding operating cost assistance reserves; the balance of the grant will provide capital funding for new construction or rehabilitation of NHTF units.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>There are no limits on assistance amounts other than those established in NHTF regulations. Rental applications under the Consolidated RFP must meet the threshold requirements specified in the RFP at that time. The project must meet project feasibility and organizational capacity. Application processes and eligibility criteria for the 2017 Consolidated RFP may be found in the attached RFP guide for 2017.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Numbers of rental units rehabilitated and preserved or constructed, or provided operating assistance.</p>

4	State Program Name:	Minnesota Housing-HOME
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	HOME is run as a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating qualified affordable rental housing for the purpose of preserving rental subsidies or the affordability of non federally-assisted housing, or for new construction rental activities. Assistance will generally be in the form of a 0 percent interest rate, 30 year deferred loan due and payable at the end of the term. Minnesota Housing provides the loans directly to the owners. While rehabilitation is a priority for Minnesota Housing, a portion of funds allocated to HARP may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>HOME is administered as a statewide program that provides deferred loans to help cover financing gaps of rehabilitating or acquiring and rehabilitating permanent affordable rental housing with or without long-term, project-based federal subsidies for the purpose of preserving the subsidies or the affordability of housing without federal subsidies, or for new construction rental activities.</p> <p>As with NHTF, described above, HOME funds are primarily provided through the Minnesota Housing Consolidated RFP, which awards assistance from several different sources. Selected applications and developers are evaluated and offered the best matched funding source. If funding is sufficient, the Agency may offer a portion of the HOME funds on a pipeline basis. Projects are evaluated for financial feasibility; developer capacity and fiscal condition are also considered, including a preference for CHDOs. All projects are required to be selected by the Minnesota Housing Board of Directors and obtain approval from the agency's Credit Underwriting committee before loans may be closed.</p> <p>While rental rehabilitation is a priority for Minnesota Housing, a portion of funds allocated to HOME may be redirected to rental new construction, depending on the types of applications received in response to the consolidated RFP and the relative need for new construction or preservation.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not Applicable.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not Applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not Applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Ninety percent of the program funds will be directed towards programs. Up to 10 percent will be used for administration.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>There are no limits on assistance amounts other than those established in HOME regulations.</p> <p>Rental applications under the Consolidated RFP must meet the threshold requirements specified in the RFP at that time. The most recent threshold requirements were that the project had to meet the six factors of project feasibility, and the applicant had to meet the five factors of organizational capacity. Application processes and eligibility criteria for the 2016 Consolidated RFP may be found in the attached RFP guide.</p>						
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Numbers of rental units rehabilitated and preserved or constructed.</p>						
<p>5</p>	<table border="1"> <tr> <td data-bbox="737 1000 1087 1060"> <p>State Program Name:</p> </td> <td data-bbox="1087 1000 1906 1060"> <p>Minnesota Housing-HOPWA</p> </td> </tr> <tr> <td data-bbox="737 1060 1087 1120"> <p>Funding Sources:</p> </td> <td data-bbox="1087 1060 1906 1120"> <p>HOPWA</p> </td> </tr> <tr> <td data-bbox="737 1120 1087 1378"> <p>Describe the state program addressed by the Method of Distribution.</p> </td> <td data-bbox="1087 1120 1906 1378"> <p>Grant funds are currently awarded to the Minnesota AIDS Project (MAP), which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. MAP is the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area, and works in partnership with over 1,000 volunteers in community and outreach efforts. MAP provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with a number of community organizations.</p> </td> </tr> </table>	<p>State Program Name:</p>	<p>Minnesota Housing-HOPWA</p>	<p>Funding Sources:</p>	<p>HOPWA</p>	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Grant funds are currently awarded to the Minnesota AIDS Project (MAP), which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. MAP is the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area, and works in partnership with over 1,000 volunteers in community and outreach efforts. MAP provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with a number of community organizations.</p>
<p>State Program Name:</p>	<p>Minnesota Housing-HOPWA</p>						
<p>Funding Sources:</p>	<p>HOPWA</p>						
<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Grant funds are currently awarded to the Minnesota AIDS Project (MAP), which provides the assistance to low-income persons diagnosed with HIV/AIDS, and their families. MAP is the only HOPWA formula project sponsor in Minnesota outside of the metropolitan area, and works in partnership with over 1,000 volunteers in community and outreach efforts. MAP provides a range of support services for persons with HIV, works to prevent the spread of HIV, and collaborates with a number of community organizations.</p>						

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>With limited funding, renewal of existing grants is a priority.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not Applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not Applicable.</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Following priorities set by the Minnesota HIV Housing Coalition, which acts as an advisory group to make recommendations for HOPWA funding, renewal funding for ongoing programs receive funding priority. There is a separate renewal process for ongoing HOPWA programs. If funds appropriated exceed the amount necessary to continue those programs at comparable levels, or if priorities change to address changing needs, those funds will be made available in the Minnesota Housing Multifamily Consolidated RFP process for application by all eligible sponsors, including eligible grassroots faith-based and other community-based organizations.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>There is only one funding category and all resources are allocated to it.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>With limited funding, renewal of existing grants is a priority.</p>

What are the outcome measures expected as a result of the method of distribution?	Assisted households remain in their homes.
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Discussion:

AP-35 Projects – (Optional)

Introduction:

As allowable in State Consolidated Plan, projects will be entered after the submission of the 2017-2021 Con Plan.

#	Project Name

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

AP-38 Project Summary
Project Summary Information

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State’s Process and Criteria for approving local government revitalization strategies

N/A

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

HOME, NHTF, and ESG funds are available statewide to eligible entities. For these programs, 100% of funds are available statewide.

CDBG and HOPWA funds are available statewide to eligible non-entitlement entities. For these programs, 100% of funds are available to non-entitlement areas.

Geographic Distribution

Target Area	Percentage of Funds
Statewide	100
Non-Entitlement	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

There is no geographic priorities for statewide eligibility to non-entitlements for CDBG. HOME and NHTF funds are available statewide, and also do not have geographic priorities.

For ESG Shelter funding, the application is open to all areas of the state, but priority is given to applications from the balance of state areas (non-ESG entitlement areas). Within ESG entitlement areas, priority is given to those jurisdictions which have chosen to use their ESG resources for emergency shelter but still demonstrate significant unmet need. For ESG Prevention and Rapid Re-Housing funding, funds will only be awarded to applications from non-ESG entitlement areas of the state.

Discussion

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The term affordable housing that is used in 24 CFR 92.252, 92.254, 93.302, and 93.304 includes several elements that are not requirements of ESG, HOPWA and CDBG. Therefore, the only units that receive federal assistance that can be assured of meeting the standard of "affordable housing" and are described here are HOME and NHTF units.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	250
Special-Needs	0
Total	250

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	125
Rehab of Existing Units	125
Acquisition of Existing Units	0
Total	250

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

For NHTF, the goal is to assist construction or rehabilitation of up to 22 units of rental housing and provide up to 12 units with operating subsidies.

Operating subsidies assume providing assistance for up to fifteen years of the thirty year affordability period. The number may be greater if it is found that less than fifteen years of subsidy is necessary, or less if eligible applications are not received and operating funds are not committed to projects.

Minnesota Housing intends to use operating subsidies only with other NHTF units constructed or

rehabilitated.

At an anticipated average per unit capital cost of \$98,000 for supportive housing, Minnesota Housing anticipates completing at least 22 units of housing that is affordable to extremely low income families. Based on Minnesota Housing's experience of providing operating assistance through the State's housing trust fund for supportive housing, Minnesota Housing expects average annual operating cost assistance to be \$2,700, which will provide operating assistance for up to 12 NHTF units for 15 years. For HOME, the goal is to assist construction or rehabilitation of approximately 200 units, with average assistance of \$50,000 per unit.

With HOME and NHTF combined, it is anticipated the state will support development or rehabilitation of 250 units of housing with FY 18 resources.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

The State does not own or manage public housing.

Actions planned during the next year to address the needs to public housing

\$12 million in funding from the proceeds of General Obligation (GO) bonds is available for the preservation and rehabilitation of public housing units. Applicants will apply to Minnesota Housing by December 20 for selection and distribution during FY 2018.

Eligible uses of funds include but are not limited to:

- Rehabilitation of public housing that addresses health and life safety, accessibility, energy and water efficiency, and critical needs.
- Other improvements that add value to a building and are not of a recurring nature. These improvements must have an intended minimum life expectancy of ten years.
- Expenditures of a capital nature such as design, rehabilitation or major remodeling.

Troubled PHAs are not eligible to apply for these funds and the State has no plans to provide other financial assistance to troubled PHAs.

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

The State does not own or manage public housing and, therefore, has no opportunities to access public housing tenants and has no actions planned.

If the PHA is designated as troubled, describe the manner in which financial assistance will be

provided or other assistance

The state does not have a specific plan to provide other financial assistance to troubled PHAs

Discussion:

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

During FY 2018, the State of Minnesota plans on using ESG funds to address homeless needs throughout the State in order to help combat the rate of homelessness in the State. These efforts are coordinated through the Continuum of Care and strives to reduce the amount of homelessness in the State.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

The State of Minnesota provides funding to a number of street outreach, emergency shelters and transitional housing programs across the state with the state and federal funding that has been made available to it. Some of these programs provide outreach to the unsheltered homeless population, but recordkeeping requirements of HUD and other funding sources, as well as limited staffing, make it challenging for most providers to conduct outreach to unsheltered persons. On-site community meals, support services, or community connect events are frequent sources of contact with unsheltered persons and can lead to additional services. The State of Minnesota continues to partner with regional Continuum of Care Committees to develop low-barrier Coordinated Entry systems in all areas of the state which will serve as a focal point for assessing and prioritizing the individual needs of both unsheltered and sheltered persons.

Addressing the emergency shelter and transitional housing needs of homeless persons

Due to the increasingly limited Federal funds available to emergency shelter and transitional housing providers, the State of Minnesota has maximized available resources to support these activities. On a given night, approximately 4,000 persons are staying in emergency shelters in Minnesota and approximately 3,500 persons are staying in transitional housing. The goal for the 2018 year, assuming that no new resources will become available, is to continue to support these capacities at current levels. While emergency shelter is not a stand-alone solution to homelessness, shelter facilities fill a critical safety gap for families in many communities. This is particularly true during harsh Minnesota winters and in communities where extremely low vacancies or difficult rental markets result in many families exhausting all informal housing options during long episodes waiting for permanent housing

In such communities, youth and families in particular struggle to exit homelessness or emergency shelter quickly as poor or minimal rental histories, high rents and rental deposits, low wages and other barriers make it difficult to obtain market-rate housing. Site-based transitional housing can provide an interim option for those unable to obtain their own lease (even with rapid-rehousing assistance). For others, scattered-site transitional or rapid rehousing (funded with ESG and other sources) provides the

rental assistance and supportive services that many individuals and families need to obtain and maintain private rental housing.

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

Emergency Solutions Grant Program funds will be targeted to provide prevention and rehousing assistance and services to families, individuals and youth, many of whom are veterans and some of which are chronically homeless, to move these households from homelessness to housing. By targeting these funds to persons that currently reside in shelters (or who would were not for this assistance), the length of time these households are homeless will be reduced. With the provision of supportive services to the rapid rehousing participants, it is expected that permanent housing retention will be improved.

In addition to efforts with ESG funding, the State provides over \$8.5 million dollars per year in Family Homelessness Prevention and Assistance Program (FHPAP), a funding stream which is dedicated to transitioning homeless persons to stable housing, and preventing persons who are at greatest risk from becoming homeless. The FHPAP program has asked its sub-recipients to develop plans for targeting prevention to those households most likely to actually become literally homeless. Other efforts spearheaded by the State's Office to Prevent and End Homelessness are focused on these populations and goals, including a committee of state and local stakeholders who are developing and piloting a comprehensive homeless youth response system that includes child welfare systems and improves outcomes for homeless youth.

Since the creation of the statewide veteran registry in 2014, the state has housed 1,330 homeless veterans and determined that at least 40 of Minnesota's 87 counties have officially ended homelessness (and have systems in place to address any Veteran at-risk of or experiencing homelessness).

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Discharge planning for persons residing in institutions initially occurs through the services provided by that institution, many of whom are legally required to provide discharge planning to residents leaving their facilities. In addition, the State's 10 Continuum of Care planning groups have developed Plans to

End Homelessness which address coordination with discharge planning processes, including the development Coordinated Entry systems. As a result, local housing providers provide outreach and assessment to persons who may be in need of supportive housing when leaving an institution. Unfortunately many persons leaving these institutions are not initially eligible for HUD-funded programs administered through the Continuum of Care if they were not literally homeless upon entry, or residing in the institution for 90 days or less. In these cases, discharge referrals are made to other types of supportive housing for which the household may qualify.

As noted earlier, in Minnesota the Family Homeless Prevention and Assistance Program (FHPAP) program is funded at over \$8.5 million and a significant amount is used for homelessness prevention activities. These funds are available in all 87 Minnesota counties. These resources, as well as the State's Healthy Transitions for Homelessness Prevention (HTHP) funding and Homeless Youth Act funding all assist unaccompanied youth leaving foster care and young parents to become stably housed and avoid homelessness.

For persons or families receiving assistance from state and county mainstream systems, the state's Office to Prevent and End Homelessness has developed and begun implementing Foundational Service Practices (across state agencies) to improve the effectiveness of outcomes for persons experiencing homelessness. These practices adopted by state agencies and programs include but are not limited to knowing the housing status of the people the program is serving, actively reaching out to people experiencing homelessness, limiting requirements for in-person appointments at a particular location or office, assisting with the process of gathering required verifications or documentation, and allowing for multiple methods to communicate about benefits and services.

Discussion

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	180
Tenant-based rental assistance	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	180

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

The State's programs are heavily weighted toward reducing the financial barriers to affordable housing, but the State recognizes that there are non-financial policy barriers to affordable housing as well. The State does not have control over local land use controls, zoning, permitting, or growth policies; but it can, and does, provide incentives in Minnesota Housing's Consolidated Request for Proposals, which DEED also participates in, to alleviate the barriers to affordable housing those local policies may impose. Actions the State has taken in its Consolidated RFP in the past to reduce regulatory and policy barriers and will likely continue are described below.

Actions it planned 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

Containing the cost of developing affordable housing is a critical issue in Minnesota. In order to address the growing need for affordable housing, Minnesota Housing must build and preserve as many affordable units as possible with limited resources. Costs of land, materials and labor are outside of what Minnesota Housing can control; however, cost containment is a goal at Minnesota Housing. Costs are evaluated for each project and overall costs of production are also monitored and evaluated over time. Part of our award process includes incentives for projects with lower total development costs. At the same time, Minnesota Housing balances cost containment objectives with other policy goals, such as long-term operating costs.

- Here are some additional examples of how Minnesota Housing reduces other barriers through our process.:
- We reduce the barrier of local land use and development policies by prioritizing developments that use land efficiently and minimize the loss of agricultural land and green space,
- We reduce barriers of zoning by prioritizing developments that address the needs of the underserved populations of households of color, single-headed households with minor children, and disabled individuals; developments that are located in opportunity areas.
- We reduce barriers of local application and permit processes by prioritizing developments for which costs are reduced or avoided by regulatory changes, incentives, or waivers by the local governing body, including fast-track permitting and approvals, flexibility in site development standards and zoning requirements, and waiver of permit or impact fees.
- In addition, the State fully supports efforts to reduce NIMBYism, prejudice, and negative attitudes toward affordable and multifamily housing, and will encourage planning decisions by CDBG sub-recipient communities that work to decrease segregation and increase integration of populations. The State will also fully support civic leaders and developers who undertake education in communities statewide. Such education could be targeted, timely, and, in the

context of a possible development, relevant to potentially affected citizens.

Discussion:

AP-85 Other Actions – 91.320(j)

Introduction:

The following sections discuss other actions the state will undertake in FY 2018.

Actions planned to address obstacles to meeting underserved needs

The State has found that the largest obstacle in meeting underserved needs is a lack of funding. The State will continue to fund projects within its scope of funding to serve residents in need in Minnesota and will continue to seek other funding sources to address additional needs in the State.

Actions planned to foster and maintain affordable housing

Minnesota Housing will continue to give preference points in its RFPs to projects for which considerations are given by local units of government to enhance the affordability of the project. However, Minnesota Housing does not require local consent.

The Low Income Housing Tax Credit Program (LIHTC) and additional state deferred financing are available to owners and investors of affordable rental housing for low-income households to help finance development. The State will mitigate the effects of zoning, land use, and impact fee barriers by giving preference points in its selection process to LIHTC projects that rehabilitate existing housing and to new construction projects that use existing sewer and water lines without substantial extensions. Preference points are also awarded for projects for which development-specific assessments or infrastructure costs are donated or waived or that have been approved for reduced setbacks, reduced parking requirements, decreased road widths, flexibility in site development standards and zoning code and other requirements, preservation of affordable housing, WAC/SAC reductions or fast-track permitting and approvals.

Actions planned to reduce lead-based paint hazards

Exposure to lead-based paint is one of the most significant environmental and public health threats posed to homeowners and renters. Housing units built before 1940 are most likely to contain lead-based paint or coatings. Units built between 1960 and 1978 have a lesser risk in comparison to homes built before 1960. Lead was banned for use in household paint in 1978. In some cases, older units may have few if any lead hazards depending on construction methods, past renovation work, and other factors (HUD grants).

The Environmental Health Division of MDH oversees a comprehensive lead program that includes state-wide medical monitoring, health care, elevated blood investigations, compliance assistance, compliance assurance, and environmental remediation of identified lead hazards. The program is largely funded by federal dollars (HUD and EPA), with additional funding provided by the state's general fund. For more

information see: www.health.state.mn.us/lead

It is the policy of Minnesota Housing to comply with the requirements of 24 CFR part 35 when providing federal assistance. It is also the policy of Minnesota Housing that programs funded with other than federal funds will address lead hazards when the program requires the treatment of other health hazards. Where lead identification and reduction are required by this policy, it will generally be conducted in accordance with the standards of 24 CFR part 35, except that lead hazard abatement shall not be required solely on the basis of the amount of assistance provided, and as the standards may otherwise be modified in procedural manuals and guidelines adopted by Minnesota Housing. For buildings that receive both federal and non-federal funds for the same purpose, the agency shall defer to the federal requirements.

Actions planned to reduce the number of poverty-level families

In Minnesota, there is a statewide network of Community Action Agencies (CAAs) and tribal governments with a common purpose: fighting poverty and its effects in Minnesota communities. The goals of these agencies are to better focus available local, state, private, and federal resources to assist low-income individuals and families to acquire useful skills and knowledge, gain access to new opportunities, and achieve economic self-sufficiency. Each agency assesses needs, establishes priorities, determines strategies to respond to local poverty issues, and delivers a broad range of services and activities to strengthen self-reliance.

The specific programs delivered by the CAAs and tribal governments include:

- Energy Assistance: Provides financial assistance toward energy bills for low-income households;
- Weatherization: Offers weatherization of homes of low-income households to reduce heat loss and increase heating efficiency;
- Financial Literacy programming: Includes Family Assets for Independence in Minnesota, a program which matches low-income households' income with state, federal, and private funding for the purpose of buying a home, furthering education, or starting a business. Other forms of financial literacy programming include tax preparation assistance, budget counseling, and general financial education;
- Food Shelves and various nutrition programs: Provides food for households experiencing emergencies through the network of locally run food shelves;
- Head Start: Assists low-income families break the cycle of poverty by improving the health and social competence of children up to age 5 and pregnant women and by promoting economic self-sufficiency for parents;
- Homeless Programs: Provides assistance to households or individuals who are at-risk of being homeless, who are currently homeless, or who were previously homeless and are receiving follow-up services;
- Housing Construction, Rehabilitation, and Assistance: Develops long-term low-income housing,

including the rehabilitation of unoccupied housing and the provision of rental housing assistance.

Actions planned to develop institutional structure

The delivery of affordable housing programs authorized by the federal government and Minnesota state legislature is centralized in Minnesota Housing. DEED is the primary administrator and provider of CDBG funds in non-entitlement areas of the state. Minnesota Housing and DHS share the delivery of supportive housing programs for persons experiencing homelessness. DHS is primarily responsible for the delivery of supportive services for persons with special needs because many persons DHS serves are homeless.

Affordable housing assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit and faith-based organizations, homeowner educators and counselors, and local governments throughout the state. The State relies on these entities to administer a number of affordable and supportive housing programs, to identify housing needs at the local level, and to encourage the development of affordable housing.

Recognizing the need to increase both the accessibility and effectiveness of assistance programs for low- and very low-income people, Minnesota Housing has worked to increase the participation of local nonprofits and other nontraditional lenders in delivering its programs. These nontraditional participants provide a greater opportunity to coordinate the delivery of assistance and to better target funds to people with the greatest need.

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

The State participates in a number of standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services.

For economic development CDBG activities, the state does not have any plans to develop new institutional structures, but will continue to utilize collaborations already in place. DEED partners with

communities, counties, non-profit agencies, the Economic Development Association of Minnesota, Minnesota Bankers Association, and the Council of Development Finance Agencies to ensure that funds are accessible to businesses throughout the state. Working with these partner organizations enables the State of Minnesota to better access underserved communities and address financing needs for local companies throughout the region. Administration of Minnesota Investment Funds dollars is passed through to local government entities with oversight conducted by the state to ensure regulatory compliance.

Actions planned to enhance coordination between public and private housing and social service agencies

The delivery of affordable housing programs authorized by the federal government and Minnesota state legislature is centralized in Minnesota Housing. DEED is the primary administrator and provider of CDBG funds in non-entitlement areas of the state. Minnesota Housing and DHS share the delivery of supportive housing programs for persons experiencing homelessness. DHS is primarily responsible for the delivery of supportive services for persons with special needs because many persons DHS serves are homeless. Coordination between public and private housing and social services primarily occurs at the local or regional level and is supported by the Continuum of Care committees and other regional planning bodies funded, in part, by the State of Minnesota.

Affordable housing assistance in Minnesota depends upon a large network of local lenders, housing authorities, community action agencies, nonprofit and faith-based organizations, homeowner educators and counselors, and local governments throughout the state. The State relies on these entities to administer a number of affordable and supportive housing programs, to identify housing needs at the local level, and to encourage the development of affordable housing.

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Continuum of Care committees and Family Homeless Prevention and Assistance Program advisory committees to provide technical assistance and attend meetings of these groups. The State also hosts the Interagency Stabilization Group as well as the Greater Minnesota Preservation Work Group and the Stewardship Council to ensure coordination of funding resources.

The State participates in a number of standing meetings with representatives from local government, nonprofit, and private providers of housing and homelessness services.

The state does not have plans to provide financial assistance to troubled PHAs. Troubled and other PHAs are invited to participate in the "Working Together" conference to receive training on topics relevant to their operations. Because the state is not a public housing owner, it does not have plans to encourage residents to become more involved in management of public housing or have a specific outreach plan to public housing residents to encourage homeownership. Public housing residents are eligible to apply for homeownership assistance and receive the same outreach as other potential first-time homebuyers.

Discussion:

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

The following includes program specific details for CDBG, HOME, ESG, and the National Housing Trust Fund (the Annual Action Plan now includes the complete NHTF allocation plan).

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	867,854
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	867,854

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

None

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Not applicable because Minnesota will not use HOME for homebuyer assistance.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Not applicable because Minnesota will not use HOME for homebuyer assistance.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

There are no plans for using HOME to refinance existing debt.

Emergency Solutions Grant (ESG) Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

All sub-recipients of ESG funding have been required by DHS to establish written standards for the provision of emergency shelter, homelessness prevention and rapid rehousing assistance to homeless persons. The State will not be developing statewide written standards due to the complex needs and characteristics of the 87 counties in which ESG assistance is provided.

DHS has developed a monitoring tool based on the requirements found in 576.400(e)(3) and is conducting reviews of each sub-recipient's Written Standards during the annual monitoring cycle to ensure that they adequately include the elements broadly outlined in 576.400(e)(3). During the monitoring visit, DHS staff will also ensure that the ESG sub-recipients Written Standards are in

accordance with the local Continuum of Care's plans for Coordinated Assessment.

DHS has provided grantees with any HUD-issued guidance on what should be included in standards written for prevention and rapid re-housing providers (evaluating eligibility, prioritizing assistance, determining type, amount and length of assistance) and will continue to ensure sub-recipients are in compliance with this requirement.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

DHS funds ESG projects in all ten Minnesota CoCs Each Continuum of Care region has fully implemented Coordinated Entry (CE) and is working on refining its CE systems and evaluation. In addition, a statewide policy group was formed to include CE stakeholders including state funders, Continuum of Care Coordinators, and technical assistance providers.

With the recent release of additional CE guidance from HUD, the State's 2018-2019 Plan to Prevent and End Homelessness calls for the formation of a statewide Coordinated Entry body to address CE concerns and conflicts between policymakers and local entities.

The State continues to play an active role in ensuring these systems meet both the requirements and intent of the new HUD regulations. The State will also ensure that ESG sub-recipients are involved in this coordinated assessment to the maximum extent practicable, and that such participation requirements do not unintentionally prevent or discourage the most vulnerable homeless populations from receiving the outreach and emergency shelter they urgently need.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG funds are awarded as part of a funding allocation process that combined the grant with available money from four state-funded programs: the Emergency Services Program (ESP), the Homeless Youth Act (HYA), the Transitional Housing Program (THP) and Safe Harbor Shelter and Housing.

The application process for ESG funding is open to programs from all areas of the state. Priority will be given to shelter applications from the balance of State areas (non-entitlement areas), and funds for homelessness prevention and rapid re-housing activities will only be awarded to balance of state areas who do not receive their own ESG allocation.

The allocation of funding to specific programs is based on the overall quality of responses to the evaluation criteria and in accordance with regional and local priorities, as established by each Continuum of Care (CoC) committee. Eligible organizations include local government, nonprofit, community, and faith-based organizations such as shelters, transitional housing programs, and

emergency service providers.

Requests For Proposals (RFPs) are sent to all current Office of Economic Opportunity homeless programs grantees, all Continuum of Care Committees throughout the state, and all other interested parties who have contacted OEO during the course of the year and expressed interest in the homeless program funding. DHS also publishes the RFP in the State Register and posts the RFP on the DHS website.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The recipient is a State and therefore not required to meet the homeless participation requirement in 24 CFR 576.405. However, all sub-recipients are expected to actively work to consult and involve homeless or formerly homeless individuals in their policy development and program operations and are monitored regularly on this topic. In addition, State staff are incentivizing shelter providers to engage residents and former resident in an examination of shelter rules and policies as a part of a state-funded Request for Proposals (RFP) to lower the barriers to shelter.

5. Describe performance standards for evaluating ESG.

The existing performance standards for ESG were developed in recent years during meetings with CoC representatives from around the state, and reflect the basic purpose of ESG shelter, prevention and rapid re-housing funds to a) keep people safely sheltered, b) re-house persons who are homeless, and c) ensure persons are stably housed at program exit. ESG sub-recipient performance reports are sent to each CoC Coordinator, and include information on these goals and sub-recipient performance. This set of outcomes, as well as specific annual goals for these ESG-funded activities, are included in the Outcomes Measures and Performance Standards section of this Plan.

For the current Action Plan Year, the following performance standards will be used for evaluating each FY2018 ESG-funded activity:

Emergency Shelter:

of individuals in households receiving safe, adequate emergency shelter.

Prevention (Re-Housing)/Rapid Re-Housing;

of individuals in households who are stably re-housed.

of individuals in households who remain stably housed at program exit.

In addition to these performance standards, on-going evaluation of ESG sub-recipient performance occurs through DHS Grantee Assessment Tool (Risk Analysis) and its bi-annual monitoring process.

This monitoring process places a heavy emphasis on program performance and effectiveness as well as ensuring sub-recipients have the technical assistance they need to be successful.

ESG Monitoring is described in more detail in the following attachment uploaded below: ESG Monitoring. The State will continue to share the outcomes of its monitoring visits with Continuum of Care Coordinators when there are relevant performance issues identified, and seek mutual problem-solving and assistance from CoC committees when appropriate.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Eligible entities for NHTF include owners or developers that must satisfy the definition of

recipient in 24 C.F.R. 93.2 and be either:

- A for profit entity,
- A 501(C)(3) non profit entity (including Community Housing Development Organizations, or CHDO),
- A government unit (excluding the federal government), or
- A religious organization.

The owner must provide evidence of a qualifying interest in the property. Such interest must be recorded and appear in the county records. The minimum qualifying interest is 100 percent fee simple interest that may also be subject to a mortgage.

The owners and development team must not be debarred or excluded from receiving federal assistance prior to selection or entering into a Written Agreement or closing the loan.

Applicants and their development team must undergo an evaluation by Minnesota Housing of their capacity and pass Minnesota Housing underwriting before the applicant qualifies as an eligible recipient. Applicants must have demonstrated experience and capacity to conduct and eligible NHTF activity as evidenced by its ability to own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development.

Minnesota Housing underwriting standards require that at least one sponsor must demonstrate acceptable performance (multifamily housing experience) and financial capacity for the scale for the proposed project regardless of guaranty provisions, if any. All loans require a full sponsor credit review for final approval.

Eligible recipients will certify that housing units assisted with the NHTF will comply with NHTF program requirements during the entire period that begins upon selection and ending upon the conclusion of all NHTF funded activities. Recipients must demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity. Recipients must also demonstrate familiarity with requirements of other Federal, State or local housing programs that may be used in conjunction with NHTF funds to ensure compliance with all applicable requirements and regulations of such programs.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The Consolidated RFP provides a comprehensive system to evaluate a project against eligibility criteria, selection priorities, and capacity of developers and owners. Selections are made after careful and thorough consideration of the project.

The RFP application process begins with the announcement of the Consolidated RFP, and includes outreach and technical assistance to interested applicants. Once applications are submitted to the agency, they undergo application and eligibility review to determine if they pass basic application requirements and selection criteria. The applications then undergo feasibility review by staff underwriters, including detailed analysis of applicant and organizational capacity and priority housing needs. Next, all applications are reviewed together in consistency meetings with staff to ensure consistency in evaluation by individual underwriters. When applications pass this level of review, they undergo a second application review for feasibility, including site visits, if applicable. Once applications

are considered feasible, they move on to a selection meeting, which is run through the agency's Mortgage Credit Committee and includes underwriters, managers, and senior leadership. The Mortgage Credit Committee deliberates on feasible applications compared with funding resources available, weighing appropriate uses of those funds and the agency's Strategic Priorities, feasibility, and organizational capacity, and recommends a package of developments for selection. This recommendation is then brought before Minnesota Housing's Board of Directors for final review and approval.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

There are three main components of the RFP review process that are captured in the attached RFP guide.

- **Initial Eligibility and Feasibility:** Applicants must satisfy project feasibility and organizational capacity requirements to be considered for funding. Once applications are submitted to the agency, they undergo application and eligibility review to determine if they meet the basic eligibility requirements. The applications then undergo feasibility review by staff underwriters, including detailed analysis of applicant and organization capacity and priority housing need.
- **Strategic Priorities:** Seven strategic priorities reflect the Agency's policy goals for funding priorities. Every proposal must satisfy at least one strategic priority to be eligible for funding through the RFP. Minnesota Housing gives priority to proposals that best meet the greatest number of strategic priorities.
- **Selection Priorities:** Among proposals that satisfy the Agency's strategic priorities, the Agency gives priority in awarding funding to those proposals that best meet the greatest number of selection priorities.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Minnesota Housing will accept and consider proposals for NHTF from across the state consistent with the states certification to affirmatively further fair housing. The needs of very low income and extremely low income tenants across Minnesota are a high priority in the Consolidated Plan; however, geographic

location of a project may be considered in the context of the project's proximity to certain community features whose presence is a priority for Minnesota Housing.

Of 18 Selection Priorities, six relate specifically to the geographic location of projects, including economic integration areas, workforce housing communities, rural and tribal areas, location efficiency (transit), access to higher performing schools, and community revitalization areas. In sum, these geographic priority areas support a balanced and diverse distribution of resources across the state

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants must be capable of undertaking and completing NHTF funded activities in a timely manner, consistent with regulatory requirements to meet five year expenditure deadlines. Minnesota Housing expects all project funds to be secured within approximately six months of selection, and the project must close within 18 months from the date of selection. This capability is evaluated during the Consolidated RFP process. Capacity of the entire development team is evaluated, taking into consideration experience with similar projects, financial and staff capacity, status of other projects in the team's development pipeline, and other factors relevant to the role of the entity.

As described in the agency's Multifamily RFP Guide, the following factors will be considered in determining whether an organization has demonstrated sufficient organizational capacity:

- The applicant's purpose and mission;
- The applicant's related housing experience;
- Whether the applicant has successfully completed similar projects or is partnering with other organizations that have successfully completed similar projects;
- Whether the applicant has strong current and expected ongoing capacity to complete the proposed housing as well as other proposals being developed by the organization; and
- Whether the applicant has the capacity to maintain the rental housing long term.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Developments that provide fully executed commitments for project based rental assistance (standard or in conjunction with Long Term Homeless units) at the time of application are given selection priority.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

New Construction, rehabilitation, and rehabilitation and acquisition rental projects with NHTF have a required affordability period of thirty years. Additional preference will be given to projects that have commit to affordability for 35 or 40 years. Operating cost assistance reserves may be funded for the amount estimated to be necessary for up to fifteen years from the start of the affordability period.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Minnesota's Consolidated Plan identifies priority housing needs among extremely low income renters for all renter household types. The total unmet need among extremely low income renters in Minnesota was estimated to be 136,332 units in at the time of the Consolidated Plan publication. NHTF resources will be used exclusively to support units affordable to extremely low income renters (at or below 30% of area median income), and will prioritize new construction activities to expand the housing stock for this population.

In addition to helping to meet the substantial unmet need of extremely low income renters, Minnesota Housing has defined the following Strategic and Selection priorities. As described in the previous section,

the Strategic Priority policies describe the main strategic focus and driving policy goals of Minnesota Housing in the current funding round, and will be of primary importance in the evaluation of applications. The Selection Priorities capture other elements that are beneficial to a project. These priorities, described below, are communicated to potential applications through the “Multifamily Request for Proposal Guide.” The Guide is attached in its entirety.

- Access to Fixed Transit
- Greater Minnesota Workforce Housing
- Economic Integration
- Tribal
- Planned Community Development
- Preservation (including federally assisted housing)
- Supportive Housing

Among proposals that best satisfy these Strategic Priorities, Minnesota Housing will give priority in awarding funding to the proposals that best meet the greatest number of selection priorities in effect at the time of the RFP. These are given less weight in evaluation than the Strategic Priorities. Selection

priorities may be found in the “Multifamily Request for Proposal Guide” and are listed below.

- Large Family Housing
- Permanent Supportive Housing for High Priority Homeless
- Consistency with Local Continuum of Care Priorities
- People with Disabilities
- Serves Lowest Income Tenants/Affordable to the Local Workforce
- Rental Assistance
- Long Term Affordability
- Economic Integration
- Access to Higher Performing Schools
- Workforce Housing Communities
- Location Efficiency
- Planned Community Development
- Eventual Tenant Ownership
- QCT/Community Revitalization and Tribal Equivalent Areas
- Rural/Tribal
- Federal, Local, Philanthropic, Employer Contributions
- Minority Owned/Women Owned Business Enterprise
- Preservation
- Financial Readiness to Proceed.
- Greater Minnesota Workforce Housing – Meaningful Employer Contribution
- High Speed Internet
- Universal Design

i. Describe the grantee’s required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Minnesota Housing’s NHTF funds will leverage other agency, private, and low income housing tax credit investment. The NHTF funds will

be made available through the agency's Consolidated RFP, which consolidates and coordinates multiple housing resources into one application process. Funding partners include the Metropolitan Council, Department and Employment and Economic Development, Family Housing Fund and Greater Minnesota Housing Fund. Financing opportunities that could be leveraged with NHTF funds include several nonfederal sources through the State of Minnesota:

- Amortizing first mortgages through the State of Minnesota's Low and Moderate Income Rental Program
- Deferred loans through State of Minnesota funded Economic Development and Housing Challenge program
- Deferred loans through the State of Minnesota funded Preservation Affordable Rental Investment Fund
- Housing Investment Bonds through the State of Minnesota

Two of the agency's selection priorities incorporate a projects ability to leverage other resources. These include federal, local, philanthropic, and employer contributions; and financial readiness to proceed.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.

Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

Minnesota will establish the maximum per unit development subsidy at the same level as per unit cost thresholds established the cost containment methodology associated with the State’s Low Income Housing Tax Credit Qualified Allocation Plan (QAP). The thresholds, based upon total actual development costs for developments funded by Minnesota Housing since 2002, are adjusted for number of bedrooms and geographic location of the project. Despite the per unit subsidy limits, subsidies may be further limited on individual projects based on the result of subsidy layering reviews and the financing needs of the project.

Per unit subsidy limits are set forth in the table attached, but are subject to change whenever a new QAP is adopted or modified. Adjustments are made in response to cost trends. Any changes will continue to be reasonable, based on actual costs, and adjusted for the number of bedrooms and geographic location of the program.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee’s description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

All NHTF units must comply with Minnesota Housing's Multifamily Rental Housing Design/Construction Standards, including Chapter 9, Design, Construction, and Property Standards for Federally Funded Projects. These standards are attached. Chapter 9 provides federal program requirements, while projects must achieve all requirements detailed in the guide.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

Minnesota Housing does not limit to segments of the NHTF eligible population. Minnesota Housing makes an effort to integrate units targeted to households experiencing homelessness or those at risk of homelessness across a variety of developments. In the appropriate situation, Minnesota Housing may utilize NHTF funds in units that are targeted to High Priority Homeless households or whose eligibility is limited to High Priority Homeless households. In the interest of furthering economic integration, High Priority Homeless units typically make up a small number of units in each development.

12. Refinancing of Existing Debt. Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

Minnesota Housing will not use NHTF to refinance existing debt.

Discussion:

The above attached "MHFA RFP Guide 2017" pertains to details in selection criteria for both the HOME and NHTF programs.

Attachments

Citizen Participation Comments

Minnesota 2018 Action Plan and Substantial Amendment Comments and State Agency Responses

Written Public Comments were received by:

- Metropolitan Interfaith Council on Affordable Housing
- Three Rivers Community Action

Metropolitan Interfaith Council on Affordable Housing

1. Pages 49-50 Affordable Housing. Goal is for 200 households to be served the narrative appears to identify 172 units will be provide. Please explain the difference.

The narrative provides estimates by program, the total production will be differ based on whether operating subsidy is utilized with the National Housing Trust Fund, which allows up to 1/3 of the grant to be used that way. Using operating subsidy would reduce the number of households served overall.

2. We are pleased the State is using its new strategic homeless plan that focuses on the entire population experiencing homelessness, not just on long term homeless. We need to prevent people from becoming long term homes by having a fully functioning Continuum to Housing including Prevention, Outreach, Shelter, Transitional Housing, Supportive and Affordable Housing.

Thank you for your comment.

3. Page 58 Actions to Reduce Lead Based Paint Hazards. We are very pleased to see you including this in the 2018 plan. Currently according to MDH at least 700 children (disproportionately children of color) are poisoned by lead each year in Minnesota. 359,000 occupied renter households were built before 1978 which have potential lead poisoning hazards. It costs \$1500-\$2,000/unit every 5 years to make it lead safe. It costs \$100,000/child/year who becomes disabled by lead. Goal to make all housing lead safe by 2020. HF 491. SF 350 are bills being heard in 2018 Legislative Session.

Thank you for your comment.

4. Page 61.Coordination between public and private housing and social services. Currently, DHS spends millions of homeless service dollars per year on people who were long term homeless in supportive housing for people not required to utilize the services or meet any goals. With the limited resources we have, it is imperative to do a better job of coordinating of services available in the community with our housing opportunities. We encourage the State to utilize Medicaid funding, PCAs and ILS staff (not homeless service dollars) to provide services to people in supportive housing.

Thank you for your comment. The State shares this desire to increase the number of providers who are able to utilize Medicaid and other non-homeless funding streams to provide these types of billable supportive services in housing. The Medicaid and Housing Support Services Group has been developing proposals for DHS Leadership and providing recommendations for technical assistance in this area.

5. Page 65 We are concerned about data privacy of people experiencing homelessness, HMIS, coordinated entry and other homeless regulations which may be barriers for people accessing homeless services. We were pleased to see you identify this as a concern too!
 - a. We continue to be very concerned that HMIS costs are more than what the State appropriates for Shelter in a year The State appropriates \$125,000, MHFA out of its own resources provided \$225,000 with other State Agencies also funding HMIS How much? (Current State appropriations for Day Shelters and Emergency Shelters annually is \$500,000, page 21.) Is data more important than sheltering people? MICAH continues to be very concerned about the cost of funding HMIS and requests an audit of all costs of HMIS- by each State agency, staff time, resources in systems, and provider staff time and costs for systems.

HMIS is required by HUD for multiple funding streams the State receives, including ESG. DHS has chosen to use a small portion of the ESG funding. Because of this, the State has chosen to use approximately 3 percent (\$75,000) of the ESG funds to support the administration of this required information system. Additionally, since the State has already committed the maximum amount to shelter that is allowable under ESG regulations, these funds are not impacting the amount available for emergency shelter. DHS continues to make every effort to contain the costs of HMIS, while maximizing the value of the system for both sub-recipients and DHS.

The Annual Actin Plan public comment process is not intended to be a vehicle for audit requests of State funding for a particular activity. Any further information on state use of HMIS funds would need to be submitted through the State's public data request process.

6. Page 66. 24 CFR 576.405 Please identify in your 2018 CAPER your monitoring results of which sub-recipients were in compliance and which were not in compliance. Were people experiencing homelessness on their Board of Directors? Staff? Advisory Council? Which CoCs have people experiencing homelessness as decision makers in the CoC process.

It is unclear the scope of compliance that the commenter is referring when using the term "In Compliance." If the request is in regard to sub-recipients compliance with 24 CFR 576.405(a) Homeless Participation, the regulatory language in part (a) indicates that State recipients (and their sub-recipients) are not required to provide homeless or formerly homeless recipients on their board of directors or equivalent policy making entity.

However, as part of its routine monitoring DHS does address and strongly encourage the participation of homeless and formerly homeless persons in sub-recipient decision and policy making as a best practice, and is committed to increasing the participation of persons experiencing homelessness in all aspects of homelessness policy.

7. Substantial Amendment 2017-2021 Plan. We have concerns that more and more of our resources for extremely low income people are being targeted toward supportive housing. Our concern is we are potentially creating a scenario that the only way low income people will be able to get into

housing is through supportive housing- a model much more expensive than an affordable housing opportunity using the services people need in the community. If you move forward with this substantial amendment, we request that the CAPER each year clearly identifies the number of units by specific population inn the Low-Moderate Income Renter Households.

Minnesota Housing will report on these populations beginning with the 2018 CAPER, as required when identifying priority populations.

8. We continue to encourage a small portion of HOME Funds to be used for Tenant Based Rent Subsidies.

Minnesota Housing utilizes HOME funds based on high priority needs found through the consolidated plan, and use this limited fund to expand and preserve rental housing to help with the severe shortage of housing.

9. We have significant concerns about the State's Impediments to Fair Housing Choice goals- see comments on the A.I.. Fair Housing is the Law and Actions need to be taken to enforce the law and require all funded entities to be in full compliance.

The State agencies will review and respond to the comments on the A.I.

10. We strongly encourage people impacted by homelessness, faith community and other advocates provides input into the MN Interagency Council on Homelessness Plans on at least quarterly basis.

Thank you for the comment. The Annual Action Plan does not include activities of the Minnesota Interagency Council on Homelessness.

Three Rivers Community Action

Overall, our CoC believes that the balance of needs for housing and community development in the region is reflected well in the Action Plan, and we appreciate the effort to do that.

p.6 Regarding the description of consultation with Continuums of Care: We believe this section does not adequately address the question of consulting with CoCs to determine ESG fund allocation, develop performance standards, or evaluate outcomes. The discussions at the monthly meeting hosted at DHS is cursory at best related to these topics, and specific action is needed to fully implement this requirement. We recommend that this section more accurately and specifically address current practice and that a more detailed action plan be developed to truly meet the spirit of this requirement.

Thank you for the comment. The State remains committed to consulting with Minnesota's 10 Continuum of Care regions (covering 87 counties) to the maximum extent practicable, and describing these efforts accurately in the Annual Action Plan. Additional information on consultation is reported under the ESG-specific requirements on pages 64-66.

There is great diversity in ESG programming and communities across the State, and the current CAPER report in HMIS primarily provides demographic and destination information at exit. However, DHS staff

actively participate in the joint State-CoC Outcomes committee, have developed a core report for all HMIS programs, and are in the process of identifying impact of State programs on HUD system performance measures through HMIS reporting.

From: Jennifer Prins [<mailto:jprins@threeriverscap.org>]
Sent: Friday, March 02, 2018 4:16 PM
To: MN_MHFA MN Housing, . (MHFA) <MN.Housing@state.mn.us>
Subject: AI/AAP

Hello –

Thank you for the opportunity to submit comments on the Draft Analysis of Impediments to Fair Housing and the 2018 Draft Annual Action Plan. I am submitting these comments on behalf of the River Valleys Continuum of Care (Rochester/Southeast Minnesota CoC , MN -502). The CoC greatly appreciates being advised of the drafts and has compiled a couple key comments regarding the AI and Action Plan.

Analysis of Impediments:

Regarding the Demographic Analysis, we are concerned that the characterization of the state’s racial and ethnic diversity being “predominantly in the Twin Cities” may result in disinvestment in smaller communities where investment and action is needed. For example, many of the greater Minnesota counties identified as areas of concern for gaps in mortgage lending are those where rapid racial and ethnic change has occurred. Proportionally, these communities may be at least as diverse as the Twin Cities, even though total numbers are lower.

Regarding the goals of the plan, we strongly affirm the need for education, outreach, tools, and resources to address limited knowledge of (and compliance with) fair housing laws. We are concerned, however, that the Action Items derived from these goals are not sufficient to address the challenge. Action Items 1.e. and 4.a., for example, need to employ stronger language than “monitor” and “provide educational materials” to truly meet the goal named and affect change in communities in our CoC region. As providers serving households who are experiencing homelessness or at risk of homelessness, we see firsthand the impact of “crime free” housing ordinances that disrupt lives of non-offenders. We also consistently see tenant selection practices that prevent very vulnerable households with barriers from accessing housing, stabilizing their lives, and becoming the productive and active community member they desire to be. This is not new knowledge. We highly recommend that this section be reconsidered to focus on action as much as on evaluation and education, and our CoC is happy to support tool development, response protocols, and outreach efforts in our region.

Annual Action Plan

Overall, our CoC believes that the balance of needs for housing and community development in the region is reflected well in the Action Plan, and we appreciate the effort to do that.

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Thank you for the opportunity to provide comment. We see the State as a valuable partner in meeting community needs, especially where it works to prevent and end homelessness through the programs referenced in these draft documents. If there is any way that our CoC membership can be of help to implement the actions proposed, please contact me and I will bring it to our CoC board and/or membership.

Best –

Jennifer

Jennifer Prins, MURP

Planning Director/Continuum of Care Coordinator

Three Rivers Community Action

1414 North Star Drive, Zumbrota, MN 55992

Direct: 507-732-8577 | jprins@threeriverscap.org

Three Rivers Community Action works with community partners to provide warmth, transportation, food, housing, advocacy, and education to individuals and families. For more information on how you can help, visit our website at www.threeriverscap.org.

River Valleys Continuum of Care is a community-based coalition dedicated to preventing and ending homelessness in southeastern and south central Minnesota by coordinating services and maximizing resources. Find more information at www.threeriverscap.org/continuum-of-care.



March 2, 2018

Our faith commands us to love others as ourselves, to be a welcoming community for all and to ensure the people impacted by the housing crisis and/or homelessness are decision makers at every level to ensure their needs are met.

MICAHA's Mission is: Every one, without exception, has a decent, safe, accessible and affordable home.

Thank you for the opportunity to comment on Minnesota's Consolidated Annual Action Plan 2018 and Substantial Amendment for 2017-2021

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9. We have significant concerns about the State's Impediments to Fair Housing Choice goals- see comments on the A.I.. Fair Housing is the Law and Actions need to be taken to enforce the law and require all funded entities to be in full compliance.

10. We strongly encourage people impacted by homelessness, faith community and other advocates provides input into the MN Interagency Council on Homelessness Plans on at least quarterly basis.

Thank you again for the opportunity to comment on the Minnesota Annual Action Plan for Housing and Community Development 2018 and the Substantial Amendment 2017-2021

Sincerely,
Sue Watlov Phillips
Sue Watlov Phillips, M.A.
Executive Director, MICAH

Grantee Unique Appendices

UNIQUE APPENDICES

STATE OF MINNESOTA

Department of Employment and Economic Development (DEED)

Minnesota Housing Finance Agency

Minnesota Department of Human Services (DHS)

NOTICE OF PUBLIC HEARING AND DRAFT AVAILABILITY

STATE OF MINNESOTA 2018 HOUSING AND COMMUNITY DEVELOPMENT
ANNUAL ACTION PLAN (ACTION PLAN), SUBSTANTIAL AMENDMENT TO THE
2017-2021 CONSOLIDATE PLAN, AND ANALYSIS OF IMPEDIMENTS TO FAIR
HOUSING

The State of Minnesota is developing its annual Action Plan for 2018 which includes a substantial amendment to the 2017-2021 Consolidated Plan, as well as an Analysis of Impediments to Fair Housing, and encourages citizens to participate in their development.

Annually the State submits an Action Plan to the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing and community development funding via the Community Development Block Grant run by DEED; HOME Investment Partnerships, Housing Opportunities for Persons with AIDS programs, and the National Housing Trust Fund (NHTF) run by Minnesota Housing; and the Emergency Solutions Grant, run by DHS. The State's 2017-2021 Consolidated Plan examines the housing and community development needs of the state, and sets priorities for allocating HUD funds. The annual Action Plan directs how the state will meet current and future needs and priorities in the coming year.

Through the Action Plan, the state certifies to affirmatively further fair housing. As part of that certification, the state is required to conduct an Analysis of Impediments to Fair

Housing. The draft Analysis of Impediments will be active through the remaining consolidated plan five year cycle (2017-2021).

Process to Comment on the Drafts

A public hearing for review and comment on the draft Action Plan and Analysis of Impediments to Fair Housing will be held on Tuesday, February 20, 2018 at 4:00 p.m. in the Rondo Library at Saint Paul (461 N Dale St). This public hearing will be for review and comment on the draft Action Plan and Analysis of Impediments, which will be available for public review and comment beginning January 31, 2018. The draft Action Plan and Analysis of Impediments will be available on agency websites at <http://www.mnhousing.gov> and <http://mn.gov/deed/government/financial-assistance/community-funding/> and in state depositories identified in the Citizen Participation Plan which may be found on the same websites. Hard copies of the Action Plan or Analysis of Impediments can be obtained by calling Minnesota Housing, 1-800-657-3769, or (651) 296-7608, or TTY (651) 297-2361.

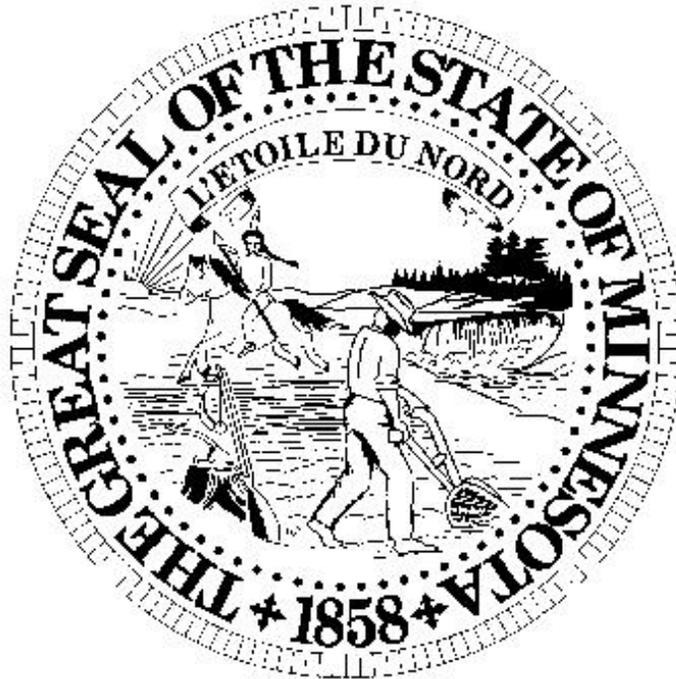
Comments on the draft Action Plan and Analysis of Impediments will be accepted until close of business March 2, 2018. Written public comments should be submitted to: Action Plan, Attn: Action Plan; Minnesota Housing, 400 Wabasha St N, Suite 400, Saint Paul, MN 55102; or by email to mn.housing@state.mn.us. To ensure consideration of your comments, type "Action Plan/AI" in the subject line of your e-mail.

The State will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments on the Action Plan and the State's responses will be included in the final Action Plan. The Action Plan and substantial amendment will be submitted to HUD after HUD notifies the State of its fiscal year

2018 allocations. Likewise, a summary of written and public hearing comments on the Analysis of Impediments will be included in the final Analysis of Impediments publication.

Minnesota State Register

Published every Monday (Tuesday when Monday is a holiday)



**Proposed, Adopted, Emergency, Expedited, Withdrawn, Vetoed Rules;
Executive Orders; Appointments; Commissioners' Orders; Revenue Notices;
Official Notices; State Grants & Loans; State Contracts;
Non-State Public Bids, Contracts and Grants**

**Monday 29 January 2018
Volume 42, Number 31
Pages 861 - 892**

Minnesota State Register

Judicial Notice Shall Be Taken of Material Published in the Minnesota State Register

The *Minnesota State Register* is the official publication of the State of Minnesota's Executive Branch of government, published weekly to fulfill the legislative mandate set forth in *Minnesota Statutes*, Chapter 14, and *Minnesota Rules*, Chapter 1400. It contains:

- Proposed Rules
- Adopted Rules
- Exempt Rules
- Expedited Rules
- Withdrawn Rules
- Executive Orders of the Governor
- Appointments
- Proclamations
- Vetoed Rules
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- Revenue Notices
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- State Grants and Loans
- Contracts for Professional, Technical and Consulting Services
- Non-State Public Bids, Contracts and Grants

Printing Schedule and Submission Deadlines

Vol. 42 Issue Number	PUBLISH DATE (BOLDFACE shows altered publish date)	Deadline for: all Short Rules, Executive and Commissioner's Orders, Revenue and Official Notices, State Grants, Professional-Technical- Consulting Contracts, Non-State Bids and Public Contracts	Deadline for LONG, Complicated Rules (contact the editor to negotiate a deadline)
# 32	Monday 5 February	Noon Tuesday 30 January	Noon Thursday 25 January
# 33	Monday 12 February	Noon Tuesday 6 February	Noon Thursday 1 February
# 34	Tuesday 20 February	Noon Tuesday 13 February	Noon Thursday 8 February
# 35	Monday 26 February	Noon Tuesday 20 February	Noon Thursday 15 February

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Minnesota Legislative Information

Senate Public Information Office

(651) 296-0504
State Capitol, Room 231, St. Paul, MN 55155
<http://www.senate.mn>

Minnesota State Court System

Court Information Office (651) 296-6043
MN Judicial Center, Rm. 135,
25 Rev. Dr. Martin Luther King Jr Blvd., St. Paul, MN 55155
<http://www.mncourts.gov>

House Public Information Services

(651) 296-2146
State Office Building, Room 175
100 Rev. Dr. Martin Luther King Jr Blvd., St. Paul, MN 55155
<https://www.house.leg.state.mn.us/hinfo/hinfo.asp>

Federal Register

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Contents

Minnesota Rules: Amendments and Additions864	Department of Human Services
Expedited Rules	Notice of Request for Proposals to Enhance Recovery Peer Support Services 878
Department of Health	Notice of Request for Proposals to fund a Grantee to Operate the Minnesota Problem Gambling Helpline, a statewide 24-hour/7 days/week, Toll-Free Confidential Phone and Online Chat Helpline for Persons Requesting Information Related to Gambling Problems and Referral to Gambling Treatment Services..... 879
Adopted Expedited Permanent Rules Relating to Health Care Quality865	Notice of Request for Proposals to Provide Services through the Office of Economic Opportunity's Homeless Youth Act Grant 879
Executive Orders	Corrected Notice of Request for Proposals for Qualified Grantees to Improve and Sustain IRIS and RCS Service Delivery to reflect the correct proposal due date which is March 19, 2018..... 880
Office of the Governor	Notice of Request for Proposals from qualified responders to Develop an Innovative Project(s) to Improve Mental Health Outcomes for Youth Attending a Qualifying School Unit..... 881
Emergency Executive Order 18-03: Declaring an Emergency and Providing Assistance to Shelter Stranded Motorists..... 865	Corrected Notice of Request for Proposals to Provide Culturally Specific Behavioral Health Supports & Services and/or Workforce Development within Cultural and Ethnic Minority Communities to reflect the correct proposal due date which is 4:00 p.m., Central Time, March 5, 2018..... 881
Commissioner's Orders	MNSure (Minnesota's Health Insurance Marketplace)
Department of Natural Resources (DNR)	Request for Letters of Intent: FY2019 Navigator Outreach and Enrollment Grants..... 882
Names of Geographic Features Order: The Proposed Reinstating of Lake Calhoun, Minnesota Public Water No. 27-31 in Hennepin County, Minnesota to Bde Maka Ska .. 867	State Contracts
Official Notices	Minnesota State Colleges and Universities (Minnesota State)
Department of Health	Request for Proposal (RFP) for Data Integration Platform 883
REQUEST FOR COMMENTS for Possible Amendment to Rules Governing Radioactive Materials, <i>Minnesota Rules</i> , Chapter 4731, Reviser's ID Number RD4477..... 871	Request for Proposal (RFP) for Grants Management Solution 884
Limited Exception from Minnesota's Requirements for the Standard, Electronic Exchange of Eligibility (270.271) Transactions for Payers Not Subject to HIPAA is Continued for 2018..... 872	Inver Hills Community College and Dakota County Technical College
Minnesota Office of Higher Education	Notice of Request for Proposals for Food Service..... 886
REQUEST FOR COMMENTS for Possible Amendment to Rules Relating to Higher Education Financial Assistance and Supplemental Student Loans, <i>Minnesota Rules</i> , 4830.0150 to 4830.0017, Reviser's ID Number 4425..... 873	Minneapolis Community and Technical College
Housing Finance Agency, Department of Employment and Economic Development (DEED) and Department of Human Services (DHS)	Request for Qualifications (RFQ) for Construction Manager at Risk (CM@R) for Hennepin Skyway Renovation Project..... 886
Notice of Public Hearing and Draft Availability for State of Minnesota 2018 Housing and Community Development Annual Action Plan (Action Plan), Substantial Amendment to the 2017-2021 Consolidated Plan, and Analysis of Impediments to Fair Housing 874	Minnesota Racing Commission (MRC)
Department of Human Services	Notice of Request for Proposals for Harness Racing Judge 887
Notice of availability of the Minnesota Health Care Programs provider participation list [Minnesota Rules, Parts 9505.5200 to 9505.5240, also known as DHS Rule 101-provider compliance list]..... 875	Notice of Contract Opportunity for Equine Drug Testing Services..... 887
Department of Iron Range Resources and Rehabilitation	Minnesota State Retirement System (MSRS)
Notice of Request for Information (RFI) from parties interested in developing certain lands owned by the Department near the Giants Ridge Golf and Ski Resort 876	Request for Proposals for Cultural Competency and Diversity Training 888
Teachers Retirement Association	Minnesota Department of Transportation (MnDOT)
Notice of Meeting 877	Notices Regarding Professional/Technical (P/T) Contracting..... 888
Notice of Meeting 877	Non-State Public Bids, Contracts & Grants
State Grants & Loans	Dakota County
Department of Employment and Economic Development (DEED)	Notice of Request For Proposal (RFP) For Children's Out of Home Respite / Stabilization Services provided through Licensed Corporate Foster Care 889
Notice of Grant Opportunity 878	Metropolitan Airports Commission (MAC)
	Notice of Call for Bids for 2018 O Concourse Rehab Program P3..... 890
	Notice of Call for Bids for 2018 Intelligent Monitoring and Control Systems P10..... 890
	Notice of Call for Bids for 2018 South Security Exit and Facade Expansion..... 891
	Notice of Call for Bids for 2018 Parking Structure Rehabilitation 892

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Minnesota Rules: Amendments and Additions

NOTICE: How to Follow State Agency Rulemaking in the State Register

The State Register is the official source, and only complete listing, for all state agency rulemaking in its various stages. State agencies are required to publish notice of their rulemaking action in the State Register. Published every Monday, the State Register makes it easy to follow and participate in the important rulemaking process. Approximately 80 state agencies have the authority to issue rules. Each agency is assigned specific Minnesota Rule chapter numbers. Every odd-numbered year the Minnesota Rules are published. Supplements are published to update this set of rules. Generally speaking, proposed and adopted exempt rules do not appear in this set because of their short-term nature, but are published in the State Register.

An agency must first solicit Comments on Planned Rules or Comments on Planned Rule Amendments from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency (Minnesota Statutes §§ 14.101). It does this by publishing a notice in the State Register at least 60 days before publication of a notice to adopt or a notice of hearing, or within 60 days of the effective date of any new statutory grant of required rulemaking.

When rules are first drafted, state agencies publish them as Proposed Rules, along with a notice of hearing, or a notice of intent to adopt rules without a hearing in the case of noncontroversial rules. This notice asks for comment on the rules as proposed. Proposed emergency rules, and withdrawn proposed rules, are also published in the State Register. After proposed rules have gone through the comment period, and have been rewritten into their final form, they again appear in the State Register as Adopted Rules. These final adopted rules are not printed in their entirety, but only the changes made since their publication as Proposed Rules. To see the full rule, as adopted and in effect, a person simply needs two issues of the State Register, the issue the rule appeared in as proposed, and later as adopted.

The State Register features partial and cumulative listings of rules in this section on the following schedule: issues #1-13 inclusive; issues #14-25 inclusive (issue #26 cumulative for issues #1-26); issues #27-38 inclusive (issue #39, cumulative for issues #1-39); issues #40-52 inclusive, with final index (#1-52, or 53 in some years). An annual subject matter index for rules was separately printed usually in August, but starting with Volume 19 now appears in the final issue of each volume. For copies or subscriptions to the State Register, contact Minnesota's Bookstore, 660 Olive Street (one block east of I-35E and one block north of University Ave), St. Paul, MN 55155, phone: (612) 297-3000, or toll-free 1-800-657-3757. TTY relay service phone number: (800) 627-3529.

Volume 42 - Minnesota Rules

(Rules Appearing in Vol. 42 Issues #1-26 are
in Vol 42, #26 - Tuesday 26 December 2017)

Volume 42, #31

Tuesday 2 January - Monday 29 January

Board of Accountancy	
1105.0250; .1400; .1500; .2900; .3100; .4900; .5100 (adopted)	736
Environmental Quality Board	
4410.2550 (proposed)	786
Department of Health	
4654.0800 (adopted expedited).....	865
4717; 7500; .7860 (proposed).....	823
Department of Labor and Industry (DLI)	
2202.0800; .1000 (proposed)	840
5205.0040; .0050; .0060; .0065; .0080; 5207.0300; .0301; .0302; .0303; .0304 (repealer)	727
Department of Natural Resources (DNR)	
6230; 6236; 6240 (expedited emergency)	728
6232.0400; .1980 (expedited emergency)	733
Professional Educator Licensing and Standards Board	
8710.0310; .0311; .0312; .0313; .0314; .0320; .0321; .0325; .0326; .0330; .4725; .4925; .7000; .7100; .7200 (proposed)	763

Expedited Rules

Provisions exist for the Commissioners of some state agencies to adopt expedited rules when conditions exist that do not allow the Commissioner to comply with the requirements for normal rules. The Commissioner must submit the rule to the attorney general for review and must publish a notice of adoption that includes a copy of the rule and the conditions. Expedited rules are effective upon publication in the State Register, and may be effective up to seven days before publication under certain conditions.

Expedited rules are effective for the period stated or up to 18 months. Specific *Minnesota Statute* citations accompanying these expedited rules detail the agency's rulemaking authority.

KEY: Proposed Rules - Underlining indicates additions to existing rule language. ~~Strikeouts~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material."

Adopted Rules - Underlining indicates additions to proposed rule language. ~~Strikeout~~ indicates deletions from proposed rule language.

Department of Health

Adopted Expedited Permanent Rules Relating to Health Care Quality

The rules proposed and published at State Register, Volume 42, Number 17, pages 467-468, October 23, 2017 (42 SR 467), are adopted with the following modifications:

4654.0800 INCORPORATION BY REFERENCE.

"Minnesota Statewide Quality Reporting and Measurement System: Appendices to Minnesota Administrative Rules, Chapter 4654," issued by the Minnesota Department of Health, ~~October~~ December 2017, is incorporated by reference. It is available through the Minitex interlibrary loan system and the Minnesota Department of Health's Health Care Quality Measures Web site at <http://www.health.state.mn.us/healthreform/measurement>. They are not subject to frequent change.

Executive Orders

The governor has the authority to issue written statements or orders, called Executive Orders, as well as Emergency Executive Orders. The governor's authority is specified in the Constitution of the State of Minnesota, Article V, and in *Minnesota Statutes* § 4.035. Emergency Executive Orders, for protection from an imminent threat to health and safety, become effective immediately, are filed with the secretary of state, and published in the *State Register* as soon as possible after they are issued. Other Executive Orders become effective 15 days after publication in the *State Register* and filing with the secretary of state. Unless otherwise specified, an executive order expires 90 days after the date the governor who issued the order vacates office.

Office of the Governor

Emergency Executive Order 18-03: Declaring an Emergency and Providing Assistance to Shelter Stranded Motorists

I, Mark Dayton, Governor of the State of Minnesota, by virtue of the authority vested in me by the Constitution and applicable statutes, do hereby issue this Executive Order:

Whereas, on January 22, 2018 a powerful winter storm with strong winds, heavy snowfalls, and blowing snow caused white out conditions affecting Steele County and areas across southern Minnesota, necessitating road closures and threatening public safety;

Whereas, dangerous driving conditions resulted in numerous traffic accidents and stranded vehicles, and these conditions created an imminent danger to persons and property, presenting an immediate need to activate emergency resources;

(Cite 42 SR 865)

Minnesota State Register, Monday 29 January 2018

Page 865

Executive Orders

Whereas, the resources of the affected local and county governments are inadequate to meet the demands generated by the severe winter conditions;

Whereas, the Steele County Sheriff requested the assistance of the Minnesota National Guard, specifically use of the armory in Owatonna, Minnesota to support sheltering of stranded motorists; and

Whereas, weather conditions continue to deteriorate in southern Minnesota, and the counties of Blue Earth, Brown, Carver, Dakota, Goodhue, Faribault, Freeborn, Le Sueur, Martin, McLeod, Nicollet, Redwood, Renville, Rice, Scott, Sibley, Steele, Waseca, and Watonwan are under blizzard or winter weather warnings and travel in these areas is becoming increasingly difficult, it is expected that additional counties may require the assistance of the Minnesota National Guard to support sheltering of stranded motorists.

Now, Therefore, I hereby declare that:

1. The Adjutant General of Minnesota order to state active duty on or about January 22, 2018, in the service of the State, such personnel, equipment, and facilities of the military forces of the State as required and for such period of time as necessary to provide assistance and emergency relief services to any county that may require the assistance of the Minnesota National Guard to support sheltering of stranded motorists.

2. The Adjutant General is authorized to purchase, lease, or contract for goods and services necessary to accomplish the mission.

3. The cost of subsistence, transportation, fuel, pay, and allowances of said individuals shall be defrayed from the general fund of the State, as provided for in Minnesota Statutes, sections 192.49, subdivisions 1 and 2; 192.52; and 192.54, and as otherwise permitted by law.

Pursuant to Minnesota Statutes, section 4.035, subdivision 2, this Emergency Executive Order is effective immediately and must be filed with the Secretary of State and published in the State Register as soon as possible after its issuance. It remains in effect until the termination of the emergency conditions caused by the winter storm.

In Testimony Whereof, I have set my hand on this 22nd day of January, 2018.

Mark Dayton
Governor

Filed According to Law:

Steve Simon
Secretary of State

Commissioner's Orders

Various agency commissioners are authorized to issue "commissioner's orders" on specified activities governed by their agency's enabling laws. See the *Minnesota Statutes* governing each agency to determine the specific applicable statutes. Commissioners' orders are approved by assistant attorneys general as to form and execution and published in the *State Register*. These commissioners orders are compiled in the year-end subject matter index for each volume of the *State Register*.

Department of Natural Resources (DNR)

Names of Geographic Features Order: The Proposed Renaming of Lake Calhoun, Minnesota Public Water No. 27-31 in Hennepin County, Minnesota to Bde Maka Ska

Based on the information on file at the Minnesota Department of Natural Resources (DNR), Division of Ecological and Water Resources, concerning a request by Hennepin County to rename Lake Calhoun, Minnesota Public Water No. 27-31 located in the City of Minneapolis in Hennepin County, Minnesota to Bde Maka Ska and pursuant to the authority granted to the DNR Commissioner (Commissioner) by Minn. Stat., §83A.02 (2016) Commissioner hereby approves the renaming of Lake Calhoun in Hennepin County as set forth herein.

HISTORICAL BACKGROUND

1. Lake Calhoun, Minnesota Public Water No. 27-31, is a public water of the State of Minnesota located in sections 4, 5; 32, 33 of Township 28; 29 North, Range 24 West (in the City of Minneapolis) in Hennepin County, Minnesota.
2. It is unknown precisely when Minnesota Public Water No. 27-31 was actually named Lake Calhoun, although references to said name were documented in Henry Schoolcraft's narrative journal of travels through the northwestern regions of the United States. Schoolcraft reports: "About six miles west of the new cantonement there are several beautiful little lakes, situated in the prairies. They consist of the purest water and are surrounded with a handsome beach of yellow sand and water-worn pebbles . . . The largest of these lakes is about four miles in circumference, and is called Calhoun lake (*sic*). It is stored with the most exquisite flavored black bass and several other varieties of fish, and has become a fashionable resort for the officers of the garrison." Henry Schoolcraft, *Narrative of Travels: Through the Northwestern Regions of the United States, Extending from Detroit through the Great Chain of American Lakes to the Sources of the Mississippi River Performed as a Member of the expedition under Governor Cass, in the Year 1820*, at 312 (1821)
3. William Keating also references Lake Calhoun in his *Narrative of an Expedition to the Sources of St. Peter's River, Lake Winnepeek, Lake of the Woods, etc., performed in the year 1823, by order of the Hon. J.C. Calhoun, Secretary of War, under the command of Stephen H. Long, Major U.S.T.E.* (1884), in which it is reported of the region around Fort Snelling: "a body of water, which is not represented on any map that we know of, has been discovered in this vicinity within a few years, and has received the name of Lake Calhoun, in honor of the Secretary of War. Its dimensions are small." William Keating, *Narrative of an Expedition to the Sources of St. Peter's River, Lake Winnepeek, Lake of the Woods, etc., etc. performed in the year 1823, by order of the Hon. J.C. Calhoun, Secretary of War, under the command of Stephen H. Long, Major U.S.T.E.* at 301 (1884)
4. Minnesota Public Water No. 27-31 has been referred to as Lake Calhoun since the middle of the 19th century. Minneapolis Park Board, *Discussion Item 2828: Lake Calhoun – Its Name, the History of its Name, and the Process for Changing the Name of a Lake in Minnesota*, available at http://minneapolisparksmn.igm2.com/Citizens/Detail_LegiFile.aspx?ID=2828
5. On or about, December 15, 2017 the DNR received Resolution No. 17-0489 requesting that the DNR Commissioner, pursuant to authority granted to the Commissioner by Minn. Stat. § 83A.02(1) and (3), authorize the renaming of Lake Calhoun, Minnesota Public Water No. 27-31, located in sections 4,5; 32,33 of Township 28; 29 North, Range 24 West (in the City of Minneapolis) in Hennepin County, Minnesota to Bde Maka Ska.

(Cite 42 SR 867)

Minnesota State Register, Monday 29 January 2018

Page 867

Commissioner's Orders

HISTORY OF COMMISSIONER'S AUTHORITY

6. In 1925, the Legislature adopted 1925 Laws Chapter 157 authorizing county boards, upon petition of 15 or more legal voters, the right to name or change the name of waterbodies within the State. The authority of a county board to change the name of waterbodies was permissible only if the name at issue had existed for less than 40 years. *Id.* at 1.

7. In 1937, the Legislature established the State Geographic Board and vested it with the power and duties to name and/or change the names of the State's geographic features, including lakes and other waterbodies. 1937 Laws, ch. 63 §§ 1-5. This authority was given "[i]n cooperation with the county boards and with their approval, to change the names of lakes, streams, places and other geographic features, with the end in view of eliminating, as far as possible, duplication of names within the state" *Id.* at § 1(c). The Legislature further "superseded, modified or amended" "[a]ll acts or parts of acts now in effect inconsistent with provisions of this act" granting power and authority to the State Geographic Board. After the creation of the State Geographic Board, county boards continued to retain their authority to change the names of waterbodies through petition, subject to the 40-year limit.

8. In 1940, the Attorney General issued an opinion letter opining that the State Geographic Board had the authority to change the name of a lake even though it had been known by a prior name for at least 40 years. Op. Atty. Gen. 273a, Apr. 26, 1940. The Attorney General opined that:

No express limitation is placed by law on the powers of the State Geographic Board in this respect. None can be fairly implied. The question of whether or not the name of a lake in any given instance should be changed is one which calls for the exercise of sound judgment and discretion by the board. It is not likely a court would upset the board's determination in any such case unless it clearly appeared that the board had acted arbitrarily, capriciously and without any regard for public convenience.

The board should, before determining on a change, investigate the situation and consider all reasons for and against such action. If it appears that the public interest would be better subserved by retaining the name the lake has borne for almost half a century the board should act accordingly. If the present name duplicates the name of some other lake, or conflicts with the name given this particular lake by the federal authorities, or if it seems desirable for any other sound reason that the name in use be changed, the board should act accordingly.

Categorically your inquiry is answered in the affirmative, with this qualification: your board should investigate, weigh the reasons for and against the change, and decide what action will best serve the public interest.

9. In 1964, Commissioner of Conservation Wayne H. Olson submitted an inquiry to the Office of Attorney General regarding the 40-year restriction on a county boards' authority to rename waterbodies. The Commissioner referenced the earlier Attorney General Opinion and noted that "[t]he 40-year restriction is not applicable to the State Geographic Board." Deputy Attorney General Frank Murray responded to this inquiry in July 1964 and again stated that the 40-year restriction was limited to county board actions and not to the State Geographic Board. In the case of waterbodies with names used for more than 40 years, the Attorney General's office again opined that the "Geographic Board can change a name in cooperation with County Board" that had existed for more than 40 years.

10. In 1969, the State Geographic Board was abolished and all of its powers and duties were transferred to the DNR Commissioner. 1969 Laws ch. 1129, Art. 3 § 3. The Commissioner retains these powers and duties today under Minn. Stat. §§ 83A.02-.04.

11. In 1990, the Legislature combined the two statutory schemes, and subsumed the county board waterbody-naming process within the general geographic naming statute, found in Minn. Stat. ch. 83A. 1990 Laws

Commissioner's Orders

ch. 391, art. 8 § 7. In so doing, the Legislature retained the 40-year limit on the name-change-by-petition process, but made it clear that such limit was restricted solely to name changes initiated by petitions to county boards under Minn. Stat. §§ 83A.05-.07 and not to the Commissioner's name changing authority under §§ 83A.02-.04.

12. Minnesota Statute section 83A.02 vests the Commissioner with the authority to determine the correct and most appropriate name of lakes.

13. Minnesota Statute section 83A.02(1) provides that the commissioner shall: "determine the correct and most appropriate names of the lakes, streams, places and other geographic features in the state. . ."

14. Minnesota Statute section 83A.02(3) provides that the commissioner "in cooperation with the county boards and with their approval, change the name of lakes . . . with the end in view of eliminating as far as possible, duplication of names within the state."

15. Additionally Minn. Stat. §§ 83A.04 – .07 lays out a separate process whereby the county may entertain citizen's petitions to change the names of waterbodies.

HENNEPIN COUNTY'S REQUEST TO CHANGE THE NAME OF LAKE CALHOUN

16. As set forth in Paragraphs 6 through 11, the procedural requirements set out in Minn. Stat. §§ 83A.05—.07 do not apply to the exercise of the Commissioner's authority; however, the DNR has a long standing policy reaching back several decades of encouraging counties requesting that the Commissioner approve a name change pursuant to Minn. Stat. § 83A.02 and Minn. Stat. § 83A.04 to comply with the notice and hearing requirements set forth in Minn. Stat. § 83A.06.

17. Consistent with said policy and the thirty (30) day notice requirement set forth in Minn. Stat. § 83A.06, subd. 1, the Hennepin County Board, on or about September 13, 2017 published notice of its intent to hold a public hearing on the proposed renaming of Lake Calhoun to Bde Maka Ska. Said hearing was set for 6 P.M. on Tuesday October 17, 2017 at the Hennepin County Government Center Board Room.

18. Consistent with the DNR's policy and notice requirements set forth in Minn. Stat. § 83A.06, subd. 4, said notice was published in *Finance & Commerce* the official newspaper for Hennepin County for four weeks commencing on September 13, 2017 and running through October 11, 2017.

19. Consistent with the DNR's policy and notice requirements set forth in Minn. Stat. § 83A.06, subd. 4, Hennepin County served notice of the hearing on the Mayor of the City of Minneapolis on September 15, 2017.

20. Consistent with DNR's policy and the notice requirements set forth in Minn. Stat. § 83A.06, subd. 4, Hennepin County served notice of the hearing on the Commissioner on September 15, 2017.

21. Consistent with DNR's policy and the hearing requirements set forth in Minn. Stat. § 83A.06, at 6 P.M. on Tuesday October 17, 2017 the Hennepin County Board held a public hearing and took public testimony on the proposal to change the name of Lake Calhoun to Bde Maka Ska. The public hearing was held at the Hennepin County Government Center Board Room.

22. The matter came before the Hennepin County Board of County Commissioners (County Board) on November 28, 2017, at which time the County Board by a 4 to 3 vote of the County Commissioners passed Resolution No. 17-0489 approving a recommendation to the DNR to change the name of Lake Calhoun to Bde Maka Ska.

23. As required by Minn. Stat. § 83A.06, subd. 6, the resolution was certified by the Clerk to the County Board on December 15, 2017.

24. Resolution No. 17-0489 provides in pertinent part:

(Cite 42 SR 869)

Minnesota State Register, Monday 29 January 2018

Page 869

Commissioner's Orders ---

BE IT RESOLVED, that after following the process outlined in Minn. Stat. §§ 83A.05 – .07, including a public hearing, the Hennepin County Board of Commissioners recommends that the Minnesota Department of Natural Resources take the steps necessary to change the name of Lake Calhoun, Minnesota Public Water No. 27-31, located in Sections 4 and 5 of Township 28 North, Range 24 West; and in Sections 32 and 33 of Township 29 North, Range 24 West, in the City of Minneapolis, to be Bde Maka Ska.

25. Resolution No. 17-0489 and supporting documentation (Resolution No. 17-0489 Name Change Package) was personally served upon the Commissioner by the Hennepin County Auditor on December 15, 2017 as required by Minn. Stat. § 83A.06, subd. 6.

26. The DNR reviewed the Resolution No. 17-0489 Name Change Package to assure compliance with the requirements of Minn. Stat. Ch. 83A and the naming protocols of the U.S. Board on Geographic Names set forth in *Principles, Policies, and Procedures: Domestic Geographic Names* at 11- 32 and App. D (December 2016).

27. The DNR received 224 written communications (letters and postcards) from the public expressing opinions on the proposed name change. Seventy-nine (79) of the public comments supported the name change, 136 opposed the proposed name change, and nine (9) advocated for both names.

28. Consistent with Attorney General Opinion No. 273a, the Commissioner considered the documentation provided by Hennepin County in Resolution No. 17-0489 Name Change Package and the written comments received by the DNR to weigh the reasons for and against the proposed name change and decide what action will best serve the public interest. Both the Resolution No. 17-0489 Name Change Package and the written comments received by the DNR raised valid reasons for and against changing the name of Public Water No. 27-31 from Lake Calhoun to Bde Maka Ska.

29. The County Board has been duly elected by the citizens of Hennepin County to act in the interest of the citizens of Hennepin County and, after hearing and weighing public testimony and reviewing the materials included in the Resolution No. 17-0489 Name Change Package and forwarded to the DNR, voted to change the name of Public Water No. 27-31 from Lake Calhoun to Bde Maka Ska. This vote evidences the County Board has determined that the renaming of Public Water No. 27-31 to Bde Maka Ska is in the public interest.

30. Public Water No. 34-62 located in Kandiyohi County is also named Lake Calhoun.

31. The DNR received a number of public comments arguing that the renaming of Lake Calhoun is precluded by Minn. Stat. § 83A.05, subd. 1, which prohibits a county from renaming a body of water that has had the same name for over 40 years. As set forth in Paragraphs 6 through 11 this conclusion is not supported by the plain language or legal analysis of the legislative history of Chapter 83A.

CONCLUSIONS

1. As set forth in Paragraphs 16 through 25 Hennepin County has complied with the Chapter 83A notice and hearing requirements as requested by the DNR.

2. As set forth in Paragraph 26, the DNR's review of the name Bde Maka Ska indicates that the name Bde Maka Ska complies with the protocols of the U.S. Board of Geographic Names.

3. As set forth in Paragraph 30 the name Lake Calhoun is duplicative.

4. As set forth in Paragraphs 28 and 29 the vote of the duly elected Hennepin County Board to recommend that Public Water No. 27-31 be renamed Bde Maka Ska after holding and receiving public testimony regarding the proposed name change is compelling evidence that the renaming of Public Water No. 27-31 is in the public interest.

Commissioner's Orders

5. As set forth in Paragraphs 27 through 29 the DNR has weighed the information contained in both the Resolution No. 17-0489 Name Change Package and the written comments received by the DNR as well as the vote of the duly elected Hennepin County Board and finds that, consistent with said vote, the renaming of Public Water No. 27-31 to Bde Maka Ska will serve the public interest.

6. As set forth in paragraphs 6 through 13 above, the 40-year restriction set forth in Minn. State §83A.04, subd. 1 does not apply to the exercise of the commissioner's authority to rename waterbodies set forth in § 83A.02.

NOW THEREFORE:

Pursuant to the authority vested in me by Minn. Stat, § 83A.02 and in accordance with Hennepin County Resolution No. 17-0489, I hereby approve the renaming of the following geographic feature of the state Public Water No. 27-31, located in Sections 4 and 5 of Township 28 North, Range 24 West; and in Sections 32 and 33 of Township 29 North, Range 24 West, in the City of Minneapolis, from Lake Calhoun, Minnesota Public Water No. 27-31 located in the City of Minneapolis in Hennepin County, Minnesota to Bde Maka Ska.

Dated: January 18, 2018

Tom Landwehr, Commissioner
Department of Natural Resources

Official Notices

Pursuant to *Minnesota Statutes* §§ 14.101, an agency must first solicit comments from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency by publishing a notice in the *State Register* at least 60 days before publication of a notice to adopt or a notice of hearing, and within 60 days of the effective date of any new statutory grant of required rulemaking.

The *State Register* also publishes other official notices of state agencies and non-state agencies, including notices of meetings and matters of public interest.

Department of Health

Division of Environmental Health

REQUEST FOR COMMENTS for Possible Amendment to Rules Governing Radioactive Materials, *Minnesota Rules*, Chapter 4731; Revisor's ID Number RD4477

Subject of Rules. The Minnesota Department of Health requests comments on its possible amendment to rules governing radioactive materials. The Department is considering rule amendments that incorporate requirements to maintain compatibility with U.S. Nuclear Regulatory Commission (NRC) regulations as required by our agreement. The Department is also considering minor editorial changes.

Persons Affected. The amendment to the rules would likely affect persons who are licensed by the Department to manufacture, produce, transfer, receive, acquire, own, possess, or use radioactive material.

Statutory Authority. *Minnesota Statutes*, section 144.1202 and 144.1203, authorize the Department to adopt rules that allow the state to assume regulatory authority under an agreement with the NRC, including licensing and regulation of radioactive materials, and to ensure that individuals handling or using radioactive materials have proper training and qualifications.

(Cite 42 SR 871)

Minnesota State Register, Monday 29 January 2018

Page 871

Official Notices

Public Comment. Interested persons or groups may submit comments or information on these possible rules in writing until further notice is published in the *State Register* that the Department intends to adopt or to withdraw the rules. The Department will not publish a notice of intent to adopt the rules until more than 60 days have elapsed from the date of this request for comments. The Department does not plan to appoint an advisory committee to comment on the possible rules.

Rules Drafts. The Department has drafted the possible rule amendments that are available on its website at <http://www.health.state.mn.us/divs/eh/radiation/radioactive/index.html>.

Agency Contact Person. Written comments, questions, requests to receive a draft of the rules, and requests for more information on these possible rules should be directed to: Sherric Flaherty at Minnesota Department of Health, P.O. Box 64975, St. Paul, MN 55164-0975, Phone: (651) 201-4522, Fax: (651) 201-4606, and email: sherric.flaherty@state.mn.us.

Alternative Format. Upon request, this information can be made available in an alternative format, such as large print, braille, or audio. To make such a request, please contact the agency contact person at the address or telephone number listed above.

NOTE: Comments received in response to this notice will not necessarily be included in the formal rulemaking record submitted to the administrative law judge if and when a proceeding to adopt rules is started. The agency is required to submit to the judge only those written comments received in response to the rules after they are proposed. If you submitted comments during the development of the rules and you want to ensure that the Administrative Law Judge reviews the comments, you should resubmit the comments after the rules are formally proposed.

Date: January 10, 2018

Tom Hogan, Director
Division of Environmental Health

Department of Health Division of Health Policy

Limited Exception from Minnesota's Requirements for the Standard, Electronic Exchange of Eligibility (270/271) Transactions for Payers Not Subject to HIPAA is Continued for 2018

Minnesota Statutes, section 62J.536 requires that health care providers, clearinghouses, and group purchasers (payers) exchange specified administrative transactions electronically, using a standard data content and format adopted in rule. The statute also authorizes the Commissioner of Health to exempt group purchasers not subject to federal HIPAA administrative transactions and code sets regulations from one or more of the state's data exchange requirements if the Commissioner determines that:

- a transaction is incapable of exchanging data that are currently being exchanged on paper and is necessary to accomplish the purpose of the transaction; or
- another national electronic transaction standard would be more appropriate and effective to accomplish the purpose of the transaction.

Group purchasers not subject to HIPAA regulations include workers' compensation, auto, and property and casualty carriers.

MDH consults annually with the Minnesota Administrative Uniformity Committee (AUC) to determine whether to grant the exemptions described above. Based on these consultations, MDH previously granted very narrowly targeted, annually renewable exceptions to the rules adopted pursuant to Minnesota Statutes §62J.536 as described above for the

Page 872 Minnesota State Register, Monday 29 January 2018 (Cite 42 SR 872)

Official Notices

years 2009 through 2017. The exceptions were limited to only group purchasers not subject to HIPAA regulations, who were exempted from the data exchange requirements for only the ASC X12/005010X279A1 Health Care Eligibility Benefit Inquiry and Response (270/271) transaction because it did not meet their business needs.

MDH consulted with the AUC in November and December 2017 regarding the continued need for the targeted exemption described above. MDH determined through the review process that the current limited exception to Minnesota's health care administrative data exchange rules will continue through 2018. This exception applies only to exchanges of the ASC X12/005010X279A1 Health Care Eligibility Benefit Inquiry and Response (270/271) transaction with health care group purchasers that are not subject to federal HIPAA transactions and code sets regulations, and only for calendar year 2018.

The next annual review of this exception to rules adopted pursuant to Minnesota Statutes §62J.536 is scheduled for October 2018, to determine whether the exception will be continued through 2019.

For questions or additional information, please contact:

David K. Haugen,
Administrative Simplification Program Director
Office of Health Information Technology
Phone: (651) 201-3573
E-mail: david.haugen@state.mn.us

January 29, 2018

Daniel L. Pollock, J.D.
Acting Commissioner
P.O. Box 64975
St. Paul, MN 55164-0975

Minnesota Office of Higher Education **REQUEST FOR COMMENTS for Possible Amendment to Rules Relating to Higher Education Financial Assistance and Supplemental Student Loans, *Minnesota Rules*, 4830.0150 to 4850.0017; Revisor's ID Number 4425**

Subject of Rules. The Minnesota Office of Higher Education requests comments on its amendments to rules governing the Higher Education Financial Assistance and Supplemental Student Loans program. The SELF Loan Program is a state program of supplemental loans to postsecondary students. The Office of Higher Education is considering rule amendments that serve a variety of purposes – updating language to reflect statute changes, clarifying existing rule language and providing the Office of Higher Education with flexibility to better meet the needs of borrowers and the long-term financial sustainability of the program.

The intent of the proposed rule amendments will enable the Office of Higher Education to:

- provide borrowers with more flexibility for forbearances and remaining in-school status to help them reduce their risk of defaulting on their loan
- utilize cosigner credit scores to determine their credit worthiness
- terminate participating postsecondary institutions with high student loan default rates in order to protect the financial strength and integrity of the program, and maintain the ability to obtain external program funding.

Persons Affected. The amendment to the rules would likely affect student loan borrowers, their loan co-signers and postsecondary institutions participating in the program.

(Cite 42 SR 873)

Minnesota State Register, Monday 29 January 2018

Page 873

Official Notices

Statutory Authority. *Minnesota Statutes*, Chapter 136A.16 subd. 2, authorizes the Minnesota Office of Higher Education to adopt policies and prescribe appropriate rules to carry out the purposes of sections 136A.15 to 136A.1702 to provide student loan programs. The policies and rules except as they relate to loans under section 136A.1701 must be compatible with the provisions of the National Vocational Student Loan Insurance Act of 1965 and the provisions of title IV of the Higher Education Act of 1965, and any amendments thereof.

Public Comment. Interested persons or groups may submit comments or information on these possible amended rules in writing until 4:30 p.m. on Monday, April 9, 2018. The Office of Higher Education will not publish a notice of intent to adopt the rules until more than 60 days have elapsed from the date of this request for comments.

Rules Drafts. The Office of Higher Education has drafted the possible rules amendments, will be posted on the Office website. <http://www.oh.e.state.mn.us/mPg.cfm?pageID=425>

Agency Contact Person. Written comments, questions, requests to receive a draft of the rules, and requests for more information on these possible rules should be directed to:

Marilyn Kosir
Minnesota Office of Higher Education
1450 Energy Park Drive Suite 350
St. Paul, MN 55108
651 355-0600
marilyn.kosir@state.mn.us

Submit written comments via the Office of Administrative Hearings Rulemaking e-comments website at <https://minnesotaoah.granicusideas.com/discussions>.

Alternative Format. Upon request, this information can be made available in an alternative format, such as large print, braille, or audio. To make such a request, please contact the agency contact person at the address or telephone number listed above.

NOTE: Comments received in response to this notice will not necessarily be included in the formal rulemaking record submitted to the administrative law judge if and when a proceeding to adopt rules is started. The agency is required to submit to the judge only those written comments received in response to the rules after they are proposed. If you submitted comments during the development of the rules and you want to ensure that the Administrative Law Judge reviews the comments, you should resubmit the comments after the rules are formally proposed.

Dated: January 16, 2018

Larry Pogemiller, Commissioner
Minnesota Office of Higher Education

Housing Finance Agency, Department of Employment and Economic Development (DEED) and Department of Human Services (DHS) Notice of Public Hearing and Draft Availability for State of Minnesota 2018 Housing and Community Development Annual Action Plan (Action Plan), Substantial Amendment to the 2017-2021 Consolidated Plan, and Analysis of Impediments to Fair Housing

The State of Minnesota is developing its annual Action Plan for 2018 which includes a substantial amendment to the 2017-2021 Consolidated Plan, as well as an Analysis of Impediments to Fair Housing, and encourages citizens to participate in their development.

Annually the State submits an Action Plan to the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing and community development funding via the Community Development Block Grant run

Page 874 Minnesota State Register, Monday 29 January 2018 (Cite 42 SR 874)

Official Notices

by DEED; HOME Investment Partnerships, Housing Opportunities for Persons with AIDS programs, and the National Housing Trust Fund (NHTF) run by Minnesota Housing; and the Emergency Solutions Grant, run by DHS. The State's 2017-2021 Consolidated Plan examines the housing and community development needs of the state, and sets priorities for allocating HUD funds. The annual Action Plan directs how the state will meet current and future needs and priorities in the coming year.

Through the Action Plan, the state certifies to affirmatively further fair housing. As part of that certification, the state is required to conduct an Analysis of Impediments to Fair Housing. The draft Analysis of Impediments will be active through the remaining consolidated plan five year cycle (2017-2021).

Process to Comment on the Drafts

A public hearing for review and comment on the draft Action Plan and Analysis of Impediments to Fair Housing will be held on **Tuesday, February 20, 2018 at Rondo Library in Saint Paul (461 N Dale St) from 4-5 PM**. This public hearing will be for review and comment on the draft Action Plan and Analysis of Impediments, which will be available for public review and comment beginning January 31, 2018. The draft Action Plan and Analysis of Impediments will be available on agency websites at

<http://www.mnhousing.gov> and <http://mn.gov/deed/government/financial-assistance/community-funding/> and in state depositories identified in the Citizen Participation Plan which may be found on the same websites. Hard copies of the Action Plan or Analysis of Impediments can be obtained by calling Minnesota Housing, 1-800-657-3769, or (651) 296-7608, or TTY (651) 297-2361.

Comments on the draft Action Plan and Analysis of Impediments will be accepted until close of business **March 2, 2018**. Written public comments should be submitted to: Action Plan, Attn: Action Plan; Minnesota Housing, 400 Wabasha St N, Suite 400, Saint Paul, MN 55102; or by email to mn.housing@state.mn.us. To ensure consideration of your comments, type "Action Plan/AI" in the subject line of your e-mail.

The State will consider any comments from individuals or groups received in writing or at public hearings. A summary of the written and public hearing comments on the Action Plan and the State's responses will be included in the final Action Plan. The Action Plan and substantial amendment will be submitted to HUD after HUD notifies the State of its fiscal year 2018 allocations. Likewise, a summary of written and public hearing comments on the Analysis of Impediments will be included in the final Analysis of Impediments publication.

Department of Human Services Provider and Enrollment Division

Notice of availability of the Minnesota Health Care Programs provider participation list [Minnesota Rules, Parts 9505.5200 to 9505.5240, also known as DHS Rule 101-provider compliance list]

Notice is hereby given that the Minnesota Health Care Programs provider participation list for January 2018 is now available. The provider participation list is a compilation of health care providers who are in compliance with DHS Rule 101 (Minnesota Rules, Parts 9505.5200 to 9505.5240). If a provider name is not on the list, the Department considers the provider non-compliant. The list of providers is separated by provider type, each section is in alphabetical order by provider name, and there is no additional information on the list other than the provider's name. This list is distributed on a quarterly basis to the Department of Employee Relations, the Department of Labor and Industry, and the Department of Commerce. To obtain the list, contact **Julie Hervas**, Rule 101 Specialist, at **651-431-2704** or toll-free at 1-800-366-5411. You may fax your request to 651-431-7462 or mail to the Department of Human Services, PO Box 64987, St. Paul, MN 55164-0987.

Emily Piper, Commissioner
Department of Human Services

Official Notices

Department of Iron Range Resources and Rehabilitation Notice of Request for Information (RFI) from parties interested in developing certain lands owned by the Department near the Giants Ridge Golf and Ski Resort

Purpose

The Department of Iron Range Resources and Rehabilitation, an agency of the State of Minnesota, is seeking information and ideas from all interested parties regarding developing lands, currently known as the Residence Club Development (RCD), owned by the agency at Giants Ridge Golf and Ski Resort in Biwabik, Minnesota. This Request for Information (RFI) is to encourage development interest in the RCD site and to identify a preferred responder for the RCD build-out. For the purposes of this RFI, "responder" includes any end-user buyer, developer or development team.

Background

Giants Ridge Golf and Ski Resort (Giants Ridge) is owned by the Department of Iron Range Resources and Rehabilitation, which is an agency of the State of Minnesota. It is located in Biwabik, Minnesota, three and a half hours north of the Twin Cities and one hour from Duluth. The resort includes approximately 1,850 acres of land owned by the agency adjacent to Wynne and Sabin Lakes. Ski and golf operations are managed by Guest Services Management, LLC, pursuant to a management agreement with the agency.

Giants Ridge is a year-round destination resort that consists of a variety of four-season amenities including 35 alpine ski runs, a snowboard terrain park, snow tubing hill, over 60 kilometers of cross-country ski trails, a gravity mountain bike trail accessed by a ski lift, and 36 holes of golf at the Legend and Quarry golf courses. Giants Ridge also has a full season event center/chalet facility and two clubhouses for golf, all with restaurant or vending services, plus a number of support structures needed for its recreational operations. There are four privately owned development properties located at Giants Ridge. The Lodge at Giants Ridge and The Villas provide a mixture of privately owned condominium and duplex units that are rented out for guests by their owners. The Woodlands and Voyageurs Retreat developments are primarily single-family houses and are not rented out for short-term use.

The agency acquired Giants Ridge as an economic development project in 1983 and has been actively developing the resort and working with private sector partners to increase activity and maximize enterprise revenues. A copy of the Core Area Master Plan (completed in August 2017) can be found at: <https://mn.gov/irrrb/about-us/work-with-us>

Giants Ridge has received high rankings for both its skiing and golfing, including several designations as the best ski resort in Minnesota by Ski Magazine and many high rankings by Golf Digest and Golf World magazines.

More detailed information on golf, summer activities, skiing and other winter sports at Giants Ridge can be found on the following link: <https://www.giantsridge.com>

Residence Club Background

In 2009 the Residence Club at Giants Ridge plat was filed and approved by St. Louis County, Minnesota (RCD Plat). The RCD Plat consists of 27 building lots and six outlots. The agency subsequently entered into an agreement with a private developer in 2010, and a road and utilities were built on the RCD site. The private developer constructed one home but was unsuccessful in selling fractional ownership interests in that home. In 2015 the agency terminated the developer's take-down agreement and 25 building lots remain owned by the agency and unoccupied within the RCD Plat.

The RCD site is subject to City of Biwabik ordinances and building codes. In addition the RCD site is currently subject to the architectural review and design standards of the Giants Ridge Master Association. The RCD Plat, Giants Ridge Master Association declaration and bylaws, plus a link to City of Biwabik ordinances can also be found at: <https://mn.gov/irrrb/about-us/work-with-us>

Official Notices

Residence Club Opportunity

The current vision for the RCD area is that land will be divided into several individual development tracts and each sale will be contingent on the developer maximizing real estate value and meeting the land use and environmental goals of the agency. The agency's current vision includes entering into a contractual agreement with a developer who is able to develop an economically viable concept for the RCD along with the resources to implement the concept, which will lead to operational efficiencies and increased resort patrons at Giants Ridge.

The agency encourages RFI responders to be creative, given the RCD site's proximity to Sabin Lake. The agency would consider partnership initiatives that might include development of RCD site amenities such as waterfront access, development of beaches and trails, or other concepts that would lead to the successful development of the RCD.

Responses

The RFI period will open on January 29, 2018 and remain open until the agency otherwise declares in writing. The agency reserves the right to negotiate land sale and development contracts with responders to this RFI upon the conclusion of this process should it be determined to be in the best interest of the agency. All materials submitted by responders will be retained by the agency and subject to the Minnesota data practices act (Minnesota Statutes Chapter 13). The agency will not reimburse or otherwise provide compensation to responders for expenses incurred by responders to prepare a response or participate in the RFI process. The agency reserves the right to amend or withdraw the RFI at any time, to waive minor RFI irregularities, and to reject or disregard any RFI responses.

Contact for Request for Information Inquiries

Questions regarding the RFI or requests to submit materials or to meet with Iron Range Resources and Rehabilitation agency staff should be submitted to:

Al Becicka, Legal Counsel
Department of Iron Range Resources and Rehabilitation
4261 Highway 53 South, P.O. Box 441
Eveleth, MN 55734-0441
Telephone: (218) 735-3003
Email: al.becicka@state.mn.us

Teachers Retirement Association

TRA Audit Committee

Notice of Meeting

The Minnesota Teachers Retirement Association Audit Committee will hold a meeting on **Tuesday, February 20, 2018 at 9:30 a.m.** in Room 414, 60 Empire Drive, St. Paul, MN to consider matters which may properly come before the committee. Committee members may participate by telephone.

Teachers Retirement Association

Notice of Meeting

The Board of Trustees, Minnesota Teachers Retirement Association will hold a meeting on **Wednesday, February 21, 2018 at 9:30 a.m.** in Suite 400, 60 Empire Drive, St. Paul, MN to consider matters which may properly come before the Board. Board members may participate by telephone.

State Grants & Loans

In addition to requests by state agencies for technical/professional services (published in the State Contracts Section), the *State Register* also publishes notices about grants and loans available through any agency or branch of state government. Although some grant and loan programs specifically require printing in a statewide publication such as the *State Register*, there is no requirement for publication in the *State Register* itself. Agencies are encouraged to publish grant and loan notices, and to provide financial estimates as well as sufficient time for interested parties to respond.

SEE ALSO: Office of Grants Management (OGM) at: <http://www.grants.state.mn.us/public/>

Department of Employment and Economic Development (DEED) Notice of Grant Opportunity

NOTICE IS HEREBY GIVEN that the Minnesota Department of Employment and Economic Development (DEED) places notice of any available grant opportunities online at <https://mn.gov/deed/about/contracts/>

Department of Human Services Alcohol and Drug Abuse Division Notice of Request for Proposals to Enhance Recovery Peer Support Services

NOTICE IS HEREBY GIVEN that the Minnesota Department of Human Services is requesting proposals to enhance peer support services in Minnesota, particularly in underserved geographical areas, by increasing the numbers of persons trained to be peer recovery support specialists.

Work is proposed to start February 14, 2018. For more information, or to obtain a copy of the Mini-Grant Application, contact:

Julie Jacobson
Department of Human Services
Alcohol and Drug Abuse Division
P.O. Box 64977
444 Lafayette Road North, St. Paul, MN 55155 64977
Phone: (651) 431-2230, Fax: (651) 431-7449
Julie.A.Jacobson@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

Proposals submitted in response to this Mini-Grant must be received at the address above no later than **4:00 p.m., Central Time, February 12, 2018. Late proposals will not be considered.** Faxed or e-mailed proposals will **not** be considered.

The Mini-Grant Application can be viewed by visiting the Minnesota Department of Human Services RFP web site: http://www.dhs.state.mn.us/id_000102

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

State Grants & Loans

Department of Human Services

Alcohol and Drug Abuse Division

Notice of Request for Proposals to fund a Grantee to Operate the Minnesota Problem Gambling Helpline, a statewide 24-hour/7 days/week, Toll-Free Confidential Phone and Online Chat Helpline for Persons Requesting Information Related to Gambling Problems and Referral to Gambling Treatment Services

NOTICE IS HEREBY GIVEN that the Minnesota Department of Human Services is requesting proposals to Operate the Minnesota Problem Gambling Helpline, a statewide 24-hour/7 days/week, toll-free confidential phone (1-800-333-HOPE), text (61222-HOPE) and online chat helpline for persons requesting information related to gambling problems and referral to gambling treatment services.

Work is proposed to start July 1, 2018. For more information, or to obtain a copy of the Request for Proposal, contact:

Ovester Armstrong, Jr.
Department of Human Services
Alcohol and Drug Abuse Division
444 Lafayette Road North, St. Paul, MN 55155-0977
Phone: (651) 431-2468
Fax: (651) 431-7449
ovester.armstrong@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

Proposals submitted in response to this Request for Proposals must be received at the address above no later than **4:00 p.m., Central Time, February 19, 2018. Late proposals will not be considered.** Faxed or e-mailed proposals will **not** be considered.

The RFP can be viewed by visiting the Minnesota Department of Human Services RFP web site:
http://www.dhs.state.mn.us/id_000102

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

Department of Human Services

Economic Assistance and Employment Supports Division (EAESD)

Notice of Request for Proposals to Provide Services through the Office of Economic Opportunity's Homeless Youth Act Grant

NOTICE IS HEREBY GIVEN that the Minnesota Department of Human Services is requesting proposals to provide services through the Office of Economic Opportunity's Homeless Youth Act Grant. Funding under this grant may be used to pay the costs of providing shelter, housing, and support services for minor youth, who are unaccompanied by a parent or guardian and are homeless or at-risk of homelessness.

Eligible applicants include non-profit organizations currently serving homeless youth in Hennepin County. \$400,000 of Homeless Youth Act funding is available. All funds will be awarded through a competitive grant process.

Work is anticipated to start March 15, 2018 until June 30, 2019. For more information, or to obtain a copy of the Request for Proposal, contact:

(Cite 42 SR 879)

Minnesota State Register, Monday 29 January 2018

Page 879

State Grants & Loans

Andrea Simonett
Department of Human Services
Economic Assistance and Employment Supports Division (EAESD)
Office of Economic Opportunity
P.O. Box 64962
444 Lafayette Road North, St. Paul, MN 55155 0962
Phone: (651) 431-6327
andrea.simonett@state.mn.us

Andrea Simonett is the only person designated to answer questions by potential responders regarding this request.

To be considered for funding under this program, one electronic application and two hard copy applications must be received no later than **4:00 p.m., Central Standard Time, March 2, 2018. Late proposals will not be considered.** Email one electronic application to barb.alt@state.mn.us and mail two hard copies of the application to:

Attn: Barb Alt
MN Department of Human Services
Office of Economic Opportunity
PO Box 64962
St. Paul, Minnesota 55164-0962

The Request for Proposals can be viewed by visiting the Minnesota Department of Human Services RFP website:
http://www.dhs.state.mn.us/id_000102

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

Department of Human Services Mental Health Division

Corrected Notice of Request for Proposals for Qualified Grantees to Improve and Sustain IRTS and RCS Service Delivery to reflect the correct proposal due date which is March 19, 2018

NOTICE IS HEREBY GIVEN that the Minnesota Department of Human Services is requesting proposals to Sustain and improve access to Intensive Residential Treatment and Residential Stabilization Treatment services.

Work is proposed to start June 1, 2018. For more information, or to obtain a copy of the Request for Proposal, contact: Ruth Moser

Department of Human Services
Mental Health Division
P.O. Box 64981
444 Lafayette Road North, St. Paul, MN 55155 0981
Phone: (651) 431-4373, Fax: (651) 431-7566
Ruth.moser@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

Proposals submitted in response to this Request for Proposals must be received at the address above no later than **4:00 p.m., Central Time, on March 19, 2018. Late proposals will not be considered.** Faxed or e-mailed proposals will **not** be considered.

All grant RFPs are required to be put on the DHS Grants and RFP web site.

Page 880 Minnesota State Register, Monday 29 January 2018 (Cite 42 SR 880)

State Grants & Loans

The RFP can be viewed by visiting the Minnesota Department of Human Services RFP web site:
http://www.dhs.state.mn.us/id_000102

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

Department of Human Services Mental Health Division

Notice of Request for Proposals from qualified responders to Develop an Innovative Project(s) to Improve Mental Health Outcomes for Youth Attending a Qualifying School Unit

NOTICE IS HEREBY GIVEN that the Minnesota Department of Human Services is seeking proposals from qualified responders to Develop an Innovative Project(s) to Improve Mental Health Outcomes for Youth Attending a Qualifying School Unit.

Work is proposed to start March 1, 2018. For more information, or to obtain a copy of the Request for Proposal, contact:

Kristin Lofgren
Department of Human Services
Mental Health Division
P.O. Box 64985
444 Lafayette Road, St. Paul, MN 55155 0985
Phone: (651) 431-3225, Fax: (651) 431-7566
kristin.lofgren@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

Proposals submitted in response to this Request for Proposals must be received at the address above no later than **4:00 p.m., Central Time, on Friday, February 23, 2018 to be considered. Late proposals will not be considered.** Faxed or e-mailed proposals will **not** be considered.

The RFP can be viewed by visiting the Minnesota Department of Human Services RFP web site:
<https://mn.gov/dhs/partners-and-providers/grants-rfps/open-rfps/>

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

Department of Human Services

Mental Health and Alcohol and Drug Abuse Divisions

Corrected Notice of Request for Proposals to Provide Culturally Specific Behavioral Health Supports & Services and/or Workforce Development within Cultural and Ethnic Minority Communities to reflect the correct proposal due date which is 4:00 p.m., Central Time, March 5, 2018

NOTICE IS HEREBY GIVEN that the Minnesota Department of Human Services is requesting proposals to provide services in one or more of the categories below with a focus on mental health, substance use/misuse or a combination of both. Responder's may choose to provide services to either adults or children and families or both. Proposals must address one or more of the categories based on the needs of the target population and ability of the agency. Responses do not need to propose to do everything listed within the category.

(Cite 42 SR 881)

Minnesota State Register, Monday 29 January 2018

Page 881

State Grants & Loans

Category 1: Workforce Development: Recruiting, Supporting, Training and Supervision Activities for Mental Health and Substance Use/Misuse Practitioners and Professionals; Support members of cultural and ethnic minority communities qualify to become mental health practitioners, professionals, clinical supervisors, licensed alcohol and drug counselors, and other supports such as Peer Recovery Specialists.

Category 2: Culturally Specific Outreach, Early Intervention, Trauma-Informed Clinical and Ancillary Services, and Recovery Support; Provide trauma-informed mental health and substance use/misuse supports and services for children and families, youth, and/or adults from cultural and ethnic minority backgrounds that are uninsured or underinsured.

Category 3: Expansion to Greater Minnesota- Infrastructure Improvement Activities Especially in Greater Minnesota; Increase the availability of mental health services for children and families, youth, adults and/or substance use/misuse services for individuals from cultural and ethnic minorities within the State of Minnesota.

Work is proposed to start July 1, 2018. For more information, or to obtain a copy of the Request for Proposal, contact:

Nelly Torori and Amelia Fink
Department of Human Services
Mental Health and Alcohol and Drug Abuse Divisions
P.O. Box 64981, St. Paul, MN 55164-0981
444 Lafayette Road North, St. Paul, MN 55155
Phone: (651) 431-2225, Fax: (651) 7566
Dhs.mh-adad.cultural.specific.srvs@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

Proposals submitted in response to this Request for Proposals must be received at the address above no later than **4:00 p.m., Central Time, March 5, 2018. Late proposals will not be considered.** Faxed or e-mailed proposals will **not** be considered.

The RFP can be viewed by visiting the Minnesota Department of Human Services RFP web site:
<https://mn.gov/dhs/partners-and-providers/grants-rfps/open-rfps/>

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

MNsure (Minnesota's Health Insurance Marketplace) Request for Letters of Intent: FY2019 Navigator Outreach and Enrollment Grants

MNsure is seeking Letters of Intent from organizations intending to apply for grant funds that have the ability to find, connect with, educate and successfully enroll and renew Minnesota residents in health care coverage through MNsure. This Request for Letters of Intent is part of MNsure's fifth RFP process for the Navigator Outreach and Enrollment grant program. The forthcoming solicitation has two focus areas:

- I. Geographic: focus on building statewide access to enrollment assistance and sustaining a network of navigator organizations working closely with MNsure on strategies to reach, enroll and renew consumers.
- II. Population: support organizations that have identified populations that face barriers to enrolling in coverage and/or high levels of uninsurance and can demonstrate an ability to effectively reach, enroll and help renew coverage for the population.

A complete copy of the Request for Letters of Intent will be available by 4:00 p.m. on January 22, 2018, on MNsure's website at: <https://www.mnsure.org/assisters/funding-opps.jsp>.

State Grants & Loans

Letters of Intent are due by **1:00 p.m. on February 15, 2018**. Applicants must submit a Letter of Intent in order to respond to the forthcoming Request for Proposals. Letters must be submitted using the online submission process described in the Request for Letters of Intent. MNSure reserves the right to invite additional applicants if geographic or population gaps are identified through the Letter of Intent process. Questions regarding the Grant Program may be emailed to navigatorgrants@mnsure.org.

State Contracts

Informal Solicitations: Informal solicitations for professional/technical (consultant) contracts valued at over \$5,000 through \$50,000, may either be published in the *State Register* or posted on the Department of Administration, Materials Management Division's (MMD) Web site. Interested vendors are encouraged to monitor the P/T Contract Section of the MMD Website at www.mmd.admin.state.mn.us for informal solicitation announcements.

Formal Solicitations: Department of Administration procedures require that formal solicitations (announcements for contracts with an estimated value over \$50,000) for professional/technical contracts must be published in the *State Register*. Certain quasi-state agency and Minnesota State College and University institutions are exempt from these requirements.

Requirements: There are no statutes or rules requiring contracts to be advertised for any specific length of time, but the Materials Management Division strongly recommends meeting the following requirements: \$0 - \$5000 does not need to be advertised. Contact the Materials Management Division: (651) 296-2600 \$5,000 - \$25,000 should be advertised in the *State Register* for a period of at least seven calendar days; \$25,000 - \$50,000 should be advertised in the *State Register* for a period of at least 14 calendar days; and anything above \$50,000 should be advertised in the *State Register* for a minimum of at least 21 calendar days.

Minnesota State Colleges and Universities (Minnesota State) Request for Proposal (RFP) for Data Integration Platform

Background:

Minnesota State Colleges and Universities (Minnesota State) is the fifth-largest system of higher education in the United States. It is comprised of 37 two-year and four-year state colleges and universities with 54 campuses located in 47 Minnesota communities. The System serves approximately 430,000 students each year. The Minnesota State Colleges and Universities is an independent state entity that is governed by a 15 member Board of Trustees. The law creating the system was passed by the Minnesota Legislature in 1991 and went into effect July 1, 1995. The law merged the state's community colleges, technical colleges and state universities into one system, other than the University of Minnesota campuses. For more information about Minnesota State Colleges and Universities, please view its website at www.minnstate.edu.

Nature of RFP:

Minnesota State System Office is requesting proposals for the purchase and implementation of a cloud-based data integration and integration management solution. This RFP is undertaken by Minnesota State System Office pursuant to the authority contained in provisions of Minnesota Statutes § 136F.581 and other applicable laws.

Purpose:

The ability to effectively create and manage integrations across numerous SaaS and homegrown systems and services is foundational in supporting core business capabilities.

The purpose of this RFP is to choose a fully-developed, cloud-based data integration platform and integration management solution that will support Minnesota State in creating integrations between premise-to-premise, premise-to-cloud and cloud-to-cloud applications, data sources, databases, and API's.

Problem Statement:

Minnesota State has hundreds of integrations between its ERP systems and satellite, vendor, and shadow systems. In addition, we have multiple integrations across teaching and learning systems, registration systems, campus systems and

(Cite 42 SR 883)

Minnesota State Register, Monday 29 January 2018

Page 883

State Contracts

others. To date all integrations are coded manually and specifically for each integration need.

The existing highly customized, ad hoc data integration environment is not sufficient to meet future business needs. Continuation of the current integration practices is no longer sustainable.

The Minnesota State Architecture team has been charged with implementing a standardized, centralized, secure, cloud-based data integration solution that will provide discoverable, reusable data integrations across a broad variety of cloud-based and on-premise technologies, platforms, applications and services.

General Selection Criteria:

The solution will be selected based on criteria that include, but are not limited to:

The proposed solution is a Software as a Service (SaaS, iPaaS) solution, capable of integrating data to and from on premise and cloud databases, storage providers, ERP applications, RESTful API's and Message Queues.

The RFP respondent is the publisher or an authorized reseller of the solution. The vendor of proposed solution has had a commercially available SaaS/iPaaS product with sales for a minimum of three years in public sector or Higher Education.

The proposed solution substantially complies with current national accessibility specifications and standards, including Section 508 of the 1973 Rehabilitation Act and the World Wide Web Consortium's (W3C) Web Content Accessibility Guidelines (WCAG) 2.0 AA.

Selection and Implementation Timeline:

Monday, January 8	Publish RFP notice in State Register
Monday, January 29	Submit questions on RFP
Monday, February 5	Publish answers to RFP questions
Thursday, February 15, 3:00 p.m. CST	Deadline for RFP proposal submissions
Monday, February 19 – Monday, March 12	Review RFP proposals
Tuesday, March 13 – Tuesday, March 27	Meet with individual responders
Friday, April 13	Complete selection process
Friday, June 1, 2018	Deadline for executing contract

Any questions please contact: Jennell Flodquist (email: jennell.flodquist@minnstate.edu phone: 651-201-1524)

The RFP can be downloaded at the following URL: <http://www.minnstate.edu/vendors/index.html>

Minnesota State Colleges and Universities (Minnesota State) Request for Proposal (RFP) for Grants Management Solution

Background

Minnesota State is the fourth largest system of state colleges and universities in the nation with 30 colleges, 7 universities, and 54 campuses. The System serves 375,000+ students each year. The Minnesota State Colleges and Universities is an independent state entity that is governed by a 15 member Board of Trustees. The law creating the system was passed by the Minnesota Legislature in 1991 and went into effect July 1, 1995. The law merged the state's community colleges, technical colleges and state universities into one system, other than the University of Minnesota campuses. For more information about Minnesota State Colleges and Universities, please view its website at www.minnstate.edu.

The Minnesota State Colleges and Universities (Minnesota State) Board of Trustees is the sole state agency authorized to receive and disburse federal funds and to supervise the administration of the state career and technical education (CTE) program through Minnesota State under a state plan developed jointly with the Minnesota Department of Education pursuant to Minnesota Statute § 136F.79 and the Carl D. Perkins Career & Technical Education Act of 2006 (P.L. 109-270).

Nature of RFP

Minnesota State is requesting proposals from vendors to implement a cloud-hosted (SaaS) grant management system that will be used to centralize, facilitate, and manage the entire grant application process through the grant lifecycle and support both grant-seekers and grant-makers.

Minnesota State's preference is to use a vendor that is already fully developed and used by an existing client base, but which can be customized, as needed, to meet the specific needs of our organization. We desire a system that does not require internal IT staff support. At this time, we are not soliciting the development of a fully custom-built system.

The Career and Technical Education unit (CTE) at Minnesota State partners with the Office of Career and College Success at the Minnesota Department of Education. CTE currently manages up to five different funding opportunities per fiscal year. Most of these funding opportunities follow a standard grant management process: grant application creation, submission and review, decision and notification, implementation, project management, reporting and close-out.

It is relevant to note that our current grants management system does not handle the fiscal management and accounting (i.e., payment processing and disbursement) portion of grants management. Therefore, formal fiscal management and accounting capability is not a necessary component for our needs. Funds are appropriated to other colleges or school districts, and formal fiscal management and accounting of the funds occur separately within the accounting systems of those entities. However, grant recipients are required to submit budget plans and report on project expenditures throughout their grant cycle within their annual performance reports and updates, amendments to their grant application, or final end-of-grant report, and so a level of fiscal reporting and budget planning is a necessary component. Currently, some of this budgeting occurs using Excel documents uploaded by the applicant as an attachment to their grant application.

Minnesota State will select the vendor(s) whose proposal(s), and oral presentation(s) if requested, demonstrate in Minnesota State's sole opinion, the clear capability to best fulfill the purposes of this RFP in a cost-effective manner. Minnesota State reserves the right to accept or reject proposals, in whole or in part, and to negotiate separately as necessary in order to serve the best interests of Minnesota State. This RFP shall not obligate Minnesota State to award a contract or complete the proposed project and it reserves the right to cancel this RFP if it is considered to be in its best interest.

This RFP is undertaken by Minnesota State pursuant to the authority contained in provisions of Minnesota Statutes § 136F.581 and other applicable laws.

General Selection Criteria

General criteria upon which proposals will be evaluated include, but are not limited to, the following:

- Propose a cloud-hosted grant management solution (SaaS) that will be used to centralize, facilitate, and manage the entire grant-making process through the entire grant lifecycle and supports both grant-seeker/applicants and grant-makers that meets requirements set forth in this RFP.
 - Have experience as a Cloud Service Provider
 - Demonstrate compatibility with multiple platforms and multiple web browsers
 - Support mobile delivery on multiple platforms
 - Comply with current national accessibility specifications and standards, including ADA Section 508 and W3C Web Accessibility Initiative
- Provide support and training services needed to ensure success of software implementation
- Provide a means for Minnesota State for the measurement of license usage and growth

Selection Process

The selection process will include an evaluation of all qualified proposals by the evaluation team. The evaluation team is comprised of staff from Minnesota State, colleges and universities of Minnesota State and the Minnesota Department of Education staff, which many include member school districts.

State Contracts

Selection Timeline

Monday, January 22, 2018	RFP notice published in the State Register
Friday, February 2, 2018	Deadline for vendor to submit questions
Friday, February 9, 2018	Publish responses to vendor questions
Wednesday, February 28, 2018	Deadline for RFP proposal submissions
Friday, March 30, 2018	Vendors identified as finalists
April 9-20, 2018	Vendor finalist demonstrations
Monday, May 7, 2018	Finalist notified
July 1, 2018	Contract awarded and executed

Any questions please contact: Yingfah Thao (email: yingfah.thao@minnstate.edu phone: 651-201-1681)

The full RFP can be downloaded at the following URL: <http://minnstate.edu/vendors/index.html>

Minnesota State Colleges and Universities (Minnesota State) Inver Hills Community College and Dakota County Technical College Notice of Request for Proposals for Food Service

Inver Hills Community College and Dakota County Technical College are requesting proposals for food services that provide for the needs of students, staff and faculty for wholesome food at moderate prices. The food services should be inviting, responsive to the students and staff needs, and serve as a positive force in attracting and retaining students and community support.

To receive a complete copy of the proposal, please contact Karla Colwell by email at: karla.colwell@inverhills.edu

Proposals must be sealed with a notation on the outside of the envelope stating: Food Service Proposal – DELIVER IMMEDIATELY

Mail or deliver (faxes and email will not be accepted) sealed proposal must be delivered no later than **12:00 P.M., FRIDAY, February 9th, 2018** to:

Inver Hills Community College
2500 80th Street E Inver Grove Heights MN 55076
Attn: Karla Colwell
Business Office, College Center Building Second Floor
Phone: (651) 450-3871

PROPOSAL CLOSE DATE IS FRIDAY, February 9th, 2018 – 12:00 P.M

Minnesota State Colleges and Universities (Minnesota State) Minneapolis Community and Technical College Request for Qualifications (RFQ) for Construction Manager at Risk (CM@r) for Hennepin Skyway Renovation Project

The State of Minnesota, acting through its Board of Trustees of the Minnesota State Colleges and Universities (Minnesota State), on behalf of Minneapolis Community and Technical College, Minneapolis, Minnesota, is soliciting qualifications from interested, qualified Construction Managers for the above referenced project.

A full Request for Qualifications (RFQ) is available on the Minnesota State website:
<http://www.minnstate.edu/vendors/index.html>. Under FACILITIES CONSULTANT & CONTRACTOR OPPORTUNITIES.

Page 886 Minnesota State Register, Monday 29 January 2018 (Cite 42 SR 886)

State Contracts

A mandatory informational meeting is scheduled for 1:00 PM CST, Tuesday, January 30, 2018, in, Room T1400 *street level, at Minneapolis Community and Technical College, 1501 Hennepin Avenue, Minneapolis, MN.

Proposals must be delivered to Roger Broz, Minneapolis Community and Technical College, 1312 Harmon Place, Basement level, Minneapolis, MN 55406-1779, not later than **2:00 PM, Thursday, February 8, 2018**. Late responses will not be considered.

Minneapolis Community and Technical College is not obligated to complete the proposed project and reserves the right to cancel the solicitation if it is considered to be in its' best interest.

Minnesota Racing Commission (MRC) Notice of Request for Proposals for Harness Racing Judge

The Minnesota Racing Commission (MRC) is accepting proposals for the contractual position of Harness Racing Judge for the live harness racing meet to be held May 19, 2018 through September 15, 2018 at Running Aces Casino and Racetrack in Columbus, Minnesota. The approximate term of contract would be from April 16, 2018 through April 15, 2019, with the option to extend an additional four years in increments determined by the State.

Contact the MRC at 651-925-3956 or patricia.m.sifferle@state.mn.us to receive a copy of the Request for Proposals that provides requirements and instructions for submission of a proposal.

Priority consideration will be given to proposals received by **4:30 p.m. central standard time on Thursday, March 1, 2018**. Proposals will be continued to be accepted until December 31, 2018.

Minnesota Racing Commission (MRC) Notice of Contract Opportunity for Equine Drug Testing Services

PROJECT NAME: Equine Drug Testing Services

DETAILS: The Minnesota Racing Commission is requesting proposals for laboratory testing of equine blood, urine, hair and other samples for qualitative and quantitative analysis of medications and prohibited substances. Responders must be laboratories that are currently accredited by the Racing Medication and Testing Consortium.

Work is anticipated to start on or after **April 1, 2018**.

COPY REQUEST: To get a copy of the Request for Proposals, please send a written request, by email, fax or U.S. Mail, to:

Patricia M. Sifferle
General Counsel
15201 Zurich Street, Suite 212
Columbus, MN 55025
Phone: (651) 925-3956
Fax: (651) 925-3953
E-mail: patricia.m.sifferle@state.mn.us

Please call the phone number above to confirm receipt of your request.

PROPOSAL DEADLINE: Proposals submitted in response to the Request for Proposals in this advertisement must be received in the offices of the Minnesota Racing Commission by mail, courier service or hand delivery no later than **4:30 p.m. Central Standard Time on March 1, 2018**. **Late proposals will not be considered**. Faxed or e-mailed proposals will **not** be accepted or considered. Please call the phone number above to confirm receipt of your proposal.

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

(Cite 42 SR 887)

Minnesota State Register, Monday 29 January 2018

Page 887

State Contracts

Minnesota State Retirement System (MSRS)

Request for Proposals for Cultural Competency and Diversity Training

Minnesota State Retirement System ("MSRS" or "State") requests proposals for a single contractor to assist MSRS in measuring its cultural competency and respect for diversity, to provide the right balance of group training, individual coaching, and independent study options for improving MSRS cultural competency, and to report and recommend future internal programs to improve cultural competency and ensure respect for diversity remain part of MSRS culture.

The goal of this project is for MSRS employees to have an increased ability to provide excellent customer service with diverse stakeholders, communicate more effectively with each other and their stakeholders across a variety of cultural differences, provide a workplace free from harassment and discrimination, increase organizational effectiveness, and promote the recruitment and retention of employees from diverse backgrounds.

The proposed contract would start March 23, 2018 and end June 30, 2018. The resulting contract may be extended beyond the initial term in increments determined by the State at a price mutually agreed upon by both parties. Price will be a significant factor in the evaluation of proposals.

To receive the RFP, or for Responders who have any questions regarding this RFP, contact:

Daniel McLean, Contract Administrator
Minnesota State Retirement System
60 Empire Drive, Suite 300
St. Paul, MN 55103
Email: daniel.mclean@msrs.us
Telephone: (651) 284-7789

Proposals submitted in response to this RFP must be received at the address above no later than **Friday, February 23, 2018, at 3:00 CDT.**

Late proposals and proposals received in any way other than that described in the RFP will not be considered. This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel the solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

Minnesota Department of Transportation (MnDOT)

Engineering Services Division

Notices Regarding Professional/Technical (P/T) Contracting

P/T Contracting Opportunities: MnDOT is now placing additional public notices for P/T contract opportunities on the MnDOT's Consultant Services website. New public notices may be added to the website on a daily basis and be available for the time period as indicated within the public notice.

Taxpayers' Transportation Accountability Act (TTAA) Notices: MnDOT is posting notices as required by the TTAA on the MnDOT Consultant Services website.

MnDOT's Prequalification Program: MnDOT maintains a Pre-Qualification Program in order to streamline the process of contracting for highway related P/T services. Program information, application requirements, application forms and contact information can be found on MnDOT's Consultant Services website. Applications may be submitted at any time for this Program.

MnDOT Consultant Services website: www.dot.state.mn.us/consult

If you have any questions regarding this notice, or are having problems viewing the information on the Consultant Services website, please call the Consultant Services Help Line at 651-366-4611, Monday – Friday, 9:00am – 4:00pm.

Page 888 Minnesota State Register, Monday 29 January 2018 (Cite 42 SR 888)

Non-State Public Bids, Contracts & Grants

The State Register also serves as a central marketplace for contracts let out on bid by the public sector. The *State Register* meets state and federal guidelines for statewide circulation of public notices. Any tax-supported institution or government jurisdiction may advertise contracts and requests for proposals from the private sector. It is recommended that contracts and RFPs include the following: 1) name of contact person; 2) institution name, address, and telephone number; 3) brief description of commodity, project or tasks; 4) cost estimate; and 5) final submission date of completed contract proposal. Allow at least three weeks from publication date (four weeks from the date article is submitted for publication). Surveys show that subscribers are interested in hearing about contracts for estimates as low as \$1,000. Contact editor for further details.

Besides the following listing, readers are advised to check: <http://www.nmd.admin.state.mn.us/solicitations.htm> as well as the Office of Grants Management (OGM) at: <http://www.grants.state.mn.us/public/>.

Dakota County

Notice of Request For Proposal (RFP) For Children's Out of Home Respite / Stabilization Services provided through Licensed Corporate Foster Care

Notice is hereby given that the Dakota County Social Services, Children and Family Services, is soliciting proposals from interested and qualified parties for the purpose of providing children's Out of Home Respite/Stabilization Services provided through Licensed Corporate Foster Care.

Services will be funded by: publically funded health care programs, including Medical Assistance (MA) Home and Community Based Service waivers; Children's Mental Health Respite Grant, and/or Dakota County.

The selected Respondents will be expected to enter into a contractual agreement with Dakota County commencing on or around late spring/early summer 2018.

Successful responder's will have proven experience in providing the aforementioned areas, has the appropriate certification, qualified staff and meet the service criteria.

To access the complete RFP online, or to acquire additional information about Dakota County visit our website at: <http://www.co.dakota.mn.us/Government/DoingBusiness/BidProposalsInformation/Pages/default.aspx>

Contact: Lori Tolzman, Contract Specialist
Dakota County Community Services Division
1 Mendota Road West, Suite 500
West St. Paul, MN 55118-4773

Email: Lori.Tolzman@co.dakota.mn.us

Responder's Meeting is scheduled from 2:30-3:30 p.m. CDT on Friday, February 9, 2018 at the Dakota County Western Service Center in Apple Valley. See proposal for details.

Deadline for proposals is 4:00 p.m. CDT on Friday, February 23, 2018. No late proposal will be considered.

Non-State Public Bids, Contracts & Grants

Metropolitan Airports Commission (MAC)

Notice of Call for Bids for 2018 G Concourse Rehab Program P3

Airport Location: Minneapolis-St. Paul International Airport
Project Name: 2018 G Concourse Rehab Program P3
MAC Contract No: 106-2-853
Bids Close At: 2:00 p.m. on February 13, 2018

Notice to Contractors: Sealed Bid Proposals for the project listed above will be received by the MAC, a public corporation, at the office thereof located at 6040-28th Avenue South, Minneapolis, Minnesota 55450, until the date and hour indicated. The work of this project includes construction, mechanical, and electrical work.

Note: You can sign up on our Web site (www.metroairports.org) to receive email notifications of new business opportunities or go directly to https://public.govdelivery.com/accounts/MNORGMAC/subscriber/topics?gsp-CODE_RED and choose this and other topics about which you are interested.

Targeted Group Businesses (TGB): The goal of the MAC for the utilization of TGB on this project is 5%.

Bid Security: Each bid shall be accompanied by a "Bid Security" in the form of a certified check made payable to the MAC in the amount of not less than five percent (5%) of the total bid, or a surety bond in the same amount, running to the MAC, with the surety company thereon duly authorized to do business in the State of Minnesota.

Availability of Bidding Documents: Bidding documents are on file for inspection at the office of Alliance; at the Minnesota Builders Exchange; Dodge Data and Analytics; and NAMC-UM Plan Room. Bidders desiring bidding documents may secure a complete set from: Franz Reprographics; 2781 Freeway Boulevard, Suite 100; Brooklyn Center, MN 55430; PH: 763.503.3401; FX: 763.503.3409. Make checks payable to: Alliance. Deposit per set (refundable): \$150. Requests for mailing sets will be invoiced for mailing charges. Deposit will be refunded upon return of bidding documents in good condition within 10 days of opening of bids.

MAC Internet Access of Additional Information: A comprehensive Notice of Call for Bids for this project will be available on January 22, 2018, at MAC's web address of <http://www.metroairports.org/Airport-Authority/Business-Opportunities/Solicitations.aspx> (construction bids).

Metropolitan Airports Commission (MAC)

Notice of Call for Bids for 2018 Intelligent Monitoring and Control Systems P10

Airport Location: Minneapolis-St. Paul International Airport
Project Name: 2018 Intelligent Monitoring and Control Systems P10
MAC Contract No: 106-2-840
Bids Close At: 2:00 p.m. on February 13, 2018

Notice to Contractors: Sealed Bid Proposals for the project listed above will be received by the MAC, a public corporation, at the office thereof located at 6040-28th Avenue South, Minneapolis, Minnesota 55450, until the date and hour indicated. This phase generally improves the IMACS user interface, expands the MAC's electric meter monitoring and adds remote monitoring to the South ALEC (airfield lighting) engine-generator set, automatic transfer switches, and UPS's.

Note: You can sign up on our Web site (www.metroairports.org) to receive email notifications of new business opportunities or go directly to https://public.govdelivery.com/accounts/MNORGMAC/subscriber/topics?gsp-CODE_RED and choose this and other topics about which you are interested.

Targeted Group Businesses (TGB): The goal of the MAC for the utilization of Targeted Group Businesses on this project is 5%

Page 890 Minnesota State Register, Monday 29 January 2018 (Cite 42 SR 890)

— Non-State Public Bids, Contracts & Grants

Bid Security: Each bid shall be accompanied by a "Bid Security" in the form of a certified check made payable to the MAC in the amount of not less than five percent (5%) of the total bid, or a surety bond in the same amount, running to the MAC, with the surety company thereon duly authorized to do business in the State of Minnesota.

Availability of Bidding Documents: Bidding documents are on file for inspection at the office of Alliance; at the Minnesota Builders Exchange; Dodge Data and Analytics; and NAMC-UM Plan Room. Bidders desiring drawings and specifications may secure a complete set from: Franz Reprographics; 2781 Freeway Boulevard, Suite 100; Brooklyn Center, MN 55430; PH: 763.503.3401; FX: 763.503.3409. Make checks payable to: Alliance. Deposit per set (refundable): \$150. Requests for mailing sets will be invoiced for mailing charges. Deposit will be refunded upon return of bidding documents in good condition within 10 days of opening of bids.

MAC Internet Access of Additional Information: A comprehensive Notice of Call for Bids for this project will be available on January 22, 2018, at MAC's web address of <http://www.metroairports.org/Airport-Authority/Business-Opportunities/Solicitations.aspx> (construction bids).

Metropolitan Airports Commission (MAC)

Notice of Call for Bids for 2018 South Security Exit and Facade Expansion

Airport Location: Minneapolis-St. Paul International Airport
Name: 2018 South Security Exit and Facade Expansion
MAC Contract No: 106-2-771
Bids Close At: 2:00 p.m. on February 20, 2018

Notice to Contractors: Sealed Bid Proposals for the project listed above will be received by the MAC, a public corporation, at the office thereof located at 6040-28th Avenue South, Minneapolis, Minnesota 55450, until the date and hour indicated. The work consists of selective building demolition, structural enhancements and expansion.

Note: You can sign up on our Web site (www.metroairports.org) to receive email notifications of new business opportunities or go directly to https://public.govdelivery.com/accounts/MNORGMAC/subscribe/topics?gsp-CODE_RED and choose this and other topics about which you are interested.

Targeted Group Businesses (TGB): The goal of the MAC for the utilization of Targeted Group Businesses on this project is 7%.

Bid Security: Each bid shall be accompanied by a "Bid Security" in the form of a certified check made payable to the MAC in the amount of not less than five percent (5%) of the total bid, or a surety bond in the same amount, running to the MAC, with the surety company thereon duly authorized to do business in the State of Minnesota.

Project Labor Agreement: This project is subject to the MAC's Project Labor Agreement requirements. A copy of the Project Labor Agreement and Contract Riders are included in the Appendix.

Availability of Bidding Documents: Bidding documents are on file for inspection at the office of Alliance; at the Minnesota Builders Exchange; Dodge Data and Analytics; and NAMC-UM Plan Room. Bidders desiring bidding documents may secure a complete set from: Franz Reprographics; 2781 Freeway Boulevard, Suite 100; Brooklyn Center, MN 55430; PH: 763.503.3401. Make checks payable to: Alliance. Deposit per set (refundable): \$150. Requests for mailing sets will be invoiced for mailing charges. Deposit will be refunded upon return of bidding documents in good condition within 10 days of opening of bids.

MAC Internet Access of Additional Information: A comprehensive Notice of Call for Bids for this project will be available on January 22, 2018, at MAC's web address of <http://www.metroairports.org/Airport-Authority/Business-Opportunities/Solicitations.aspx> (construction bids).

Non-State Public Bids, Contracts & Grants

Metropolitan Airports Commission (MAC)

Notice of Call for Bids for 2018 Parking Structure Rehabilitation

Airport Location: Minneapolis-St. Paul International Airport
Project Name: 2018 Parking Structure Rehabilitation
MAC Contract No.: 106-3-576
Bids Close At: 2:00 PM on February 20, 2018

Notice to Contractors: Sealed Bid Proposals for the project listed above will be received by the MAC, a public corporation, at the office thereof located at 6040-28th Avenue South, Minneapolis, Minnesota 55450, until the date and hour indicated. This project provides for miscellaneous repairs and maintenance to the parking structure facilities at the Terminal 1-Lindbergh and Terminal 2-Humphrey.

Note: You can sign up on our Web site (www.metroairports.org) to receive email notifications of new business opportunities or go directly to https://public.govdelivery.com/accounts/MNORGMAC/subscribe/topics?gsp-CODE_RED and choose this and other topics about which you are interested.

Targeted Group Businesses (TGB): The goal of the MAC for the utilization of Targeted Group Businesses on this project is 6%.

Bid Security: Each bid shall be accompanied by a "Bid Security" in the form of a certified check made payable to the MAC in the amount of not less than five percent (5%) of the total bid, or a surety bond in the same amount, running to the MAC, with the surety company thereon duly authorized to do business in the State of Minnesota.

Availability of Bidding Documents: Bidding documents are on file for inspection at the office of Kimley-Horn and Associates, Inc. 2550 University Avenue West, Suite 238N, St. Paul, MN 55114; at the Minnesota Builders Exchange; Dodge Data and Analytics; and NAMC-UM Plan Room. Bidders desiring bidding documents may secure a complete digital set at <http://www.questcdn.com>. Bidders may download the complete set of digital bidding documents for \$50.00 by entering eBidDoc™ #5513376 in the "Search Projects" page. Contact Quest Construction Data Network at 952-233-1632 or info@questcdn.com for assistance. Hard copy drawings and specifications will not be made available to Bidders.

MAC Internet Access of Additional Information: A comprehensive Notice of Call for Bids for this project will be available on January 29, 2018, at MAC's web address of <http://www.metroairports.org/Airport-Authority/Business-Opportunities/Solicitations.aspx> (construction bids).



From: [Minnesota Housing](#)
To: [Deegan, Jessica \(MHFA\)](#)
Subject: Public Hearing and Comment Period: Analysis of Impediments to Fair Housing, Action Plan and Consolidated Plan
Date: Wednesday, January 31, 2018 8:37:02 AM



Minnesota Housing eNews

January 31, 2018

[The latest news for Minnesota Housing partners]



Public Hearing and Comment Period: Analysis of Impediments to Fair Housing, Action Plan and Consolidated Plan

The Minnesota Department of Employment and Economic Development, Minnesota Housing, and the Minnesota Department of Human Services are accepting comments on the following documents from January 31-March 2, 2018:

- Analysis of Impediments to Fair Housing
 - This study is part of HUD's requirement in the Federal Fair Housing Act to affirmatively further fair housing choice and create economic opportunities, and will cover 2018-2021.
- State of Minnesota 2018 Housing and Community Development Annual Action Plan (Action Plan)
 - Directs how the state will meet needs and priorities in 2018 and will be submitted to HUD to receive federal housing and community development funding.
- Substantial Amendment to the 2017-2021 Consolidated Plan
 - Examines the housing and community development needs of the state and sets priorities for allocating HUD funds.

How to Participate

- **Read the Plans:** Visit [our website](#) to read the draft plans and see full instructions for commenting.
- **Attend a Public Hearing:** Tuesday, February 20 from 4:00-5:00 p.m. at Rondo Library, 461 N. Dale Street in St. Paul.
- **Submit Comments:** By mail to Minnesota Housing, Attn: Action Plan/AI, 400 Wabasha Street N., Suite 400, St. Paul, MN 55102. By email to mn.housing@state.mn.us with "Action Plan/AI" in the subject line. Comments will be accepted until close of business on March 2.

Questions? Contact [Jessica Deegan](#).



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Saint Paul, MN | 55102 US

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Minnesota 2018 Action Plan and Substantial Amendment Comments and State Agency Responses

Written Public Comments were received by:

- Metropolitan Interfaith Council on Affordable Housing
- Three Rivers Community Action

Metropolitan Interfaith Council on Affordable Housing

1. Pages 49-50 Affordable Housing. Goal is for 200 households to be served the narrative appears to identify 172 units will be provide. Please explain the difference.

The narrative provides estimates by program, the total production will be differ based on whether operating subsidy is utilized with the National Housing Trust Fund, which allows up to 1/3 of the grant to be used that way. Using operating subsidy would reduce the number of households served overall.

2. We are pleased the State is using its new strategic homeless plan that focuses on the entire population experiencing homelessness, not just on long term homeless. We need to prevent people from becoming long term homes by having a fully functioning Continuum to Housing including Prevention, Outreach, Shelter, Transitional Housing, Supportive and Affordable Housing.

Thank you for your comment.

3. Page 58 Actions to Reduce Lead Based Paint Hazards. We are very pleased to see you including this in the 2018 plan. Currently according to MDH at least 700 children (disproportionately children of color) are poisoned by lead each year in Minnesota. 359,000 occupied renter households were built before 1978 which have potential lead poisoning hazards. It costs \$1500-\$2,000/unit every 5 years to make it lead safe. It costs \$100,000/child/year who becomes disabled by lead. Goal to make all housing lead safe by 2020. HF 491. SF 350 are bills being heard in 2018 Legislative Session.

Thank you for your comment.

4. Page 61. Coordination between public and private housing and social services. Currently, DHS spends millions of homeless service dollars per year on people who were long term homeless in supportive housing for people not required to utilize the services or meet any goals. With the limited resources we have, it is imperative to do a better job of coordinating of services available in the community with our housing opportunities. We encourage the State to utilize Medicaid funding, PCAs and ILS staff (not homeless service dollars) to provide services to people in supportive housing.

Thank you for your comment. The State shares this desire to increase the number of providers who are able to utilize Medicaid and other non-homeless funding streams to provide these types of billable supportive services in housing. The Medicaid and Housing Support Services Group has been developing proposals for DHS Leadership and providing recommendations for technical assistance in this area.

5. Page 65 We are concerned about data privacy of people experiencing homelessness, HMIS, coordinated entry and other homeless regulations which may be barriers for people accessing homeless services. We were pleased to see you identify this as a concern too!
 - a. We continue to be very concerned that HMIS costs are more than what the State appropriates for Shelter in a year The State appropriates \$125,000, MHFA out of its own resources provided \$225,000 with other State Agencies also funding HMIS How much? (Current State appropriations for Day Shelters and Emergency Shelters annually is \$500,000, page 21.) Is data more important than sheltering people? MICAH continues to be very concerned about the cost of funding HMIS and requests an audit of all costs of HMIS- by each State agency, staff time, resources in systems, and provider staff time and costs for systems.

HMIS is required by HUD for multiple funding streams the State receives, including ESG. DHS has chosen to use a small portion of the ESG funding. Because of this, the State has chosen to use approximately 3 percent (\$75,000) of the ESG funds to support the administration of this required information system. Additionally, since the State has already committed the maximum amount to shelter that is allowable under ESG regulations, these funds are not impacting the amount available for emergency shelter. DHS continues to make every effort to contain the costs of HMIS, while maximizing the value of the system for both sub-recipients and DHS.

The Annual Actin Plan public comment process is not intended to be a vehicle for audit requests of State funding for a particular activity. Any further information on state use of HMIS funds would need to be submitted through the State's public data request process.

6. Page 66. 24 CFR 576.405 Please identify in your 2018 CAPER your monitoring results of which sub-recipients were in compliance and which were not in compliance. Were people experiencing homelessness on their Board of Directors? Staff? Advisory Council? Which CoCs have people experiencing homelessness as decision makers in the CoC process.

It is unclear the scope of compliance that the commenter is referring when using the term "In Compliance." If the request is in regard to sub-recipients compliance with 24 CFR 576.405(a) Homeless Participation, the regulatory language in part (a) indicates that State recipients (and their sub-recipients) are not required to provide homeless or formerly homeless recipients on their board of directors or equivalent policy making entity.

However, as part of its routine monitoring DHS does address and strongly encourage the participation of homeless and formerly homeless persons in sub-recipient decision and policy making as a best practice, and is committed to increasing the participation of persons experiencing homelessness in all aspects of homelessness policy.

7. Substantial Amendment 2017-2021 Plan. We have concerns that more and more of our resources for extremely low income people are being targeted toward supportive housing. Our concern is we are potentially creating a scenario that the only way low income people will be able to get into

housing is through supportive housing- a model much more expensive than an affordable housing opportunity using the services people need in the community. If you move forward with this substantial amendment, we request that the CAPER each year clearly identifies the number of units by specific population in the Low-Moderate Income Renter Households.

Minnesota Housing will report on these populations beginning with the 2018 CAPER, as required when identifying priority populations.

8. We continue to encourage a small portion of HOME Funds to be used for Tenant Based Rent Subsidies.

Minnesota Housing utilizes HOME funds based on high priority needs found through the consolidated plan, and use this limited fund to expand and preserve rental housing to help with the severe shortage of housing.

9. We have significant concerns about the State's Impediments to Fair Housing Choice goals- see comments on the A.I.. Fair Housing is the Law and Actions need to be taken to enforce the law and require all funded entities to be in full compliance.

The State agencies will review and respond to the comments on the A.I.

10. We strongly encourage people impacted by homelessness, faith community and other advocates provides input into the MN Interagency Council on Homelessness Plans on at least quarterly basis.

Thank you for the comment. The Annual Action Plan does not include activities of the Minnesota Interagency Council on Homelessness.

Three Rivers Community Action

Overall, our CoC believes that the balance of needs for housing and community development in the region is reflected well in the Action Plan, and we appreciate the effort to do that.

p.6 Regarding the description of consultation with Continuums of Care: We believe this section does not adequately address the question of consulting with CoCs to determine ESG fund allocation, develop performance standards, or evaluate outcomes. The discussions at the monthly meeting hosted at DHS is cursory at best related to these topics, and specific action is needed to fully implement this requirement. We recommend that this section more accurately and specifically address current practice and that a more detailed action plan be developed to truly meet the spirit of this requirement.

Thank you for the comment. The State remains committed to consulting with Minnesota's 10 Continuum of Care regions (covering 87 counties) to the maximum extent practicable, and describing these efforts accurately in the Annual Action Plan. Additional information on consultation is reported under the ESG-specific requirements on pages 64-66.

There is great diversity in ESG programming and communities across the State, and the current CAPER report in HMIS primarily provides demographic and destination information at exit. However, DHS staff

actively participate in the joint State-CoC Outcomes committee, have developed a core report for all HMIS programs, and are in the process of identifying impact of State programs on HUD system performance measures through HMIS reporting.

From: Jennifer Prins [<mailto:jprins@threeriverscap.org>]
Sent: Friday, March 02, 2018 4:16 PM
To: MN_MHFA MN Housing, . (MHFA) <MN.Housing@state.mn.us>
Subject: AI/AAP

Hello –

Thank you for the opportunity to submit comments on the Draft Analysis of Impediments to Fair Housing and the 2018 Draft Annual Action Plan. I am submitting these comments on behalf of the River Valleys Continuum of Care (Rochester/Southeast Minnesota CoC, MN -502). The CoC greatly appreciates being advised of the drafts and has compiled a couple key comments regarding the AI and Action Plan.

Analysis of Impediments:

Regarding the Demographic Analysis, we are concerned that the characterization of the state’s racial and ethnic diversity being “predominantly in the Twin Cities” may result in disinvestment in smaller communities where investment and action is needed. For example, many of the greater Minnesota counties identified as areas of concern for gaps in mortgage lending are those where rapid racial and ethnic change has occurred. Proportionally, these communities may be at least as diverse as the Twin Cities, even though total numbers are lower.

Regarding the goals of the plan, we strongly affirm the need for education, outreach, tools, and resources to address limited knowledge of (and compliance with) fair housing laws. We are concerned, however, that the Action Items derived from these goals are not sufficient to address the challenge. Action Items 1.e. and 4.a., for example, need to employ stronger language than “monitor” and “provide educational materials” to truly meet the goal named and affect change in communities in our CoC region. As providers serving households who are experiencing homelessness or at risk of homelessness, we see firsthand the impact of “crime free” housing ordinances that disrupt lives of non-offenders. We also consistently see tenant selection practices that prevent very vulnerable households with barriers from accessing housing, stabilizing their lives, and becoming the productive and active community member they desire to be. This is not new knowledge. We highly recommend that this section be reconsidered to focus on action as much as on evaluation and education, and our CoC is happy to support tool development, response protocols, and outreach efforts in our region.

Annual Action Plan

Overall, our CoC believes that the balance of needs for housing and community development in the region is reflected well in the Action Plan, and we appreciate the effort to do that.

p.6 Regarding the description of consultation with Continuums of Care: We believe this section does not adequately address the question of consulting with CoCs to determine ESG fund allocation, develop performance standards, or evaluate outcomes. The discussions at the monthly meeting hosted at DHS is cursory at best related to these topics, and specific action is needed to fully implement this requirement. We recommend that this section more accurately and specifically address current practice and that a more detailed action plan be developed to truly meet the spirit of this requirement.

Thank you for the opportunity to provide comment. We see the State as a valuable partner in meeting community needs, especially where it works to prevent and end homelessness through the programs referenced in these draft documents. If there is any way that our CoC membership can be of help to implement the actions proposed, please contact me and I will bring it to our CoC board and/or membership.

Best –

Jennifer

Jennifer Prins, MURP

Planning Director/Continuum of Care Coordinator

Three Rivers Community Action

1414 North Star Drive, Zumbrota, MN 55992

Direct: 507-732-8577 | jprins@threeriverscap.org

Three Rivers Community Action works with community partners to provide warmth, transportation, food, housing, advocacy, and education to individuals and families. For more information on how you can help, visit our website at www.threeriverscap.org.

River Valleys Continuum of Care is a community-based coalition dedicated to preventing and ending homelessness in southeastern and south central Minnesota by coordinating services and maximizing resources. Find more information at www.threeriverscap.org/continuum-of-care.



March 2, 2018

Our faith commands us to love others as ourselves, to be a welcoming community for all and to ensure the people impacted by the housing crisis and/or homelessness are decision makers at every level to ensure their needs are met.

MICAHA's Mission is: Every one, without exception, has a decent, safe, accessible and affordable home.

Thank you for the opportunity to comment on Minnesota's Consolidated Annual Action Plan 2018 and Substantial Amendment for 2017-2021

1. Pages 49-50 Affordable Housing. Goal is for 200 households to be served the narrative appears to identify 172 units will be provide. Please explain the difference.
2. We are pleased the State is using its new strategic homeless plan that focuses on the entire population experiencing homelessness, not just on long term homeless. We need to prevent people from becoming long term homes by having a fully functioning Continuum to Housing including Prevention, Outreach, Shelter, Transitional Housing, Supportive and Affordable Housing.
3. Page 58 Actions to Reduce Lead Based Paint Hazards. We are very pleased to see you including this in the 2018 plan. Currently according to MDH at least 700 children (disproportionately children of color) are poisoned by lead each year in Minnesota. 359,000 occupied renter households were built before 1978 which have potential lead poisoning hazards. It costs \$1500-\$2,000/unit every 5 years to make it lead safe. It costs \$100,000/child/year who becomes disabled by lead. Goal to make all housing lead safe by 2020. HF 491. SF 350 are bills being heard in 2018 Legislative Session.
4. Page 61. Coordination between public and private housing and social services. Currently, DHS spends millions of homeless service dollars per year on people who were long term homeless in supportive housing for people not required to utilize the services or meet any goals. With the limited resources we have, it is imperative to do a better job of coordinating of services available in the community with our housing opportunities. We encourage the State to utilize Medicaid funding, PCAs and ILS staff (not homeless service dollars) to provide services to people in supportive housing.
5. Page 65 We are concerned about data privacy of people experiencing homelessness, HMIS, coordinated entry and other homeless regulations which may be barriers for people accessing homeless services. We were pleased to see you identify this as a concern too!

We continue to be very concerned that HMIS costs are more than what the State appropriates for Shelter in a year. The State appropriates \$125,000, MHFA out of its own resources provided \$225,000 with other State Agencies also funding HMIS. How much? (Current State appropriations for Day Shelters and Emergency Shelters annually is \$500,000, page 21.) Is data more important than sheltering people? MICAH continues to be very concerned about the cost of funding HMIS and requests an audit of all costs of HMIS- by each State agency, staff time, resources in systems, and provider staff time and costs for systems.

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7. Substantial Amendment 2017-2021 Plan. We have concerns that more and more of our resources for extremely low income people are being targeted toward supportive housing. Our concern is we are potentially creating a scenario that the only way low income people will be able to get into housing is through supportive housing- a model much more expensive than an affordable housing opportunity using the services people need in the community. If you move forward with this substantial amendment, we request that the CAPER each year clearly identifies the number of units by specific population in the Low-Moderate Income Renter Households.

8. We continue to encourage a small portion of HOME Funds to be used for Tenant Based Rent Subsidies.

9. We have significant concerns about the State's Impediments to Fair Housing Choice goals- see comments on the A.I.. Fair Housing is the Law and Actions need to be taken to enforce the law and require all funded entities to be in full compliance.

10. We strongly encourage people impacted by homelessness, faith community and other advocates provides input into the MN Interagency Council on Homelessness Plans on at least quarterly basis.

Thank you again for the opportunity to comment on the Minnesota Annual Action Plan for Housing and Community Development 2018 and the Substantial Amendment 2017-2021

Sincerely,
Sue Watlov Phillips
Sue Watlov Phillips, M.A.
Executive Director, MICAH

State and Local Tax Policies

Minnesota's previous Consolidated Plan conceded that the state's rental property tax rate is often mentioned as a barrier to affordable rental housing, both for developers and for landlords who provide affordable rental units. The tax reportedly has adverse impacts on the maintenance of existing rental housing, the development of new housing, and the efficient use of the existing housing stock. Property tax rebates for lower-income households help to mitigate some of the taxes that are passed on to renters. While the State wishes to support policies that make affordable housing development more achievable, the difficulties of implementing these strategies may limit their viability for Minnesota in the near future.

However, the State has been able to begin to address this issue with its 4d affordable rental housing property tax, a special class tax rate for affordable housing developments that represents a class rate reduction of 75 percent for rent-restricted properties. Eligible properties are subject to rent and income restrictions of the section 8 program; the Low Income Housing Tax Credit (LIHTC) program; rural housing service rent assistance programs; or a financing program of the federal, state, or local government.

Structure and Delivery of Services

Over the program year, the State will continue its collaborative funding process of a consolidated request for proposals (RFP). Included in the RFP are the federal HOME Investment Partnerships and Housing Trust Fund programs alongside state resources, and project-based section 8 vouchers through the Metropolitan Council/Metro HRA.

Challenges

Lack of Sufficient Resources

Funding shortages create a challenge for Minnesota; however there are steps its agencies can take to maximize available resources in the most efficient way. Over the program year, Minnesota Housing will continue to focus its efforts and major resources on preservation and new construction of affordable rental housing. Minnesota Housing attempts to reduce barriers that add costs to projects, including prioritizing developments that use land efficiently and minimizing loss of agricultural and green space, or reducing barriers of local application and permit processes by prioritizing development for which costs are reduced or avoided by regulatory changes, incentives, or waivers by the governing body. In addition, Minnesota Housing employs a cost containment strategy to incentivize lower development costs while balancing quality.

DEED will continue to focus efforts on rehabilitation of all housing, creation of jobs related to economic development, and improvement of public facility access to low- to moderate-income areas. The State supports all efforts to use resources most efficiently.

First-Time Homebuyers

While Minnesota Housing's HOME program does not currently include homebuyer activities, the agency remains strong in providing mortgage and down payment assistance to first time homebuyers through state resources. Minnesota Housing has a strategic priority to reduce Minnesota's racial and ethnicity homeownership disparity. Minnesota ranks among the top three states consistently of having the highest disparities in homeownership rate between white/non-Hispanic households and households of color. We emphasize homebuyer and financial counseling and coaching and continue to design and offer mortgage programs that support homeownership for households of color and Hispanic Ethnicity.

Over the program year, the State will continue to alleviate the challenges of first-time homebuyers by providing funding for homebuyer training and education, down payment assistance, and post purchase counseling for first time homebuyers.

Other Obstacles

NIMBYism

Community attitudes, often referred to as "Not in My Backyard," or NIMBYism, are frequently identified as an obstacle to increasing the availability of affordable housing. However, local government policies can also be described as creating a NIMBY atmosphere for affordable housing.

The State fully supports efforts to reduce NIMBYism, prejudice, and negative attitudes toward affordable and multifamily housing, and will encourage planning decisions by CDBG and HOME sub-recipient communities that work to decrease segregation and increase integration of populations. The State will also fully support civic leaders and developers who undertake education in communities statewide. Such education could be targeted, timely, and, in the context of a possible development, relevant to potentially affected citizens.

Sustainable housing

The Multifamily Division of Minnesota Housing encourages practices that promote sustainable housing in the development and rehabilitation of affordable rental housing. The agency policy states "Minnesota Housing encourages sustainable, healthy housing that optimizes the use of cost effective durable building materials and systems that minimizes the consumption of natural resources both during construction or rehabilitation and in the long term maintenance and operation. We encourage optimizing the use of renewable resources and energy, minimizing damages and impact to the environment, and maximizing the use of natural amenities such as solar, wind, climate, and orientation of the development.

All federal funds, and the majority of other capital improvement funding from Minnesota Housing must meet all requirements of the 2015 Enterprise Green Communities Criteria (EGCC) as amended by the agency's Overlay and Guide.

In its 2018 Multifamily common application, Minnesota Housing is asking for funding applicants to apply for energy efficiency incentives from utilities and other sources. The purpose of this requirement is to leverage

utility funds in order to increase energy efficiency in Minnesota's affordable housing.

For example, applicants to the Housing Tax Credit (HTC) program are awarded additional points for implementing green design criteria. Further, the Publicly Owned Housing Program (POHP) references sustainable building design standards in its manual, stating that "Minnesota Statutes Section 168.325 requires promulgation of & Sustainable Building Design Goals for new buildings. These goals are design standards that:

- Exceed the existing energy code standards,
- Achieve the lowest possible lifetime costs for new buildings,
- Ensure good indoor air quality,
- Create and maintain a healthy environment,
- Facilitate productivity improvements,
- Specify ways to reduce material costs, and
- Consider the long-term operating costs of the building including the use of renewable and distributed electric energy generation that uses a renewable source of natural gas or a fuel that is as clean as or cleaner than natural gas."

For any SCDP rehabilitation project, DEED conducts an inspection that includes energy improvements to homes and commercial businesses with items such as windows, doors, insulation, and energy-efficient heating units.

State of Minnesota Citizen Participation Plan
Consolidated Plan for Housing and Community Development
2017-2021

Introduction

Under guidelines established by the U.S. Department of Housing and Urban Development (HUD), the Minnesota Department of Employment and Economic Development, Minnesota Housing Finance Agency and Minnesota Department of Human Services, hereinafter referred to as the "State", must prepare a Consolidated Plan that addresses the housing, community development, and economic development activities that the State will undertake to assist its citizens through HUD's formula grant programs.

DEED is the lead agency responsible for the Consolidated Planning process and the administration of the: Community Development Block Grant funds (CDBG). Minnesota Housing is the lead agency responsible for the Home Investment Partnerships (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and the National Housing Trust Fund (NHTF). DHS is the lead agency responsible for the Emergency Shelter Grants (ESG).

The Consolidated Planning process is intended to more comprehensively fulfill three basic goals: to provide decent housing, to provide a suitable living environment and to expand economic opportunities.

Provision of decent housing may involve assisting homeless persons in obtaining appropriate housing, retaining the affordable housing stock, increasing the availability of permanent affordable housing for low-income households without discrimination or increasing supportive housing to assist persons with special needs. Providing a suitable living environment might entail improving the safety and livability of neighborhoods, including the provision of adequate public facilities; deconcentrating housing opportunities and revitalizing neighborhoods; restoring and preserving natural and physical features with historic, architectural, and aesthetic value; and conserving energy resources. Expanding economic opportunities can involve creation of accessible jobs, providing access resources for community development, and assisting low-income persons in achieving self-sufficiency.

The Consolidated Plan is a three-part planning process required by HUD. It comprises developing a five-year strategic plan, preparing annual action plans and submitting annual performance reports. These three parts are intended to furnish the framework whereby

1

Minnesota can identify its housing, homeless, community, and economic development needs, identify resources that will be tapped and actions to be taken that will address the needs, as well as look back and evaluate the State's progress toward achieving its strategic goals. Completing these documents on time and in a manner that is acceptable to HUD ensures program funding.

The precursor to the Consolidated Plan is the Citizen Participation Plan (CPP). The objectives of the CPP are to ensure that the citizens of Minnesota, particularly persons of low and moderate income, persons living in slum and blight areas, units of local government, housing agencies and other interested parties, are provided with the opportunity to participate in the planning and preparation of the Consolidated Plan, including amendments to the Consolidated Plan and the Annual Performance Report. In doing so, the CPP sets forth general policies and procedures for implementing and carrying out the Consolidated Planning Process, such as how the Consolidated Plan will be developed, dates and milestones along which the process will proceed, and methods for citizens to offer the State assistance and guidance in the formulation of the Plan. Furthermore, the provisions of the CPP fulfill statutory and regulatory requirements for citizen participation specified in the U.S. Department of Housing and Urban Development's rules for the Consolidated Plan, the HOME, CDBG, ESG, NHTF and HOPWA programs and the Analysis of Impediments to Fair Housing¹. In Minnesota, the participation process will be developed and monitored by a Consolidated Plan Coordinating Committee consisting of representatives from the Department of Employment and Economic Development (DEED), the Minnesota Housing Finance Agency (Minnesota Housing), and the Minnesota Department of Human Services (DHS).

Purpose of the Citizen Participation Plan

In order to ensure maximum participation in the Consolidated Plan process among all populations and needs groups, and in order to ensure that their issues and concerns are adequately addressed, the State of Minnesota will follow the standards set forth in this Citizen Participation Plan during development of its Consolidated Plan.

The Citizen Participation Plan also provides citizens an opportunity to evaluate and comment on the State's performance, as reported in the Consolidated Annual Performance and Evaluation Report (CAPER).

Relevant Areas

The term "entitlement areas" refers to cities and counties that qualify to receive one or more formula grants. These areas must complete a Consolidated Plan separately from the State's to receive funding. For purposes of this Citizen Participation Plan, "non-entitlement" refers to cities

¹ See 24 CFR § 91.115

and towns that do not file Consolidated Plans individually or as part of a consortium and are not eligible to receive formula funding from HUD directly.

Entitlement areas for the CDBG program include: the cities of Bloomington, Coon Rapids, Duluth, Eden Prairie, Mankato, Minneapolis, Minnetonka, Fargo/Moorhead, North Mankato, Plymouth, Rochester, St. Cloud, St. Paul, Woodbury, and the counties of Hennepin, Anoka, Dakota, Ramsey, Washington, and St. Louis.

Entitlement areas for the HOME program include: the cities of Duluth, Minneapolis, and St. Paul, and the counties of Hennepin, Dakota, and St. Louis.

Entitlement areas for the ESG program include: the cities of Duluth, Minneapolis, St. Paul, and the counties of Hennepin, Dakota, Ramsey, and St. Louis.

Individuals wishing to contribute to the Consolidated Planning process in these areas should contact housing and community development specialists in these cities/counties.

Encouraging Citizen Involvement

Public Notice and Outreach

An informed citizenry is critical to effective and responsive housing and community development programs. Efforts to educate residents and empower participation are an ongoing element of the Consolidated Planning process.

As the fundamental means of notifying interested citizens about the Consolidated Plan and related activities, such as the Annual Action Plan or the Consolidated Annual Performance and Evaluation Report, the State will utilize multiple display advertisement notices, which include but are not limited to one or more newspapers of general circulation, press releases, social media, mass emailings, and/or website postings. Written notices will be published at least 14 calendar days prior to public hearings. All notices will be written in plain, simple language and direct efforts will be undertaken to publish and/or post information at locations that will elicit maximum low- and moderate-income and minority participation.

Public education and outreach will be facilitated through the use of public advertisements that describe the Consolidated Planning process, opportunities for citizen participation and available funding through the CDBG, ESG, HOME and HOPWA programs. The State's Consolidated Plan contact list will likely include social service organizations, local jurisdictions, low-income housing consumers, neighborhood groups, previous participants and commentators, and others expected to desire input on the Plan.

The Consolidated Plan will offer many other opportunities for citizen participation. The State will particularly encourage participation of persons with special needs and/or persons who are often underrepresented in public process (low-income, persons of color, non-English speaking persons, persons with disabilities, persons who are homeless). The State will also encourage the participation of statewide and regional institutions and organizations that are involved or affected by the formula grants in the process of developing and implementing the Consolidated Plan. Participation will be solicited and encouraged through the activities discussed below.

Communications sent and posted by the state will encourage input from these parties so they can provide input about priorities and strategies they wish to see as a result of the plan.

Public Hearings and Input Meetings

At least two public input meetings will be held before the publication of the final Consolidated Plan. The primary purpose of the first public hearing is to gather citizen input on housing and community development needs and the proposed Consolidated Plan before it is published for comment. The second public hearing will be held during the Consolidated Plan 30-day public comment period and will be for review and comment on the Consolidated Plan draft. The public hearings will be announced at least two weeks prior to being held. Announcements may be made through the DEED and Minnesota Housing websites and at least one additional method which may include newspaper, social media, mass emails, or written postings.

The public hearings will take place in locations identified in the announcement of the public hearings that are accessible to persons with disabilities. The dates, times and locations for public hearings will be convenient to potential and actual beneficiaries. Non-English speaking persons and those with disabilities will be encouraged to attend. Where a significant number of non-English speaking residents are expected to participate, the State will provide translators when notified of this need prior to the public meetings. Contact information will be provided in all public announcements.

Regional and Interest Area Forums and Focus Groups

In addition to the public hearings, DEED, Minnesota Housing, and DHS may solicit input on housing and community development issues and needs of the homeless population at regional or interest area forums, focus groups, or web-based meetings.

If these types of meetings are conducted, agencies, advocates, statewide and regional institution and organizations and community residents will be informed of the meetings through state agency websites, personal contact, mass emails, media releases, and other methods that the state believes may be productive. All sites selected for the forums or focus groups will be accessible to the physically disabled. The State will work with advocacy groups to determine the need for special accommodations (beyond physical accessibility) of special needs groups and non-English speaking attendees.

The forums will be conducted with the intention of providing Minnesota residents the opportunity to voice their opinions and provide insight into the issues prevalent in their communities. The forums will also provide an opportunity for citizens and interested parties to obtain information about state housing and community development programs, the administering agencies, and funding requirements.

Publication of Consolidated Plan Documents

The State will publish its draft Consolidated Plan documents for public review in a manner that affords citizens, public agencies and other interested parties a reasonable opportunity to examine its contents and submit comments.

The draft Consolidated Plan documents will be available for viewing on Minnesota Housing's website <http://www.mnhousing.gov> and DEED's website <http://www.mn.gov/deed>, DHS' website <http://www.mn.gov/dhs>, or a centralized website or webpage dedicated to the State of Minnesota's Five Year Consolidated Plan. A reasonable number of hard copies of the proposed Consolidated Plan will also be available from DEED and Minnesota Housing during the public comment period.

Citizens or groups that have attended any of the forums or public hearings will be notified by mail or e-mail of the Consolidated Plan's availability for comment.

The draft Consolidated Plan will describe the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons displaced.

The State will openly consider any comments of individuals or groups received verbally or in writing, including e-mail, during the Consolidated Planning process or at public hearings. A summary of the written and public hearing comments will be included in the final Consolidated Plan, along with the state's response to the comments.

Public Comment on the Consolidated Plan Documents

Prior to the adoption of the Consolidated Plan, the State will make available to interested parties the draft Consolidated Plan and Executive Summary for a comment period of no less than 30 days. Notification of the availability of the proposed Consolidated Plan will be provided in at least one media source which may include websites, newspaper, social media, or postings.

Before the State submits a Consolidated Annual Performance and Evaluation Report (CAPER) to HUD, the State will make available to interested parties the proposed CAPER for a comment period of no less than 15 days. Citizens will be notified of the CAPER's availability through newspaper notification, website postings, and/or social media.

The CAPER will be available on Minnesota Housing's and DEED's websites for the full public comment period. Hard copies of the CAPER will be available upon request from DEED and Minnesota Housing during the public comment period. The State will consider any comments of individuals or groups received verbally at public hearings or in writing, including e-mails. A summary of the written and public hearing comments and the State's responses will be included in the final CAPER.

Public Access to Records

The State will provide all interested parties with access to information and records related to the State's Consolidated Plan and the State's use of assistance under all programs covered by the Consolidated Plan during the preceding five years. The public will be provided with reasonable access to housing assistance records, subject to laws regarding privacy and obligations of confidentiality.

Consultation with Organizations and State Agencies

When preparing the Consolidated Plan, the State will actively consult with public and private agencies that provide housing, health and social services in order to ensure that the interests and needs of all groups are being adequately addressed. This consultation may occur through regional and interest area forums, interviews conducted with such organizations (especially those that provide services to special needs populations), surveys, and incorporation of data and reports produced by such organizations into the Consolidated Plan.

Amendments to the Consolidated Plan

Pursuant to HUD regulations, an amendment to the Consolidated Plan is required whenever the jurisdiction determines to:

- Substantially change the allocation priorities or its method of distributing HUD formula grant funds;
- Utilize formula grant funds (including program income) to carry out an activity not previously described in the action plan; or
- Change the purpose, scope, location or beneficiaries of an activity.

Such changes, prior to their implementation, are reviewed under various federal or State requirements. Substantial amendments to the Consolidated Plan are, in addition, subject to a formal citizen participation process. Notice and the opportunity to comment will be given to citizens through public notices in local newspapers or other appropriate means, such as public meetings, social media, or website postings. A public comment period of not less than 30 days will be provided prior to implementing any substantial amendment to the Consolidated Plan. State staff will prepare a summary of all comments received in writing and, in cases where any citizens' views are not accepted, provide reasons for the decision. This documentation will be attached to the substantial amendment, which will be available to the public and submitted to HUD.

Substantial Amendments

Occasionally, public comments or events warrant an amendment to the Consolidated Plan. The criteria for whether to amend are referred to by HUD as Substantial Amendment Criteria. The following is the State's Substantial Amendment Criterion.

A change in the described method of distributing funds to local governments or nonprofit organization subrecipients to carry out activities. Elements of a "method of distribution" are:

7

- A. Application process for subrecipients;
- B. Criteria for selecting subrecipients.

Citizen Participation in the Event of a Substantial Amendment

In the event of a substantial amendment to the Consolidated Plan, the State will comply with the following citizen participation process:

1. The State will notify citizens of the availability of the draft substantial amendments, a minimum 30-day comment period, and, if in the State's judgment a public hearing is desirable, the time and location of the public hearing through website, social media, or newspaper.
2. Depending on which of the formula grant programs is affected, the substantially amended sections of the Consolidated Plan will be made available on either Minnesota Housing's website <http://www.mnhousing.gov>, DEED's website, <http://www.mn.gov/deed> or DHS's website, <http://www.mn.gov/dhs> and hard copies will also be available from the affected state department for the full duration of the public comment period.

Consideration of Public Comments on the Substantially Amended Plan.

In the event of substantial amendments to the Consolidated Plan, the State will openly consider any comments on the substantially amended Consolidated Plan from individuals or groups. Comments must be received in writing, including e-mail, or at public hearings if hearings are conducted. A summary of the comments received on the substantial amendments will be included in the final substantially amended Consolidated Plan. Also included in the final substantially amended Consolidated Plan will be a summary of all comments not accepted and their reasons for dismissal.

Changes in Federal Funding Level

Any changes in federal funding level after the Consolidated Plan's draft comment period has expired and the resulting effect on the distribution of funds will not be considered an amendment or a substantial amendment.

Standard Amendments

"Standard amendments" are those that are not considered substantial in nature and pertain

chiefly to minor administrative modifications of the programs. Thus they do not require in-depth citizen participation.

Complaints and Grievances

Citizens, administering agencies and other interested parties may submit complaints regarding violations of this Citizen Participation Plan or federal regulations regarding the preparation of the consolidated plan, amendments to the consolidated plan, or performance reports.

Citizens may also present complaints and grievances orally or in writing at the community meetings and/or public hearing. All public comments, including complaints and grievances, made either orally or in writing within the 30-day public comment period, will be included in the final Consolidated Plan, subject to such limitations of the Minnesota Government Data Practices Act that may apply. Such complaints or grievances shall be directed to the Consolidated Plan representative, Ms. Hillary Friend of DEED at 332 Minnesota St, Ste. E200, St. Paul, MN 55101, or her successor.

Timely Response to Complaints or Grievances

Within 15 calendar days of receiving the complaint, the program manager shall discuss the matter with the department manager, respond to the complainant in writing, and maintain a copy of all related correspondence, which will be subject to State review. A copy of the State's response from the Consolidated Plan representative will be transmitted, concurrently, to the complainant and to the DEED Director. If, due to unusual circumstances, the Consolidated Plan representative finds that it is unable to meet the prescribed time limit, the limit may be extended by written notice to the complainant. The Consolidated Plan representative's notice must include the reason for the extension and the date on which a response is expected to be generated, which may be based on the nature and complexity of the complaint.

Public review materials and performance reports will include data, as appropriate under confidentiality regulations, on any written complaints received and how each was resolved.

Citizen Participation Requirements for Local Governments Receiving CDBG (Small Cities Development Program) Funds from the State

Units of general local government must provide for and encourage citizen participation as prescribed at 24 CFR 570.486. All Small Cities Program applicants for CDBG funds are required to provide citizen notification and involvement in planning and implementation of the proposed projects through one or more public hearings and other informational efforts. Public hearings must be held at times and in places that are convenient to all community residents, particularly

9

those who will be affected by implementation of the project(s). The needs of persons with disabilities and non-English speaking persons should be considered for the dissemination of information and the location of public hearings and meetings must be accessible to persons with disabilities. In addition, applicants are required to conduct a community development survey to allow for citizen input on the housing and community needs of the jurisdiction.

Availability of the Citizen Participation Plan

Copies of the CPP may be obtained at the Minnesota Housing website (<http://www.mnhousing.gov>), the DEED website at <http://www.mn.gov/deed>, or DHS' website, <http://www.mn.gov/dhs> Upon request, the State will make the Plan available in an alternative format accessible to persons with disabilities.

Outreach Contacts

Copies of the Consolidated Plan will be sent electronically to the following:

Libraries

ALBERT LEA PUBLIC LIBRARY	phavener@selco.info
ANOKA COUNTY LIBRARY	Maggie.Snow@co.anoka.mn.us
ARROWHEAD LIBRARY SYSTEM	Jim.Weikum@alslib.info
AURORA PUBLIC LIBRARY	Paula.Chapman@alslib.info
AUSTIN PUBLIC LIBRARY	ahokanson@selco.info
BABBITT PUBLIC LIBRARY	Lisa.Pennala@alslib.info
BAUDETTE PUBLIC LIBRARY	Kelli.Pelland@alslib.info
BAYPORT PUBLIC LIBRARY	jsmith@ci.bayport.mn.us
BLUE EARTH COMMUNITY LIBRARY	egaydo@tds.lib.mn.us
BLUE EARTH COUNTY LIBRARY	tim.hayes@blueearthcountymn.gov
BOVEY PUBLIC LIBRARY	Tara.Deguisseppi@alslib.info
BROWNS VALLEY PUBLIC LIBRARY	bpiechowski@brownsvalley.lib.mn.us
BROWNSDALE PUBLIC LIBRARY	dsmith@selco.info

10

BUHL PUBLIC LIBRARY	Dan.Wilde@alslib.info
CALEDONIA PUBLIC LIBRARY	adress@selco.info
CALUMET PUBLIC LIBRARY	Melanie.Lefebvre@alslib.info
CANNON FALLS LIBRARY	jpadgett@selco.info
CARLTON AREA PUBLIC LIBRARY	Jodie.Johnson@alslib.info
CARVER COUNTY LIBRARY SYSTEM	hhoks@co.carver.mn.us
CHATFIELD PUBLIC LIBRARY	monica@selco.info
CHISHOLM PUBLIC LIBRARY	Katie.Christenson@alslib.info
CLARKFIELD PUBLIC LIBRARY	clibrary@mns.com
CLOQUET PUBLIC LIBRARY	Mary.Lukkarila@alslib.info
COLERAINE PUBLIC LIBRARY	Joanne.Mikulich@alslib.info
COLUMBIA HEIGHTS PUBLIC LIBRARY	renee.dougherty@ci.columbia-heights.mn.us
COMFREY AREA LIBRARY	libtbc1@tds.lib.mn.us
COOK PUBLIC LIBRARY	Crystal.Phillips@alslib.info
CROSBY: JESSIE F. HALLETT MEMORIAL LIBRARY	peggi@hallettlibrary.org
DAKOTA COUNTY LIBRARY	Margaret.Stone@co.dakota.mn.us
DODGE CENTER PUBLIC LIBRARY	iherfindahl@selco.info
DOUGLAS COUNTY LIBRARY	jodland@douglascounty.lib.mn.us
DULUTH PUBLIC LIBRARY	cpowers@duluthmn.gov
EAST CENTRAL REGIONAL LIBRARY	bmisselt@ecrilib.org
EAST GRAND FORKS CAMPBELL LIBRARY	chelgeson@egflibrary.org
EDGERTON PUBLIC LIBRARY	edejager@plumcreeklibrary.net
ELBOW LAKE: THORSON MEM LIBRARY	ghedstrom@elbowlake.lib.mn.us
ELMORE PUBLIC LIBRARY	libtfe@tds.lib.mn.us
ELY PUBLIC LIBRARY	Rachel.Heinrich@alslib.info
EVELETH PUBLIC LIBRARY	MaryBeth.Kafut@alslib.info
FARIBAULT: BUCKHAM MEMORIAL LIBRARY	djames@ci.faribault.mn.us
FERGUS FALLS PUBLIC LIBRARY	esmith@fergusfalls.lib.mn.us
FULDA MEMORIAL LIBRARY	bcuperus@plumcreeklibrary.net
GILBERT PUBLIC LIBRARY	Nicole.Miller@alslib.info
GLENWOOD PUBLIC LIBRARY	lrاندall@glenwood.lib.mn.us

GRAND MARAIS PUBLIC LIBRARY	Steve.Harsin@alslib.info
GRAND MEADOW PUBLIC LIBRARY	abaugh@selco.info
GRAND RAPIDS AREA LIBRARY	manderson@ci.grand-rapids.mn.us
GREAT RIVER REGIONAL LIBRARY	karenp@grrl.lib.mn.us
HANCOCK COMMUNITY LIBRARY	pjoos@hancock.lib.mn.us
HANSKA PUBLIC LIBRARY	dnelson@tds.lib.mn.us
HARMONY PUBLIC LIBRARY	ssilvers@selco.info
HENDRICKS: SIVERSON PUBLIC LIBRARY	librarianhendricks@yahoo.com
HENNEPIN COUNTY LIBRARY	lthompson@hclib.org
HIBBING PUBLIC LIBRARY	Coral.Ellshoff@alslib.info
HOKAH PUBLIC LIBRARY	barbb@selco.info
HOUSTON PUBLIC LIBRARY	hpublib@gmail.com
HOYT LAKES PUBLIC LIBRARY	Coral.Ellshoff@alslib.info
INTERNATIONAL FALLS PUBLIC LIBRARY	Diane.Adams@alslib.info
IVANHOE PUBLIC LIBRARY	svizecky@plumcreeklibrary.net
JACKSON COUNTY LIBRARY	terickson@plumcreeklibrary.net
KASSON PUBLIC LIBRARY	atiff@selco.info
KEEWATIN PUBLIC LIBRARY	Paula.Fowler@alslib.info
KENYON PUBLIC LIBRARY	motte@selco.info
KINNEY PUBLIC LIBRARY	k.bragge@mchsi.com
KITCHIGAMI REGIONAL LIBRARY	ridgem@krls.org
LA CRESCENT PUBLIC LIBRARY	lbeach@selco.info
LAKE AGASSIZ REGIONAL LIBRARY	lynchl@larl.org
LAKE BENTON PUBLIC LIBRARY	sfinzen@plumcreeklibrary.net
LAKE CITY PUBLIC LIBRARY	pbross@selco.info
LAKE ELMO PUBLIC LIBRARY	ndeprey@lakeelmo.org
LAMBERTON PUBLIC LIBRARY	cvanmeveren@plumcreeklibrary.net
LANESBORO PUBLIC LIBRARY	tjohnson@selco.info
LE ROY PUBLIC LIBRARY	rbarnes@selco.info
LONSDALE PUBLIC LIBRARY	mmoran@selco.info
MABEL PUBLIC LIBRARY	donnaj@selco.info

MARBLE PUBLIC LIBRARY	Tanja.Smith@alslib.info
MARSHALL-LYON COUNTY LIBRARY	michele.leininger@marshallyonlibrary.org
MARTIN COUNTY LIBRARY	jjepse@tds.lib.mn.us
METROPOLITAN LIBRARY SERVICE AGENCY (MELSA)	ken@melsa.org
MINNEOTA PUBLIC LIBRARY	mbuysse@plumcreeklibrary.net
MOOSE LAKE PUBLIC LIBRARY	Steven.Devine-Jelinski@alslib.info
MORGAN PUBLIC LIBRARY	morganlibrary@redred.com
MORRIS PUBLIC LIBRARY	myauk@morris.lib.mn.us
MOUNTAIN IRON PUBLIC LIBRARY	Sally.Yuccas@alslib.info
MOUNTAIN LAKE PUBLIC LIBRARY	clehman@plumcreeklibrary.net
NEW ULM PUBLIC LIBRARY	kwiley@tds.lib.mn.us
NEW YORK MILLS PUBLIC LIBRARY	jadams@newyorkmills.lib.mn.us
NOBLES COUNTY LIBRARY	cwolthuizen@plumcreeklibrary.net
NORTH MANKATO TAYLOR LIBRARY	lflowry@nmlibrary.org
NORTHFIELD PUBLIC LIBRARY	teresa.jensen@ci.northfield.mn.us
NORTHWEST REGIONAL LIBRARY	hansonk@nwrlib.org
OWATONNA-STEELE COUNTY LIBRARY	marykay@owatonna.info
PELICAN RAPIDS PUBLIC LIBRARY: A MULTICULTURAL LEARNING CENTER	awrigg@pelicanrapids.lib.mn.us
PERHAM AREA PUBLIC LIBRARY	sheusser-ladwig@perham.lib.mn.us
PINE ISLAND: VAN HORN PUBLIC LIBRARY	mkhansen@selco.info
PIONEERLAND LIBRARY SYSTEM	laurie.ortega@pioneerland.lib.mn.us
PIPESTONE: MEINDERS COMMUNITY LIBRARY	jody.wacker@pas.k12.mn.us
PLAINVIEW PUBLIC LIBRARY	ahenderson@selco.info
PLUM CREEK LIBRARY SYSTEM	jtrojanowski@plumcreeklibrary.net
PRESTON PUBLIC LIBRARY	bethand@selco.info
RAMSEY COUNTY LIBRARY	snemitz@ramsey.lib.mn.us
RED WING PUBLIC LIBRARY	jessica.mcgee@ci.red-wing.mn.us
REDWOOD FALLS PUBLIC LIBRARY	tsmith@ci.redwood-falls.mn.us
ROCHESTER PUBLIC LIBRARY	audrey@rochester.lib.mn.us
ROCK COUNTY COMMUNITY LIBRARY	sgutnik@plumcreeklibrary.net
RUSHFORD PUBLIC LIBRARY	shart@selco.info

SAINT PAUL PUBLIC LIBRARY	jane.eastwood@ci.stpaul.mn.us
SCOTT COUNTY LIBRARY	jgrussing@co.scott.mn.us
SIBLEY COUNTY LIBRARY	libtsh@tds.lib.mn.us
SILVER BAY PUBLIC LIBRARY	Julie.Billings@alslib.info
SLAYTON PUBLIC LIBRARY	slarson@plumcreeklibrary.net
SLEEPY EYE: DYCKMAN FREE LIBRARY	akelton@tds.lib.mn.us
SOUTH SAINT PAUL PUBLIC LIBRARY	kathy.halgren@southstpaul.org
SOUTHEASTERN LIBRARIES COOPERATING	ahutton@selco.info
SPRING GROVE PUBLIC LIBRARY	djohnson@selco.info
SPRING VALLEY PUBLIC LIBRARY	jsimon@selco.info
SPRINGFIELD PUBLIC LIBRARY	lroige@tds.lib.mn.us
ST. CHARLES PUBLIC LIBRARY	sherryg@selco.info
ST. PETER PUBLIC LIBRARY	dougw@saintpetermn.gov
STEWARTVILLE PUBLIC LIBRARY	patj@selco.info
STILLWATER PUBLIC LIBRARY	lynesb@ci.stillwater.mn.us
TAYLORS FALLS PUBLIC LIBRARY	dianed46@frontier.com
TRACY PUBLIC LIBRARY	vquist@plumcreeklibrary.net
TRAVERSE DES SIOUX LIBRARY COOPERATIVE	rboese@tds.lib.mn.us
TWO HARBORS PUBLIC LIBRARY	Katie.Sundstrom@alslib.info
TYLER PUBLIC LIBRARY	cskjong@plumcreeklibrary.net
VIKING LIBRARY SYSTEM	pwerner@viking.lib.mn.us
VIRGINIA PUBLIC LIBRARY	Nancy.Maxwell@alslib.info
WABASHA PUBLIC LIBRARY	bhall@selco.info
WABASSO PUBLIC LIBRARY	mdaub@plumcreeklibrary.net
WASECA-LE SUEUR REGIONAL LIBRARY	lienemann@tds.lib.mn.us
WASHINGTON COUNTY LIBRARY	keith.ryskoski@co.washington.mn.us
WATONWAN COUNTY LIBRARY	cbjoin@tds.lib.mn.us
WELLS PUBLIC LIBRARY	libtff@tds.lib.mn.us
WEST CONCORD PUBLIC LIBRARY	sdahms@selco.info
WESTBROOK PUBLIC LIBRARY	kourada@centurytel.net
WHEATON COMMUNITY LIBRARY	tanderson@wheaton.lib.mn.us

WINDOM PUBLIC LIBRARY	daamot@plumcreeklibrary.net
WINNEBAGO: MUIR LIBRARY	hkittl@tds.lib.mn.us
WINONA PUBLIC LIBRARY	cubl@ci.winona.mn.us
ZUMBROTA PUBLIC LIBRARY	jhill@selco.info

Regional Development Commissions

Arrowhead RDC, 221 West 1st, Duluth, info@ardc.org
 East Central RDC, 100 South Park Street, Mora, ecrdc@ecrdc.org
 Headwaters RDC, P.O. Box 906, Bemidji, hrdc@hrdc.org
 Metro Council, 390 North Robert Street St. Paul, public.info@metc.state.mn.us
 Mid-Minnesota Development Commission, 333 West Sixth Street, Suite 2, Willmar, mmrdc@mmrdc.org
 Northwest RDC, 115 S. Main Ave., Ste. 1, Warren, bsafanski@nwrdc.org
 Region Five Development Commission, 611 Iowa Avenue, Staples, despe@regionfive.org
 Region Nine Development Commission, P.O. Box 3367, Mankato, nicole@rncd.org
 South West RDC, 2401 Broadway Ave., Ste. 1, Slayton, srdc@swrdc.org
 Upper Minnesota Valley RDC, 323 West Schlieman, Appleton, info@umvrdc.org

Minnesota Initiative Offices

Initiative Fund, 405 First Street SE, Little Falls, info@ifound.org
 Northland Foundation, 202 West Superior, Ste. 610, Duluth, info@northlandfdn.org
 Northwest MN Initiative Fund, 722 Paul Bunyan Dr. NW, Bemidji, info@nwmf.org
 Southern Minnesota Initiative Foundation, 525 Florence Avenue, Box 695, Owatonna, inquiry@smifoundation.org
 Southwest MN Foundation, 15 3rd Avenue NW, Hutchinson, info@swifoundation.org
 West Central MN Initiative Fund, 1000 Western Avenue, Fergus Falls, info@wcif.org

Councils, Associations, and Other Locations

Council on Asian Pacific Minnesotans, 658 Cedar Street, 1st Floor, St. Paul, capm@state.mn.us
 Centro Cultural Chicano, 1915 Chicago Ave. S., Minneapolis, infocenter@centromn.org
 CLUES, 220 S. Robert St., Ste. 103, St. Paul, info@clues.org

Council for Minnesotans of African Heritage, 332 Minnesota Street, Suite E1240, St. Paul, COBM@state.mn.us

Minnesota Coalition for the Homeless, 2233 University Ave W Ste 434, Saint Paul, info@mnhomelesscoalition.org

Minnesota Council on Latino Affairs, One West Water Street, Suite 240 Saint Paul, mcla.desk@state.mn.us

Upper Midwest American Indian Center, 1035 W Broadway Ave, Minneapolis, sn.user@umaicmn.org

Arrowhead Economic Opportunity Agency, 702 3rd Avenue S., Virginia, scott.zahorik@aeoe.org

MICAH, 463 Maria Ave., St. Paul, info@micah.org

Continuum of Care Offices

Hennepin CoC: Mercy Das-Sulc, mercy.das-sulc@hennepin.us

Ramsey CoC: Laura DeRosier, laura.derosier@co.ramsey.mn.us

Northwest CoC: Carla Solem, carlas@cableone.net

Northeast CoC: Patty Beech, pbeech@cpinternet.com

St. Louis CoC: Charles Obije, objiec@stlouiscountymn.gov

West Central CoC: Carla Solem, carlas@cableone.net

Central CoC: AG Huot, ag@cmhp.net

Suburban Metro Area CoC (SMAC): Abby Guilford, abby@mesh-mn.org

Southwest CoC: Justin Vorbach, justinv@swmhp.org

Southeast CoC: Jennifer Prins, jprins@threeriverscap.org

DEPARTMENT OF EMPLOYMENT AND ECONOMIC
DEVELOPMENT (DEED)

Program Specific-CDEG

SCDP Special Needs Activities

SCDP funds may be used for affordable housing development that assists special needs populations. The SCDP is flexible and can assist special needs populations in a variety of ways, including rehabilitation of homes, shelters, or community centers that serve these populations. These applicants will follow the regular SCDP process that is currently in place.

SCDP Disaster Response Activities

DEED may allocate reverted dollars from previous or current SCDP funds for use in a federal- and/or state-declared disaster response. The type of response will be determined based on the needs in the disaster area and the other resources that may be available. All other available resources must be accessed prior to the use of SCDP funds. All recipients of assistance will need to meet SCDP requirements. These applicants will follow the regular SCDP process that is currently in place.

Program Income

Program income is income received in excess of \$35,000 in a federal fiscal year by a grantee or a sub-recipient as a result of the activities supported by Minnesota CDBG funds. Grantees or sub-recipients will follow the requirements set by DEED (SCDP) in addition to all HUD program income regulatory requirements. HUD Requirements can be found at 570.489(e).

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

- Loan repayments (with interest, if applicable);
- Proceeds from the sale of property purchased with SCDP funds; or
- Interest earned on the PI itself, once back under the control of the Grantee.

All communities that currently have PI on hand and intend on applying for a new SCDP grant must bring the current PI as leveraged funds unless repayment agreements are already in place for use of these funds. All awarded grants with PI on hand will reduce draws based on distribution plans of those funds to the awarded projects.

Internal SCDP Monitoring Procedures

All grants will be monitored to determine whether or not the grant activities meet the following: federal objective, eligible activities, grant and financial management, activity specific and grant progress.

There are two types of monitoring conducted:

- Onsite Monitoring
- Desk Monitoring-ongoing

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

The following is the onsite monitoring process:

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

Areas reviewed will consist of:

- Activity Eligibility and National Objective;
- Grant and Financial Management;
- 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:

- Annual Reports/Performance Measurements
- Disbursement Requests
- Labor Standards-Notice of Contract Awards and Final Reports
- Policies and procedures
- Environmental
- Requested information

April 2018

MINNESOTA HOUSING FINANCE AGENCY



Multifamily Application Instructions Consolidated RFP and HTC Rounds 1 and 2

These application instructions (previously referred to as the Multifamily Consolidated RFP Guide) apply to the following Minnesota Housing Finance Agency (Minnesota Housing) Request for Proposals processes:

- The Multifamily Consolidated RFP
- Housing Tax Credit Round 1
- Housing Tax Credit Round 2

The Multifamily Consolidated RFP, offered once per year, provides a means of "one stop shopping" by consolidating and coordinating multiple housing resources into one multifamily application process. Applicants request funding for a specific housing development and/or activities that meet a specific housing need and generally do not apply for specific funding sources.

Minnesota Housing, in conjunction with its funding partners, will select developments and award the most appropriate funding sources. Funding partners include the Metropolitan Council, Greater Minnesota Housing Fund and Metro Housing and Redevelopment Authority (Metro HRA).

The Family Housing Fund, Hennepin County, Ramsey County, the city of Minneapolis (CPED), the city of Saint Paul, Minnesota Department of Human Services, Minnesota Department of Employment and Economic Development, the United States Department of Housing and Urban Development and the United States Department of Agriculture participate in the review of proposals.

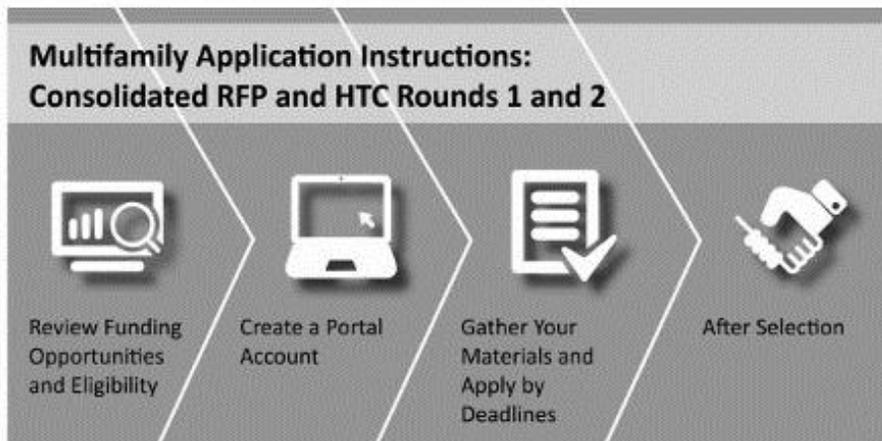
The Housing Tax Credit (HTC) Round 1 is offered through the Multifamily Consolidated RFP and uses a forward selection process, with selections taking place in the fall of the year preceding the allocation year of the credits.

The Housing Tax Credit (HTC) Round 2 makes available for allocation any tax credits remaining or returned since HTC Round 1. Additionally, HTC Round 2 establishes a waiting list for credits that may be returned. In HTC Round 2, all projects located in suballocator jurisdictions may apply directly to Minnesota Housing.

For more information on the HTC application cycle and who is eligible to apply for HTC Round 1 and/or HTC Round 2, refer to the current [HTC Program Procedural Manual](#).

This document is intended to provide general instructions and information regarding Minnesota Housing's process. Each housing resource is subject to specific requirements and limitations that are not set out in detail in, or modified by, this document. The allocation of tax credits is governed by the HTC QAP, HTC Procedural Manual, and HTC Self scoring worksheets and applicants for 9% or 4% tax credits should consult those documents.

Here's how to get started:



Review Funding Opportunities and Eligibility

Available Funding

Consolidated RFP/ HTC Round 1	HTC Round 2
Amortizing mortgages	Amortizing mortgages
Housing Tax Credits	Housing Tax Credits (HTC)
Deferred loans	Deferred loans, subject to funding availability
Project-based Rental Assistance from Metro HRA	

A number of funding sources depend on availability of state or federal resources. Notification of state sources and amounts available will be provided following the conclusion of Minnesota's legislative session.

Consolidated RFP: Funding Partner Programs

[Review a complete list and overview](#) of our funding partner programs and priorities.

Project Eligibility, Feasibility and Organizational Capacity

Projects must fall into the categories listed below in order to be eligible for funding:¹

Eligible Housing Types	Eligible Projects	Eligible Activities
Permanent general occupancy rental housing Permanent Supportive Housing	Have a minimum of four units Scattered site buildings on different tracts of land if the project is 100 percent rent restricted.	New construction Acquisition of land or existing structures Rehabilitation of housing Adaptive reuse/conversion to housing from another use Preservation Demolition Construction financing Permanent financing Rental assistance Operating assistance if eligible for capital funding from the National Housing Trust Fund

NOTE: Developments with age restrictions may not be eligible under some funding sources.

Applicants must also satisfy the following feasibility and capacity funding requirements, including:

Overall Project Feasibility	Organizational Capacity
Whether the proposed site is appropriate for the proposed housing Whether the proposed housing is needed in the intended market based upon population, job growth and very low housing vacancy rates Whether the costs of developing the housing are reasonable Whether the applicant has demonstrated cost containment efforts for all stages and aspects of the development without compromising overall development quality Whether the housing is economically viable For Permanent Supportive Housing, whether the service model, staffing and secured funding are adequate to address the needs of the population to be served	The applicant's related housing experience Whether the applicant has successfully completed similar projects or is partnering with other organizations that have successfully completed similar projects Whether the applicant has strong current and expected ongoing capacity to complete the proposed housing as well as other proposals being developed by the organization Whether the applicant has the capacity to maintain the rental housing long term

¹ Tax credit eligibility is governed by the HTC QAP, HTC Procedural Manual, and HTC Self scoring worksheets.
 Multifamily Application Instructions
 Consolidated RFP and HTC Rounds 1 and 2

Ineligible Projects

Any residential rental unit that is part of a hospital, nursing home, sanitarium, life care facility, or intermediate care facility for the mentally and physically handicapped is not for use by the general public and is not eligible for housing tax credits under section 42. Projects with buildings having four or fewer residential units must comply with 42(i)(3)(c). Some programs may have other ineligible project types; see specific program manuals available on Minnesota Housing's website for additional detail.

Strategic Priorities and Selection Priorities

When determining funding awards, Minnesota Housing will give priority to those proposals that best meet the greatest number of [Strategic and Selection Priorities](#). These priorities reflect Minnesota Housing's strategic policy goals outlined in the current funding round. Proposals must meet at least one strategic priority to be eligible for funding from Minnesota Housing, and developments that best meet the most of these criteria will receive priority.

Underwriting and Design Standards

Minnesota Housing Multifamily Underwriting Standards

Refer to the [Minnesota Housing Multifamily Underwriting Standards](#) for information on Minnesota Housing's underwriting standards.

Rent and Income Limits

Minnesota Housing will require income and rent limits consistent with those specified in the owner's application, provided that they are not higher than applicable program statutory income and rent limits.

Multifamily Design Standards

Minnesota Housing is committed to constructing or rehabilitating multifamily housing to a standard that when properly maintained, remains decent, safe and affordable for a long-term duration.

Applications are subject to an architectural concept review that is conducted by the Minnesota Housing staff architect assigned to the development. In evaluating various design/construction alternatives available to a particular development, Minnesota Housing seeks to find solutions that create the most lasting value with the lowest life-cycle costs while maintaining a reasonable initial cost. Design concept changes may be required as a condition of selection.

Minnesota Housing has established minimum design standards that are applicable to the construction/rehabilitation project being proposed. Minnesota Housing's Rental Housing Design and Construction Standards incorporate requirements from a variety of sources to further the agency's charge to facilitate the provision of decent, safe and sanitary housing in the state. Some provisions are requirements of federal programs, some stem from Fair Housing Act, and some stem from building codes or other areas of state statute. Overall, our standards ensure that affordable housing financed by the agency is sustainable, cost-effective, healthy, and energy efficient. The type of housing and funding program often dictates which standards apply. Refer to the Minnesota Housing [Building Standards](#) web page for the Rental Housing Design/Construction Standards and other design information.

NOTE: If claiming points for universal design, refer to the design requirements in the [Housing Tax Credit Self-Scoring Worksheet and Deferred Loan Priority Checklist](#) associated with universal design.



Create a Portal Account

Applicants apply for funding through Minnesota Housing’s online Portal, which allows them to log in, custom build an application checklist based on the type of proposal they will submit and upload all application materials. **Each item has descriptive help text for submission.** [Review Instructions on how to navigate the Portal and submit an application.](#)

To apply through the Portal, applicants will need to request a user account. To request an account, please complete the [online form](#).

NOTE: Refer to the [Multifamily Customer Portal User Guide](#) for more information.

Property and Project Numbers

On many Minnesota Housing forms, applicants are asked to provide a property number (D#) and a project number (M#). A D# is a four digit number assigned by Minnesota Housing to represent the property. Applicants will receive an email notification once a D# is assigned. For the 2018 RFP/2019 Consolidated Multifamily RFP and HTC Round 1, the Portal will automatically assign an M# and a secondary M# number in case applicants are submitting a dual application. Applicants need to list the primary M# in their workbook and the Housing Tax Credit Self-scoring Worksheet and Deferred Loan Priority Checklist. Enter the secondary M# in the dual application workbook and dual Housing Tax Credit Self-scoring Worksheet and Deferred Loan Priority Checklist.

The D#, M# and secondary M# can be found in the project detail section of an applicant’s project.

The screenshot shows a web interface with a navigation bar containing 'Funding Round' and 'Projects'. Below the navigation bar, there is a header for 'Project Sample Project' with a 'Printable View' link. A 'Back to List' link is also present. A link for 'Project Phases (1)' is visible. The main content area is titled 'Project Detail' and contains a table with the following information:

Project Name	Sample Project	Funding Round	2018 RFP/2019 HTC Round 1
Primary Address	400 Wabasha Street	Project #	M17836
City	Saint Paul	Secondary Project #	M17837
ZIP Code	55101	D #	D0484
County	Ramsey		
Project Status	In Process		



Gather Your Materials and Apply by Deadlines

Applicant Responsibilities

Applicants are responsible to know all requirements that are needed to submit a complete application based on the specific housing proposal and activity type.

Required Submission Items	How to Submit	Application Due Date
Consolidated RFP (including HTC Round 1)		
Preservation Pre-application	Multifamily Customer Portal	May 15, 2018
Intent to Apply	Multifamily Customer Portal	May 31, 2018
Qualification Forms and Financial Information Development Team Sponsor	Multifamily Secure Upload Tool	May 31, 2018
Fee Remittance Form , including supporting documentation Appraisal Fee ² o Land Only o Existing Buildings and Adaptive Reuse LMIR Application Fee Tax Credit Application Fee NOTE: All fees are non-refundable	Minnesota Housing Attention: Tamara Wilson 400 Wabasha Street North, Suite 400 St. Paul, MN 55102	May 31, 2018
Application Package	Multifamily Customer Portal	June 14, 2018
HTC Round 2 – Projected Due Dates		
Preservation Pre-application	Multifamily Customer Portal	January 2, 2019
Intent to Apply	Multifamily Customer Portal	January 15, 2019
Qualification Forms and Financial Information Development Team Sponsor	Multifamily Secure Upload Tool	January 15, 2019
Fee Remittance Form , including supporting documentation Appraisal Fee ³ o Land Only (with identity of interest) o Existing Buildings and Adaptive Reuse LMIR Application Fee Tax Credit Application Fee NOTE: All fees are non-refundable	Minnesota Housing Attention: Tamara Wilson 400 Wabasha Street North, Suite 400 St. Paul, MN 55102	January 15, 2019
Application Package	Multifamily Customer Portal	January 31, 2019

The Consolidated Multifamily RFP, HTC Round 1 and HTC Round 2 are highly competitive in nature. A typical funding round will result in requests equal to four to five times the amount of funding that is available; therefore, incomplete applications will not be processed and resubmission will not be allowed during these funding rounds.

² Scattered site developments may be subject to additional fees if the geographic area is large. Preservation pre-applications that meet Risk of Loss Due to Market Conversion have an earlier appraisal fee deadline as outlined in Minnesota Housing's online Portal.

³ Scattered site developments may be subject to additional fees if the geographic area is large.

NOTE: Applicants must use the most current version of application forms, which can be found in the Portal or on Minnesota Housing’s website for each funding round.

Application Reference Materials

Consult the following resources for scoring guidance when applying for funds from Minnesota Housing:

Application Type	Scoring Guide	HTC Self-Scoring Worksheet (9% or 4% or both)	Deferred Loan Priority Checklist
Consolidated RFP	x	If applying for tax credits, refer to HTC guidance	x
HTC Round 1	x	x	
HTC Round 2	x	x	

In addition,

Refer to the [Application Resources page](#), which contains links to various materials that may be utilized in completing the application package.

The [Multifamily Financing Product Summary](#) provides basic information on multifamily housing resources available through the Consolidated Multifamily RFP and the year-round funding process.

Many of Minnesota Housing’s funding sources and programs have [information sheets](#) that provide additional information about eligible activities and program funding sources.

[Training tutorials](#) are also available on Minnesota Housing’s website.

Consolidated RFP: Dual Application Guidance

A dual application is an application for projects that are financed and structured with 9% tax credits and that have a simultaneous application structured with 4% tax credits, or, in certain circumstances, deferred loan funding only. Minnesota Housing will not issue tax-exempt bonds for developments located in Minneapolis, St. Paul or Dakota County.

Why submit a Dual Application?

Minnesota Housing will review the application and score it as a 4% and 9% proposal per the respective criteria and priorities as outlined in Minnesota Housing’s Qualified Allocation Plan. The two proposals should have the same structure and selection priorities (same unit mix, tenant population, design/scope of work, M & Os, rents, etc.) If Minnesota Housing determines that a 4% structure would be appropriate, Minnesota Housing will work with the developer to adjust the proposal accordingly. Some funding sources do not work with 9% credits, so being able to structure proposals under either scenario allows more resources to be deployed and more developments to be funded in the funding round.

Dual Application Proposals

Proposals that meet the Preservation strategic priority and/or selection criterion and contain 40 units or more, as defined in the Housing Tax Credit Self-Scoring Worksheet, are required to submit a dual 9% and 4% tax credit application. All other proposals that meet one or more of Minnesota Housing’s strategic priorities (with the exception of preservation) have the option to submit a dual 9% and 4% tax credit application. Dual application proposals must meet one of the following size criteria:

The project has more than 40 units and has \$2.5 million or more in equity proceeds

The project has fewer than 40 units or has less than \$2.5 million in equity proceeds, and the application includes a detailed Letter of Interest from an investor or a syndicator that documents that initial underwriting has taken place and that preliminary terms are included. The Letter of Interest must be signed by both the investor and applicant.

Minnesota Housing may make adjustments to selection conditions on applications chosen and scored with a 4% structure, including changes to the rent structure and tenant population. Any modifications to the scoring as a 4% structure will be communicated at the time of selection.

Deferred Only/9% Dual Applications are optional for projects that meet the Supportive Housing Strategic Priorities as outlined in the HTC Self-Scoring Worksheet. For deferred only applications, refer to the [Deferred Loan Priority Checklist](#). These proposals may submit a second application requesting deferred funding only, without tax credits.

Additional Guidance for both 4% and 9% or Combined 4% and 9% Proposals

Applicants should submit two Housing Tax Credit Self-scoring Worksheets reflecting both the 9% and 4% proposals. The dual application should be structured as the same project (unit mix, tenant focus, design/scope of work, management and operating expenses, rent structure) and with only minor variations due to the 4% structure.

Minnesota Housing may make adjustments to selection conditions on applications chosen and scored with a 4% structure, including changes to rent structure and tenant population. Any modifications to the scoring as a 4% structure will be communicated at the time of selection.

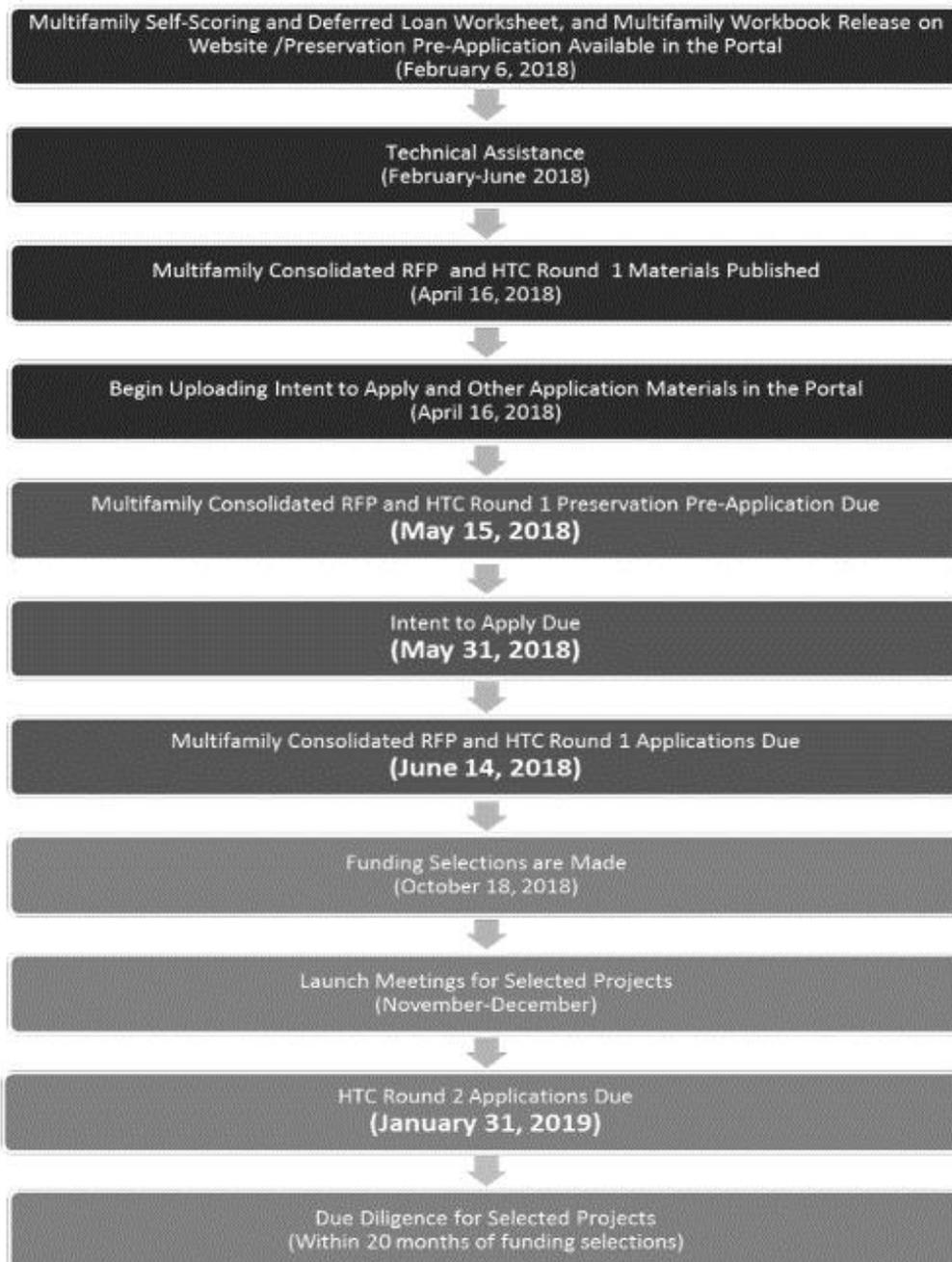
Minnesota Housing will not issue tax-exempt bonds where the amount necessary to meet the 50 percent test is less than \$2,000,000.



After Selection

If a project is selected for further processing, Minnesota Housing will send a letter to applicants detailing the terms and conditions of funding along with next steps.

All selected proposals will be subject to funding priorities and conditions of selection through for the term of the loan or applicable period set out in the loan or HTC documents.





Multifamily Rental Housing Design/Construction Standards

April 2017



Minnesota Housing does not discriminate on the basis of race, color, creed, national origin, sex, religion, marital status, status with regard to public assistance, disability, familial status, gender identity or sexual orientation in the provision of services.

Minnesota Housing is an equal opportunity employer.

This information will be made available in alternative format upon request by emailing mn.housing@state.mn.us or by calling 800.657.3769 or TTY 651.297.2361.

Table of Contents

Chapter 1 – Overview	5
Chapter 2 – General Occupancy New Construction Minimum Standards.....	6
2.01 Background.....	6
2.02 Purpose	6
2.03 Requirements.....	6
Chapter 3 – General Occupancy Rehabilitation Minimum Standards.....	14
3.01 Background.....	14
3.02 Purpose	14
3.03 Rehabilitation Classification	14
3.04 Rehabilitation Classification Definitions.....	14
3.05 Requirements.....	15
Chapter 4 – Supportive Housing Minimum Design and Construction Standards	21
4.01 Background.....	21
4.02 Purpose	21
4.03 Requirements.....	21
Chapter 5 – Housing Tax Credit Only Design and Construction Standards	22
5.01 Background.....	22
5.02 Purpose	22
5.03 Requirements.....	22
Chapter 6 – Accessibility Standards.....	25
6.01 Background.....	25
6.02 Requirements.....	25
Chapter 7 – Visitability Requirement	28
Chapter 8 – Sustainable Housing.....	29
8.01 Background.....	29
8.02 Exception.....	29
8.03 Energy Rebate Analysis.....	29
Chapter 9 – Design, Construction, and Property Standards for Federally Funded Projects (i.e. National Housing Trust Fund/HOME)	30
9.01 Background.....	30
9.02 Purpose	30
9.03 Property Standards (New Construction Projects)	30
9.04 Property Standards (Rehabilitation Projects)	32
9.05 Post-Construction Capital Expenditure Analysis.....	33
Chapter 10 – Critical Needs and Preservation Housing Projects.....	34
10.01 Background.....	34
10.02 Purpose	34
10.03 Requirements.....	34
Chapter 11 – Contract Compliance and Equal Opportunity; Fair Housing	37
11.01 Contract Compliance and Equal Opportunity Policy.....	37
11.02 Purpose	37

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

11.03	Goals.....	37
11.04	Requirements.....	37
11.05	Sanctions.....	37
11.06	Fair Housing.....	37
Appendix A: Uniform Physical Conditions Standards for Multifamily Housing Rehabilitation involving Federal Programs.....		39
Appendix B – Terms		57

Chapter 1 – Overview

The Minnesota Housing Finance Agency (Minnesota Housing) is committed to meeting Minnesotans' needs for decent, safe and sustainable affordable housing. Since building codes, local regulations and ordinances primarily focus on health, safety and/or protecting property values, they cannot be relied on to meet all expectations. Therefore, in an effort to better meet customer needs and communicate expectations, Minnesota Housing has developed Design/Construction Standards for multifamily rental housing.

These standards replace all previous standards and are applicable to multifamily rental housing receiving Housing Tax Credit (HTC) allocations from Minnesota Housing, other capital improvement financing or both for new construction or rehabilitation. Projects involving Adaptive Reuse or "gut" rehabilitation of rental housing must comply, to the maximum extent feasible, with standards for rehabilitation and new construction.

Minnesota Housing encourages sustainable, healthy housing that optimizes the use of cost effective durable building materials and systems that minimize the consumption of natural resources during construction and in long-term maintenance and operation. In addition, Minnesota Housing welcomes new ideas and looks forward to implementing any that will provide long-lasting benefits to its customers.

While developing these Design/Construction Standards, Minnesota Housing sought input from funding partners, development partners, including owners, developers, attorneys, architects and contractors, along with input from its production and asset management staff.

Refer to the beginning summary section of each standard to learn whether the standard is applicable to the project. The project activity or funding source generally dictates when and how a standard applies. When strict compliance to these standards is not feasible, contact the Minnesota Housing staff architect assigned to the project to discuss whether a waiver or variance is warranted.

If a newer version of this guide is released after the initial award of funding, the developer and architect may use the standards of the guide that were current at the time of the initial funding award.

Chapter 2 – General Occupancy New Construction Minimum Standards

2.01 Background

Once a decision is made to construct a new multifamily housing project to serve a particular housing need, selecting an appropriate site location is important. If Minnesota Housing funding is requested to construct a new housing project, the decision to build on a particular site must include determining whether the site can be developed and if it complies with Minnesota Housing standards.

The following standards are supplemental to basic standards established by applicable building codes, local zoning, and other applicable regulations. Where two standards govern the same condition, conformance to the most restrictive standard is required. Regardless of whether the local jurisdiction has adopted or not adopted Minnesota State Building Code, all improvements receiving Minnesota Housing funding must be in compliance with the most current Minnesota State Building Code in effect at the time of the application for funding.

2.02 Purpose

The purpose is to ensure multifamily rental housing financed by Minnesota Housing is of decent quality, energy efficient, functional, sustainable and effective in reducing long-term maintenance costs.

2.03 Requirements

The following new construction minimum standards involving site design, building design, mechanical and electrical systems, and building components must be adhered to if receiving Minnesota Housing funding for new construction.

- A. **Site Design:** Site improvements must comply with the following standards associated with grading, drainage, parking, garages, sidewalks, play equipment/area and signage as follows:
 1. **Grading/Drainage:** The site must be well drained. Surface water must be directed away from structure. Snow removal/storage must be addressed.
 2. **Parking** must comply with the following requirements:
 - (a) Number of parking spaces must be in accordance with the local zoning requirements. For sites with no local zoning requirements, provide:
 - i. At least one parking space (off street/onsite) for each one-bedroom Dwelling Unit.
 - ii. At least two parking spaces (off street/onsite) for each two-bedroom or larger Dwelling Unit.
 - iii. Adaptive Reuse type projects or Efficiency Units may have less than one parking space for each Dwelling Unit.
 - iv. For special occupant population types (senior housing, supportive housing, congregate Sleeping Units, high density projects, and mixed-use projects), the exact number of parking spaces must be reviewed by Minnesota Housing on a case-by-case basis.
 - (b) Parking spaces must be at least 8'-6" wide except at designated handicapped parking space(s) and must be in compliance with applicable codes.

- (c) Parking spaces, drive lanes, vehicle access aisles, and pedestrian accessibility access aisles must be paved (concrete, bituminous, pavers, or other Minnesota Housing approved material).
 - (d) Provide a poured concrete curb and gutter at outer perimeter of drive lanes and parking.
 - i. Exceptions: Not required for semi-private driveway leading up to attached garage or if omission of a curb and gutter is part of a planned surface storm water management system.
3. **Garages:** If private garages are provided, they must meet the following:
- (a) A full partition extending from floor to ceiling made of solid material must separate each stall.
 - (b) Continuous foundations and frost footings are required at all attached garages and detached garages larger than two stalls.
 - (c) Minimum size requirements:
 - i. Clear Width: 11'-0" (single stall), 20'-0" (double stall)
 - ii. Net Area: 231 sq. ft. (single stall), 420 sq. ft. (double stall)
 - iii. Overhead Door: 9'-0" wide (single stall), 16'-0" wide (double stall)
 - (d) Garages required to be accessible must comply with minimum quantity, dimensions and clearances as required by applicable accessibility codes.
4. **Exterior Sidewalks:** Sidewalks must be a minimum of four feet wide and made of concrete reinforced with continuous wire mesh.
5. **Play Area/Play Equipment:** A play area for children, along with appropriate play equipment, must be provided for children, unless exempt.
- (a) The entire play area must be filled with natural or synthetic protective materials and equipped with reasonable play equipment for the size of the lot. The perimeter must be designed to keep play area material from spilling, such as curb or sidewalk.
 - (b) The size of the play area must be provided in proportion to the child population of the project.
 - (c) The play area and equipment must be in compliance with equipment manufacturer requirements.
 - (d) Avoid locating any play area(s) where children are required to cross driveways.
 - (e) Provide drain tile beneath all permeable play area surface materials with outlet to nearest storm sewer or drainage ditch.
 - (f) Provide shade, seating and trash receptacle near all play areas.
 - (g) Play areas must be on an accessible route with accessible entrance onto the play area surface.
 - (h) Play area equipment is not required if any of the following conditions apply: The project contains only one-bedroom or smaller units; the project is on a zero lot line site; there is a public park within a ¼ of a mile of the project (measured from the closest property line in a

straight-line to the park), unless separated by a busy street, or if Minnesota Housing agrees it is not economically viable.

6. **Signage:** Signage to be provided as follows:
 - (a) If a temporary construction sign is provided, it must be at least 4'x8' in size and erected onsite at time of construction start. It must contain the project name, Minnesota Housing Logo, names of other funders (or their logos – please confirm), Equal Housing Opportunity logo, owner's name, general contractor's name, architect's name, and leasing information and phone number.
 - (b) Every project must have a permanent project sign that is visible from the nearest street. It must provide the name of project, Equal Housing Opportunity logo, and leasing information and phone number. Night-time lighting is recommended.
- B. Building Design:** The building design must be reasonably appropriate for the intended site, resident population and anticipated market, and must be in compliance with the following minimum standards:
 1. **Laundry:** Housing must have access to laundry facilities and must comply with the following requirements:
 - (a) Common laundry is required unless laundry equipment is provided in each Dwelling/Efficiency Unit.
 - (b) If common laundry, one washer and one dryer must be provided for every 12 Dwelling Units. Provide folding table and seating area. For senior housing, one-bedroom Dwelling Units or Efficiency Units, provide one washer and one dryer for every 16 units.
 - (c) If laundry equipment is provided in each Dwelling/Efficiency Unit, stackable equipment is acceptable in non-accessible units.
 - (d) Every clothes washer must have a disaster pan with floor drain, or be located in a room with appropriate flooring whereby the floor slopes to floor drain.
 - (e) Avoid locating clothes washers near areas with carpeting.
 2. **Elevator:** Housing required to have an elevator must meet the following requirements associated with an elevator:
 - (a) The maximum length of travel from any housing unit to an elevator must not exceed 250 lineal feet.
 - (b) The number of required elevators in each building must be dictated by the number of stories above grade as follows:
 - i. Three to five stories above grade: one elevator required
 - ii. Six to nine stories above grade: two elevators required
 - iii. Nine or more stories above grade: consult Minnesota Housing
 3. **Dwelling, Efficiency, and Sleeping Unit:** Housing must meet the following requirements associated with decent living space:
 - (a) Living room: Minimum dimension must be 11'-6" and appropriately sized for anticipated household size. The room must have a window (or glass patio door) to exterior for natural lighting.

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

- (b) Primary or master bedroom
 - i. Minimum dimension must be 10'-0"
 - ii. Minimum square footage must be 115 sq. ft.
 - iii. Provide a window for natural light.
 - iv. Closet (five lineal ft. of net rod/shelf length)
 - v. Door and walls to ceiling for privacy. Exception: Efficiency Units/Sleeping Units.
- (c) Secondary bedroom(s)
 - i. Minimum dimension 9'-6"
 - ii. Minimum square footage must be 100 sq. ft.
 - iii. Provide a window for natural light
 - iv. Closet (four lineal ft. of net rod/shelf length)
 - v. Door and walls to ceiling for privacy
- (d) Kitchen
 - i. Kitchen counter work minimum area must be 6'-0" for one-bedroom Dwelling Units, 7'-0" for two- and three-bedroom Dwelling Units and 8'-0" for larger Dwelling Units. This distance is measured in lineal footage along the front, excluding sink, refrigerator and range.
 - ii. In addition to the minimum work area noted above, Dwelling Units with three or more bedrooms must include a snack bar (minimum 4' length) or the Dwelling Units must accommodate an eat-in kitchen.
 - iii. A range/oven is required in all Dwelling Units and Efficiency Units. All two-bedroom or larger Dwelling Units must have a 30" wide self-cleaning oven. All one-bedroom Dwelling units and Efficiency Units can use a 24" minimum self-cleaning oven. Avoid locating the oven at the end of a counter. Provide a grease shield behind all ovens or ranges and on abutting partitions. The shields must be high-pressure plastic laminate, enameled or stainless steel.
 - iv. Provide a "frost-free" refrigerator with 15" minimum wide counter on the latch side. The refrigerator must be a minimum of 14 cu. ft. for one-bedroom Dwelling Units and Efficiency Units. Larger Dwelling Units must have a larger refrigerator appropriately sized.
 - v. Provide hard surface flooring in kitchen.
- (e) Dining
 - i. Dining area must have hard-surface flooring and must be distinct from the living area. A dining area is required in two-bedroom and larger Dwelling Units. The area must have a window to the exterior or be open to the living room.
 - ii. The dining area must be appropriately sized for the intended household size and accommodate the following:
 - a. Two-bedroom Dwelling Units: Table with four chairs

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

- b. Three-bedroom Dwelling Units: Table with six chairs
- c. Four-bedroom or larger Dwelling Units: Table with seven chairs
- iii. Dining area exceptions:
 - a. An eat-in kitchen may be substituted for a dining area as long as the kitchen can accommodate an appropriately sized table with chairs for the intended household size, plus two guests.
 - b. A 4'-0" long snack bar located on rear side of kitchen countertop may be used in lieu of designated dining room/area in one-bedroom Dwelling Units and Efficiency Units.
- (f) Bathroom. Defined as follows:
 - i. Defined as follows:
 - a. Full bathroom includes a lavatory sink, water closet and tub with showerhead.
 - b. Three-quarter (3/4) bathroom includes a lavatory sink, water closet and shower
 - c. Half bathroom/powder room (1/2) includes a lavatory sink and water closet
 - d. Compartmentalized full bathroom includes all items of a full bathroom; however, the tub with shower head and water closet can be in a private room with a door. At least one vanity (lavatory) is in the separate alcove. Minnesota Housing encourages this design in three-bedroom and larger Dwelling Units.
 - ii. Minimum bathroom requirements based upon unit type:

<i>Unit Type</i>	<i>Minimum # of Bathrooms required</i>
Sleeping Units	¼ Bath
Efficiency Units	¼ Bath
1 BR Dwelling Units	¼ Bath
2 BR Dwelling Units	1 Full Bath
3+ BR Dwelling Units	1 Full Bath + ¼ Bath
2 story Townhouse with <u>no</u> bedrooms on Ground level	¼ Bath Ground Level and 1 Full Bath Upper Level
2 story Townhouse with at least one Ground level bedroom	¼ Bath Ground Level and 1 Full Bath Upper Level

- iii. Minimum accessories:
 - a. Towel bar(s) within reach of lavatory and tub/shower
 - b. Toilet paper holder
 - c. Shower curtain rod (if applicable)
 - d. Mirror
 - e. A dedicated drawer, cabinet or shelf space for safe medicine storage is required in at least one bathroom of each Dwelling Unit.

- (g) Storage space/closets
 - i. Entry coat closet is required for one-bedroom and larger Dwelling Units in close proximity to the main entry.
 - ii. Designated linen/towel storage space is required in a cabinet design or a closet.
 - iii. General storage space for household cleaning supplies, vacuum, etc. is required.
 - (h) Multi-story Dwelling Unit living areas
 - i. Individual Dwelling Units with multi-stories must have a kitchen/kitchenette, living area, dining (or eat-in kitchen) on the same or main level.
 - ii. Refer to Chapter 7, *Visitability Standards*, for additional multi-story Dwelling Unit requirements.
- C. **Mechanical, Electrical and Plumbing (MEP) Systems:** Housing must have plumbing, mechanical and electrical systems that comply with the following standards:
1. **Independent Technical Analysis:** Minnesota Housing reserves the right to require an independent technical analysis of any or all building components to determine life expectancy and anticipated ongoing lifecycle costs, as well as a maximum 10-year payback on energy-efficient investment premiums.
 2. **Plumbing Systems:** Plumbing systems must meet the following requirements:
 - (a) All kitchen sinks must be double compartment (33"x 22" min.), 7" deep minimum with the exception of Efficiency Units, which may have a single compartment sink.
 - (b) Disaster pan with floor drain must be provided under any water heater or clothes washer located above ground level. On ground level floors, a floor drain may be provided in lieu of a disaster pan if floor slopes to drain.
 - (c) Water softening is required where the hardness exceeds 14 grains except where special circumstances exist.
 - (d) Plumbing chases and plumbing walls must not be located within building exterior walls.
 - (e) At locations with a roll-in shower, a floor drain must be provided in the drying area adjacent to the shower.
 3. **Private Well and Septic:** Not allowed.
 4. **Heating, Ventilating and Air Conditioning (HVAC) System:** Air conditioning (AC) or the ability for tenant supplied through-wall AC units, must be provided at all units. AC sleeves must be provided with a tight-fitting, insulated cover.
 5. **Electrical Systems:** The following requirements must be met:
 - (a) Ceiling or wall mounted light fixture in all bedrooms
 - (b) Task lighting above kitchen range and kitchen sink
 - (c) Exterior light fixtures and lamps must be rated for -20 degree Fahrenheit weather
 - (d) Separately Metered Commercial Space: All applicable utilities serving commercial space such as water service, gas service, electrical service, etc. must be metered separately from all housing space (Dwelling Units, common space, etc.)

(e) **Broadband Infrastructure:** To provide a platform for all residents to participate in the digital economy, all multifamily new construction projects must include unit-based, broadband (aka High-speed Internet) infrastructure. Broadband Infrastructure is defined as cables, fiber optics, wiring, or other permanent (integral to the structure) infrastructure – including wireless infrastructure with a minimum broadband speed of 25 Megabits per second (Mbps) download and 3 Mbps upload. If receiving federal assistance, speed will be mandated by the U.S. Department of Housing and Urban Development (HUD). The cost for this infrastructure is an approved construction cost.

i. Exceptions:

- a. Internet Service (and its ongoing service fee) is not required and not allowed to be paid for with acquisition or construction funds
- b. Broadband Infrastructure is not required if:
 - The location of the property makes installation infeasible due to lack of Internet Service.
 - The cost of installing the infrastructure would result in a fundamental alteration in the nature of its program or activity or create an undue financial burden.
- c. The applicability of any of the above exceptions will be at the sole discretion of Minnesota Housing.

D. **Building Components:** Minnesota Housing encourages the advancement of sustainable building strategies. Refer to Chapter 8, *Sustainable Housing*, for requirements and guidance in meeting Mandatory and Optional Criteria. The following building components must also meet the following minimum standards:

1. **Millwork**

- (a) All new kitchen cabinets and new bathroom cabinets must have solid wood face-frames, solid wood doors and solid wood drawer fronts. Cabinet box construction may be particle board with melamine surface finish. Exposed end panels must be surfaced with plastic laminate of wood veneer. Exposed end panels in supportive housing units and areas must be plywood or solid wood for durability.
- (b) Drawer-box construction must have dovetail or other Minnesota Housing approved reinforced joint construction.
- (c) All millwork must meet the Kitchen Cabinet Manufacturers Association (KCMA) ANSI/KCMA A161.1 standards. KCMA Certification is suggested, but not required.

2. **Exterior Windows and Doors**

- (a) All new windows and doors must be ENERGY STAR-qualified. Confirm that the most updated ENERGY STAR requirements are met at the time of purchase. Confirm that the applicable Minnesota region is designated for ENERGY STAR requirements.
- (b) Special windows, such as those required for high-rise buildings, that are unable to meet ENERGY STAR qualifications are acceptable if they include double pane, low-e glass and thermally broken frames.

- (c) All windows and windows within doors must be furnished with window coverings for privacy and control of heat/solar shading.
 - (d) All operable windows and operable windows within doors must have insect screens.
 - (e) The sill of all windows must be solid wood, stone, man-made solid surface material, or other material approved by Minnesota Housing.
 - (f) When possible, design the building garage overhead openings with two doors in lieu of one large door. This allows less energy to escape and provides an alternative opening in case of maintenance and repair.
3. **Roofing**
- (a) Low-slope roofing
 - i. Must have a minimum of $\frac{1}{4}$ " inch per foot (finished) slope unless otherwise approved by Minnesota Housing staff architect and building official.
 - ii. Approved systems must be 60 mil adhered (EPDM or TPO) membrane, or four-ply asphalt/gravel built-up assembly.
 - iii. Ballasted or mechanically fastened single ply membranes are not accepted.
 - iv. A minimum 20-year manufacturer's warranty is required.
 - (b) Sloped roofing: A minimum 25-year manufacturer's warranty is required.
4. **Patio and Entrance Slabs** must comply with the following requirements:
- (a) Stoop/footing frost protection required at all entrance slabs with $\frac{1}{4}$ " per foot maximum slope.
 - (b) Where soils are frost susceptible, stoop/footing frost protection required at all patio slabs.
 - (c) Protect front entrance slab from rain/snow accumulation with an overhang or canopy.
5. **Closet Doors:** Conventional, residential grade, bi-fold doors and hardware package are not acceptable in new construction. Side-hinged, swinging type or other Minnesota Housing approved doors must be provided. If approved by Minnesota Housing, closets may be provided without doors under the following conditions:
- (a) Closets within Efficiency Units
 - (b) Walk-thru closets separating a bedroom and ensuite bathroom.
6. **Fire Protection**
- (a) All townhomes and rental single family homes must have at least one fire extinguisher in each Dwelling Unit.
 - (b) Range hood fire suppression canisters, although not required, are encouraged to be installed if the range hood over the stove will allow.
- E. **Schematic Design Concept/Cost Estimate:** The owner must have an architect develop a reasonable schematic design concept. The owner must also have a third-party entity (architect, professional engineer, general contractor, or qualified cost estimator) prepare a cost estimate that conforms to all applicable Minnesota Housing standards. Refer to the Formal Application section of Minnesota Housing's Architect's Guide.

Chapter 3 – General Occupancy Rehabilitation Minimum Standards

3.01 Background

The following standards apply to any rental housing project receiving rehabilitation funding.

If the project involves Substantial Rehabilitation or Adaptive Reuse, the housing must also comply, to the maximum extent feasible, with Chapter 2, *General Occupancy New Construction Minimum Standards*. For rehabilitation projects, any building components or systems being replaced must also meet the requirements in Chapter 2, *General Occupancy New Construction Minimum Standards*. For example: roofing, kitchen cabinets, windows, etc.

Architectural services are likely to be essential to the success of the project. Refer to Minnesota Housing Architect's Guide to determine if architectural services are required for the project.

The following rehabilitation standards are supplemental to basic standards established by applicable building codes, local zoning and other applicable regulations. Where two standards govern the same condition, conformance to the most restrictive standard is required. Regardless if the local jurisdiction has adopted or not adopted Minnesota State Building Code, housing must be in compliance with Minnesota State Building Code.

3.02 Purpose

The purpose is to ensure rental housing receiving rehabilitation funding is of decent quality, energy efficient, functional, sustainable and effective in reducing long-term maintenance costs.

3.03 Rehabilitation Classification

For the purpose of applying our design standards and sustainability requirements, all rehabilitation projects must be classified as substantial or moderate at time of application for funding. This classification may not necessarily align with building code definitions; it is only intended to identify a compliance path for our purposes. Minnesota Housing has discretion for determining and approving category type of rehabilitation classification and compliance path. Limited scope status may only be considered by Minnesota Housing after funding is awarded.

3.04 Rehabilitation Classification Definitions

- A. **Substantial Rehabilitation** (or gut rehab) is defined as a project that meets one of the following:
1. Includes the replacement or improvements or both of at least two major systems of the building, including its envelope. Major building systems include roof structures, wall or floor structures, foundations, plumbing, HVAC and electrical systems. The building envelope is defined as the air barrier and thermal barrier separating exterior from interior space.
 2. The work area exceeds 50 percent of the aggregate area of the building per the 2015 Minnesota Conservation Code for Existing Buildings Section 505 - Level 3 Alteration.
- B. **Moderate Rehabilitation** is defined as a project that meets one of the following:
1. Does not fall into the Substantial Rehabilitation classification as defined above.

2. Where the work is limited to the 2015 Minnesota Conservation Code for Existing Buildings definition of Section 502 Repairs, Section 503 Level 1 Alteration or Section 504 Level 2 Alteration.
- C. **Limited Scope Rehabilitation** status may be considered by Minnesota Housing based upon the cost, funding source, and number of Dwelling Units, number of stories, or other purpose.

3.05 Requirements

- A. **Needs Assessment [Physical Needs Assessment (PNA) or Capital Needs Assessment (CNA)]:**
Multifamily projects proposing rehabilitation and applying for funds through the Minnesota Housing Consolidated RFP, Pipeline Application, or other Minnesota Housing funding, are required to submit a needs assessment. The primary difference between a CNA and PNA is that a CNA is performed in accordance with another party's established protocol that is approved by Minnesota Housing, versus one that is performed in accordance with Minnesota Housing's protocol for a PNA, which is described in more detail below.
1. **CNA:** If the applicant chooses to submit an approved CNA (or if a CNA is required for other funding sources), it must be completed in accordance with any of the following established formats:
 - (a) USDA Rural Development
 - (b) HUD/FHA Project Capital Needs Assessment (PCNA) or Green Capital Needs Assessment (GCNA). HUD Multifamily Accelerated Process (MAP) Appendix 5G
 - (c) ASTM E 2018-08 Standard Guide for Property Conditions Assessment
 - (d) Other Minnesota Housing approved format
 2. **PNA:** If the applicant chooses to submit a PNA (rather than a CNA), the PNA must consist of a satisfactorily completed Minnesota Housing Physical Needs Assessment Template (PNAT) that involves the following requirements:
 - (a) The PNA must represent the properties' "as-is", pre-rehabilitation condition.
 - (b) Life Expectancy of systems. The PNA must provide a Life Expectancy analysis including Estimated Age, EUL, and ERL of the following minimum elements identified in the PNAT and as necessary to complete the 20 year Capital Expenditure Template (20YCE), that is described below.
 - (c) Inspections must be conducted to identify capital needs and deficiencies under applicable federal, state and local regulations/codes/ordinances as well as other deficiencies as identified by the qualified needs assessor, as follows:
 - i. **Site and Accessory Structures**
 - a. **Site and Roof Drainage:** The site must be well drained. There must be no standing water in non-designated holding pond areas 12 hours after a rain event. Surface drainage must be directed away from the structure, to a designated ponding area, or to municipal storm sewer system. Include roof drainage provisions when assessing site drainage conditions.
 - b. **Parking and Pavement:** Adequate parking for the resident population must be available for resident use. Any onsite pavement with initial signs of raveling, transverse cracks, longitudinal cracks, or minor block cracking must have

preventative maintenance that includes corrective measures such as crack sealing, seal coating, asphalt patching and repair. Any onsite pavement with severe cracking damage must be replaced. Hard surface parking must be properly striped and any accessible parking spaces properly identified.

- c. **Accessory Structures:** Detached garages, play structures, retaining walls, porches, decks, canopies, trash enclosures, sheds, etc., must be free of life safety hazards and must meet applicable codes unless grandfathered to remain.
- ii. **Structural Integrity:** Structures must be structurally sound and free of any pending or imminent structural collapse or failure. (e.g., decks, basement columns, foundations, floors, walls, roof framing, headers, lintels)
- iii. **Building Envelope:** The building envelope must be weather and water tight. All openings susceptible to water and air penetration must be sealed. Ensure envelope is adequately insulated or supplement the insulation to the envelope. Typically the attic is the cheapest and easiest to supplement, and will provide the greatest cost-to-benefit payback. Ensure that all attics are adequately ventilated to prevent ice-damming and all attic bypasses are sealed and insulated.
- iv. **Common Areas:** Stairs, attached/underground garages, furniture, fixtures and equipment, common area cabinetry, common area doors windows, common area finishes, and common area bathrooms must meet applicable codes and regulations and should be free of life safety hazards.
- v. **Dwelling/Efficiency Units:**
 - a. Minimum Dwelling Unit quantity and unit type for Minnesota Housing's PNA inspection must include:
 - At least 25 percent of all units
 - Each type of unit size (such as OBR/Sleeping Units, 1BR, 2B, 3BR etc.) and typical unit types in typical buildings
 - All accessible units
 - Those units that are subject to architectural stress such as ground level units, units underneath the roof, units adjacent to elevator cores, and units on the sides of the building that receive the most weathering
 - b. Minimum Dwelling/Efficiency Unit inspectable elements:
 - Functional kitchen: Kitchen must be appropriately sized and equipped with appropriate cabinets, sink, and operational range/oven/hood/refrigerator/exhaust appropriately sized for intended household.
 - Bath cabinets, bath exhaust, plumbing fixtures, flooring, wall/ceiling finish, doors, windows, window coverings, etc.
 - c. Decent living space must be as outlined in Chapter 2, *General Occupancy New Construction Minimum Standards*; however, Moderate Rehabilitation projects may request a variance for the minimum dimension(s) and area of the living room and bedrooms by 15 percent. If approved by Minnesota Housing, the 15 percent reduction must be clarified as follows:

- Living room: 11'-6" x 85% = 9'-9".
 - Primary/master bedroom: 10'-0" x 85% = 8'-6". 115 sq. ft. x 85% = 96 sq. ft.
 - Secondary bedroom(s): 9'-6" x 85% = 8'-1". 100 sq. ft. x 85% = 85 sq. ft.
- vi. **Plumbing and Sanitation Systems:** All plumbing systems must be code compliant, adequately sized and operable with an anticipated minimum seven-year life expectancy. Obsolete, water wasting fixtures must be replaced and no leaks allowed. Minnesota Housing may require sanitary sewer lines to be video-scoped to detect if any unforeseen repair and maintenance is necessary. If present, existing private wells or septic systems must be inspected by a third party entity to determine whether it is code compliant, permitted and functioning properly.
- vii. **Mechanical Systems:** All heating, AC, and ventilation systems must be code compliant, adequately sized, and operable with an anticipated minimum seven-year life expectancy. Bathrooms must have an operating exhaust vent ducted to the exterior. Clothes dryers must be connected to code compliant rigid type vent exhausting to the exterior. To the greatest extent feasible, ensure that all Dwelling Units are air conditioned or equipped with A/C sleeve(s).
- viii. **Electrical Systems:** All electrical systems must be code compliant with circuit breakers and adequately sized for the structure and intended use. All electrical life safety fixtures must be in place and functional including the following:
- a. Smoke detectors: Smoke detectors meeting requirements of Underwriter Laboratories, Inc. and approved by the International Conference of Building Officials must be furnished and installed in all areas as if required for new construction. If code permits, smoke detectors may be battery operated. However, at least one hard-wired smoke detector with battery back-up must be provided in each dwelling and be audible from all sleeping rooms.
 - b. Ground-fault circuit-interrupter (GFCI) protection: The same level of GFCI receptacle protection must be provided in rehabilitation projects as required for new construction, whether or not mandated by code/regulations.
 - c. Arc-fault circuit-interrupter (AFCI) protection. AFCI protection must be provided for receptacle outlets in locations as required per applicable codes/regulations.
 - d. Carbon Monoxide (CO) alarms and Nitrogen Dioxide (NO²) alarms must be provided as required per applicable state statute.
 - e. Emergency/exit lighting must be operational and code compliant.
- ix. **Elevator:** If there is an existing elevator and hoist way in a building then it must be made to be in compliance with 2007 Minnesota Elevator Code as applicable to existing buildings.
- x. **Fire Protection:**
- a. All townhomes and rental single family homes must have at least one fire extinguisher in each Dwelling Unit.
 - b. Range Hood Fire Suppression Canisters: Although not required, they are encouraged to be installed if the range hood over the stove will allow.

- xi. **Environmental Standards (Remediation):** It is essential to perform all environmental assessments early in the planning process to ensure that all mitigation measures and costs are integrated into the scope of work. Project activities must comply with requirements for Phase I/Phase II Environmental Site Assessments (ESAs), Lead Based Paint evaluation and reduction, Lead Based Paint visual inspection requirements, Asbestos Inspection Surveys, Radon Mitigation, Historic Preservation, Contamination and Clandestine Drug Lab Cleanup. These requirements can be found in the [Environmental Standards](#) section on the Minnesota Housing website.
 - xii. **Accessibility:** Refer to Chapter 6, *Accessibility Standards*, for Accessibility Analysis and Survey Requirements for existing buildings.
3. **Needs Assessor Qualifications.** All PNAs must be prepared by a needs assessor who is a licensed architect, licensed professional engineer, or an individual who meets the definition of a Qualified Rehabilitation Specialist as defined in the Minnesota Housing Architect's Guide. The needs assessor (for Minnesota Housing's purpose) may be a member of the project team but must not have an identity of interest with the owner or developer.
 4. **Age of PNA/CNA:** The age of any needs assessment report from time of application (or at time of Preservation pre-application, if required) must be one year or less. If over one year, but less than two years, the needs assessment report may be used to comply with this needs assessment requirement; however, an updated 20YCE (less than six months old) must be included. Provide complete new PNA/CNA if older than two years.
 5. **Incomplete Need Assessment:** Minnesota Housing reserves the right not to accept any PNA or CNA if it does not adequately include a complete assessment of a property's condition. Minnesota Housing reserves the right to have any incomplete PNA or CNA updated and re-submitted. The cost for new or updated PNAs or CNAs will be the responsibility of the developer or owner.
- B. **20-Year Capital Expenditure Template (20YCE).** A 20YCE must be completed for each rehabilitation project regardless if providing a CNA or PNA. If a CNA already includes a similar 20-year capital expenditure analysis, it may be used to satisfy the need for a 20YCE, if approved by Minnesota Housing.
1. **Need Categories:** Each component listed within the 20YCE must be categorized under one of the following three types of need categories:
 - (a) **Need Category One - CRITICAL NEEDS:** Critical Needs are those described in Chapter 10 of this guide and are required to be identified **only** if the project is claiming or receiving Preservation funding based upon "Risk of Loss Due to Critical Physical Needs". Otherwise, Critical Needs must be categorized as short-term needs.
 - (b) **Need Category Two - SHORT-TERM NEEDS (Year One):** Short-term needs are remedies to physical deficiencies, such as deferred maintenance, that may not warrant immediate attention but require repairs or replacements that should be undertaken on a priority basis in addition to routine preventative maintenance. Short-term needs that have outlived their Effective Useful Life (EUL) must be included in a proposed rehabilitation (20YCE Year One).
 - (c) **Need Category Three - CAPITAL NEEDS OVER A TERM:** Capital needs over a term may include component replacement and major maintenance over a term due to Expected Useful Life (EUL) estimates. The cost for a component or building item replacement must be indicated in the year the component/ item reaches its Effective Remaining Life (ERL). For

Minnesota Housing’s purpose, the term for replacement must be 20 years from the time the CNA/PNA is completed. Other aesthetic/marketability needs may be included. In addition, some components may require repairs/replacement several times over the 20 year period.

C. **Other Requirements** for properties undergoing rehabilitation:

1. **Post-construction Capital Expenditures Needs Over a Term:** Not required for Minnesota Housing with exception to federally funded projects. See Chapter 9 of this guide for post-construction capital expenditure projection requirements.
2. **Other Inspections:** Minnesota Housing encourages the owner to engage the local building inspector, the Minnesota Housing staff architect, and any other funder’s inspecting rehabilitation specialist or architect in the initial inspection process. Conducting these inspections early in the development, planning and budgeting phase will ensure that all local property standards, local building codes and other deficiencies are identified and included in the preparation of the bid specification/scope of work.
3. **Preliminary Scope of Work/Cost Estimate:** The owner must provide a preliminary scope of work and cost estimate prepared by a third party entity such as an architect, professional engineer, general contractor, qualified cost estimator or Qualified Rehabilitation Specialist. The scope and estimate must adequately address property deficiencies to ensure compliance with all applicable building codes and all requirements within this guide. Work scope must include any reasonable accommodation requests for persons with accessibility needs.
4. **Decent, Safe, Sanitary and in Good Repair:** Unless local codes, ordinances or zoning requirements require more stringent standards, existing conditions with no improvements planned must be in compliance with HUD’s Uniform Physical Condition Standards (UPCS) (Title 24, Part 5, Subpart G). The type of funding will usually dictate which standard applies. If you are uncertain how UPCS applies to your property, contact your Minnesota Housing Management Officer (HMO). Regardless, the site, buildings and structures and all parts thereof must be kept in good repair. All defective components must be repaired or replaced.
5. **Broadband Infrastructure:** To provide a platform for all residents to participate in the digital economy, all multifamily rehabilitation projects must include unit-based, broadband (aka High-speed Internet) infrastructure. Broadband Infrastructure is defined as cables, fiber optics, wiring, or other permanent (integral to the structure) infrastructure – including wireless infrastructure with a minimum broadband speed of 25 Mbps download and 3 Mbps upload. If receiving federal assistance, speed will be mandated by HUD. The cost for this infrastructure is an approved construction cost.

(a) Exceptions:

- i. Internet Service (and its ongoing service fee) is not required and not allowed to be paid for with acquisition or rehab funds.
- ii. Broadband Infrastructure is not required if:
 - a. the location of the property makes installation infeasible due to lack of Internet Service
 - b. the cost of installing the infrastructure would result in a fundamental alteration in the nature of its program or activity or create an undue financial burden
 - c. at rehabilitation projects, the structure of the building makes installation infeasible

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

iii. The applicability of any of the above exceptions will be at the sole discretion of Minnesota Housing.

D. **Energy Efficiency:** Refer to Chapter 8, *Sustainable Buildings*, for energy efficiency upgrade requirements.

Chapter 4 – Supportive Housing Minimum Design and Construction Standards

4.01 Background

The following design standards apply to all supportive rental housing receiving Minnesota Housing funding for new construction, rehabilitation and/or Adaptive Reuse of an existing building. These design standards are in addition to other applicable Minnesota Housing standards.

4.02 Purpose

The purpose is to ensure supportive rental housing financed by Minnesota Housing is of decent quality, energy efficient, functional, sustainable, durable and effective in reducing long-term maintenance costs.

4.03 Requirements

- A. **Durability:** Emphasis will be placed on durability of construction materials and finishes that achieve cost effective life-cycle costs and reduce ongoing maintenance (E.g., finish flooring, cabinet construction, windows, window treatments, solid-core doors, hardware, and toilet accessories).
- B. **Program Space:** If program space is provided, it must be appropriate for intended use and resident population and must be accessible via an accessible route. In addition, we encourage program space be convertible into housing space in the future.

Chapter 5 – Housing Tax Credit Only Design and Construction Standards

5.01 Background

This chapter is for projects receiving an allocation of either 4% or 9% Housing Tax Credits (HTCs) only from Minnesota Housing (no other capital funding from us). Projects receiving HTC allocation as well as other capital funding from us must comply with Minnesota Housing's typical process for multifamily design, construction and submittals noted in the Architect's Guide and Contractor's Guide.

It is important to confirm design standards applicable for a given year's HTC allocation at the time of initial HTC selection as design standards often change from year to year.

If Minnesota Housing's allocated 9% HTCs are apportioned to a sub allocator, the project is still required to meet the requirements of this guide; however, no submittals to Minnesota Housing are required.

5.02 Purpose

The purpose is to ensure rental housing financed by HTCs is cost reasonable and of similar quality and livability as any other housing financed by or in part with other Minnesota Housing funding.

5.03 Requirements

- A. **Design and Construction Standards for all Housing Tax Credit Projects:** The design and construction of any project receiving HTC funding for new construction or rehabilitation must comply with all applicable requirements of this guide in effect at the time of initial HTC selection. If projects claim and are awarded large family points, the Moderate Rehabilitation 15 percent reduction in room sizes noted in Chapter 3 of this guide applies. Additional design requirements may be applicable if points are claimed or awarded that require the project to include specific design elements (such as non-smoking building and/or Universal Design).
- B. **Cost Reasonableness for all Housing Tax Credit Projects:** Minnesota Housing will evaluate the costs of each project in comparison to other current comparable projects. Unique characteristics will be accounted for in determining whether the proposed project costs are reasonable. Minnesota Housing will use its Predictive Cost Model to test cost reasonableness for all projects. The model uses cost data from previous projects, industry cost data from RSMeans, and regression analysis to predict total project costs. Based on a project's characteristics (building type, project size, location, population served, financing, etc.), the model predicts the total project costs. Additional documentation will be required if the proposed costs are not comparable or reasonable.
- C. **Application Submittals applicable to 4% and 9% HTC:** All projects receiving only Minnesota 4% or 9% HTC allocation and no other funding (HTC only) from Minnesota Housing, must submit the following at application:
 1. Minnesota Housing's Tax Credit Design Standards/Review Process Certification form. The Application Phase must be indicated on the form
 2. Minnesota Housing Multifamily - Intended Methods Worksheet (Intent to Comply Certification), which is associated with 2015 Enterprise Green Communities Criteria (EGCC) and applicable MN Overlay or, provide evidence that the project is seeking EGCC Certification

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

3. Universal Design Worksheet confirms which optional Universal Design features are being implemented (applicable only if awarded HTC scoring points for Universal Design features). For 9% HTC this worksheet may be provided after application but, prior to commencing construction
 4. Other submittals or information requested by Minnesota Housing
- D. **Pre-construction Submittals Applicable to 9% HTC Only:** In addition to the application submittals noted above (Item C), projects receiving only 9% HTC must also submit the following, prior to commencing with construction:
1. Concept/schematic design documents if revised after initial application
 2. Construction documents at 50 percent completed
 3. Construction documents at 100 percent prior to bidding
 4. Universal Design Worksheet which confirms which optional Universal Design features being implemented (is applicable only if awarded HTC scoring points for Universal Design features)
 5. Applicable Environmental Assessments per Minnesota Housing's Environmental Standards including: Phase I ESA and Phase II ESA, Lead-Based Paint, Asbestos, Radon, and Minnesota Pollution Control Action Plan
 6. **NOTE:** Construction must not start until all construction documents (plans, specifications and addendum) and other required submittals have been approved by Minnesota Housing
- E. **Construction Monitoring Applicable to 9% HTC Only:** Minnesota Housing representatives must be granted access to the site, as deemed necessary, to monitor work in progress. If requested, Minnesota Housing must receive:
1. Regular construction meeting minutes
 2. Observation reports
 3. Change orders
 4. Any other documentation that alters the contract, alters the completion date, or as determined by Minnesota Housing.
- F. **End of Construction Submittals Applicable to 4% and 9% HTC Only:** Minnesota Housing must receive the following after construction and before IRS Form 8609 submittal:
1. Minnesota Housing's Tax Credit Design Standards/Review Process Certification form. The Project Completion Phase must be indicated on the form
 2. Minnesota Housing Multifamily - Intended Methods Worksheet (Compliance Certification), which is associated with EGCC and applicable MN Overlay or, provide evidence that the project received EGCC Certification
 3. ENERGY STAR New Homes Program Certification or, ENERGY STAR Multifamily High Rise Certification, if new construction (submittal is applicable only to projects receiving 9% HTCs)
 4. Certificate of Substantial Completion
 5. Certificate of Occupancy (if applicable, or proof all permits are closed)
 6. Environmental Documentation (if applicable) including Lead Clearance Reports, Asbestos abatement reports or Management Plan, MPCA close-out and post-construction radon testing. HTC 4% only deals need only submit these if requested

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

7. Other submittals or information, as requested by Minnesota Housing
- G. **General Notes:** Failure to comply with the standards or submittal requirements may be subject to penalty during subsequent HTC selections. The information listed in this Chapter 5 of this guide must not supersede or have preference over any requirements of the Housing Tax Credit Qualified Allocation Plan (QAP) or Procedure Manual.

Chapter 6 – Accessibility Standards

6.01 Background

In an effort to provide housing that reduces barriers for persons with disabilities and to be compatible with the Minnesota Accessibility Code, Minnesota Housing has adopted the following standards. The new construction requirements only apply to multifamily projects containing four or more units (Dwelling Units/Efficiency Units/Sleeping Units) that are financed by Minnesota Housing, including projects receiving only HTCs allocated by Minnesota Housing. Developments receiving only HTCs from a local sub allocator are exempt from this standard and need only comply with the Minnesota State Building Code provisions and the sub allocator's requirements.

Regardless of whether or not the local jurisdiction has adopted the Minnesota State Building Code, all new construction projects and rehabilitation of existing properties financed by Minnesota Housing must be in compliance with all applicable accessibility codes and regulations (including Americans with Disabilities Act). Where two standards govern the same condition, conformance to the most restrictive standard is required.

All projects involving rehabilitation must have an Accessibility Analysis and Survey to identify accessibility deficiencies and determine whether it is feasible to make modifications to eliminate accessibility deficiencies.

6.02 Requirements

- A. **New Construction of projects with four or more housing units:** To promote housing that reduces physical barriers for persons who are physically disabled, new construction projects must meet the following:
1. In addition to applicable state and local codes, all new construction projects must comply with the Fair Housing Act of 1968 as amended.
 2. A minimum of five percent of the total housing units (with its fraction rounded up) in the project must be designed and constructed to meet accessibility requirements for a Type A Unit as promulgated by the Minnesota Accessibility Code. The five percent requirement applies to townhouses as well as all other types of multifamily housing units.
 3. In addition to, and separate from the five percent Type A Units, at least two percent (but not less than one) of the total housing units must be adaptable for persons with vision/hearing impairments. Adaptable communication features must include rough-in for audible and visual alarms and notification appliances per applicable ICC/ANSI A117.1 requirements and rough-in wiring to allow future installation of visual and audible notification devices.
 4. Accessible parking spaces must match the number of Type A Units provided. Additional parking spaces must be provided as required for visitor parking and/or commercial space. Required accessible parking spaces in excess of quantities per applicable building codes and ordinances may be left as non-accessible spaces. These spaces must be designed to allow conversion to accessible parking spaces if needed later.
 5. Where three or more Type A Units are required, at least one Type A Unit must be provided with an accessible roll-in shower.

6. If grab bars are not installed at time of initial occupancy in any Type A Unit as permitted by code, the owner must be responsible for installing code-compliant grab bars immediately upon request by a resident.
- B. Rehabilitation of Existing Buildings:** To promote housing that affords persons with disabilities equal opportunity to use and enjoy occupied buildings, Minnesota Housing requires existing buildings to have an Accessibility Analysis and Survey conducted by an architect, qualified needs assessor, or Qualified Rehabilitation Specialist prior to finalizing the work scope. Housing that is being rehabilitated must meet the following, as applicable:
 1. **Accessibility Analysis and Survey:** Depending upon whether housing is receiving any federal financial assistance, each building receiving Minnesota Housing financial rehabilitation assistance is required to have an Accessibility Analysis and Survey conducted in accordance with the following:
 - (a) Housing receiving **NO** federal financial assistance must have an Accessibility Analysis and Survey that must determine compliance with the following, as applicable:
 - i. The Fair Housing Act of 1968, as amended, that must also include any documented requests for reasonable accommodations and/or reasonable modifications.
 - ii. Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189)
 - iii. State and Local Codes
 - (b) Housing receiving federal financial assistance must have an Accessibility Analysis and Survey (in addition to all items listed above for housing receiving no federal financial assistance) to determine compliance with the following:
 - i. The Architectural Barriers Act (1968)
 - ii. Section 504 of the Rehabilitation Act (1973)
 - (c) A summary of Accessibility Analysis and Survey must be submitted to Minnesota Housing prior to finalizing work scope and must include the following:
 - i. Total existing housing unit count, existing accessible housing unit count (Type A and Type B/Adaptable), housing unit types (efficiency, one-bedroom, two-bedroom, etc.), accessible and non-accessible parking count, and other general accessible property information
 - ii. Identification of all accessibility deficiencies including any requests for reasonable accommodations and/or reasonable modifications
 - iii. Determination of feasible and/or infeasible accessibility improvements
 - iv. Cost estimates as needed to support feasibility
 - v. Other information deemed necessary
 2. Rehabilitation work scope must include all accessibility improvements that are determined to be reasonable and feasible as identified in the Accessibility Analysis and Survey. Funded improvements must not reduce or have the effect of reducing accessibility of a building or portion of a building.

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

3. Housing involving gut rehabilitation, Substantial Rehabilitation or Adaptive Reuse must, to the maximum extent feasible, comply with new construction standards unless mandated otherwise by a local building code official.
- C. **HTC Universal Design:** Projects awarded Universal Design points for HTC application scoring must include all requirements per the HTC scoring sheet.
- D. **State Visitability Statute:** Refer to Chapter 7, *Visitability Requirements*, for additional accessibility requirements applicable to certain new construction financed by Minnesota Housing.

Chapter 7 – Visitability Requirement

The 2001 Minnesota Legislature imposed a Visitability requirement on certain new construction financed by Minnesota Housing. This requirement was promoted by the disability community.

The Visitability requirement applies to the following types of new construction that is financed in whole or in part by Minnesota Housing:

- A. Single-family homes
- B. Duplexes
- C. Triplexes
- D. Multi-level townhomes

This requirement does not apply to projects receiving only a HTC allocation.

This requirement does not apply to owner-occupied housing financed by Minnesota Housing mortgage programs except in cases where Minnesota Housing has also provided financing for the construction.

Visitability is defined as designs that allow persons with mobility impairments to enter and stay, but not live, in a residence. There are three specific design elements that must be incorporated in each Dwelling Unit to satisfy the state Visitability requirement. The Dwelling Unit must include:

- A. At least one no-step entrance
- B. Thirty-two inch clear opening doorways
- C. At least a one-half bathroom on the main level that meets minimum clear floor space for half baths (powder room) as required by Fair Housing Act Part B: Usable Bathrooms

Chapter 8 – Sustainable Housing

8.01 Background

Minnesota Housing's Sustainable Housing Standards are applicable for all new construction and rehabilitation and require compliance with the 2015 version of the Enterprise Green Communities Criteria (EGCC) and most current version of the MN Overlay and Guide to the 2015 Enterprise Green Communities Criteria.

Current and previous Sustainable Housing Standards are available on Minnesota Housing's [Building Standards](#) web page.

8.02 Exception

The State of Minnesota Sustainable Building Guidelines are applicable for projects receiving Publicly Owned Housing Program (POHP) general obligation bond proceeds. Refer to Minnesota Housing POHP Program Guide for more information. The Minnesota Housing Sustainable Housing Standards do not apply if project is receiving POHP general obligation bond proceeds and it is determined project must comply with The State of Minnesota Sustainable Building Guidelines.

8.03 Energy Rebate Analysis

All projects receiving a tax credit allocation or deferred funding from Minnesota Housing must provide an Energy Rebate Analysis (ERA).

- A. At the application phase, submit a preliminary/draft explanation of energy rebates being considered with estimated rebate amounts.
- B. Prior to closing/loan commitment, submit a final ERA as follows:
 1. Prepared by a third-party entity with no identity of interest to the developer, borrower, or owner of the development property. The third-party entity must be a licensed architect, licensed engineer, needs assessor, HERS Rater or other entity deemed qualified by Minnesota Housing to provide this service.
 2. The ERA must be on the letterhead of the entity it was prepared by and must include contact information and date it was prepared.
 3. The ERA must include a list of eligible utility company, local, regional, state or federal rebate programs.
 4. The ERA must include recommendations of applicable rebates to be included with estimated rebate amounts or estimated tax credit amounts.
 5. Include calculations, energy models or other technical data to support recommendations.
 6. Include letters, program data information, or other documentation from utility providers to support noted programs
 7. If renewable energy strategies are proposed, a cost-benefit analysis must be included.

Visit the [state website](#) with rebate information.

Chapter 9 – Design, Construction, and Property Standards for Federally Funded Projects (i.e. National Housing Trust Fund/HOME)

9.01 Background

The Minnesota Housing National Trust Fund Program (NHTF) and HOME Investment Partnerships Program (HOME) are both federally funded programs and are subject to applicable Code of Federal Regulations (CFR). Projects receiving funding from both or either federal program(s) are required to comply with applicable Property Standards at 24 CFR Part 93, Subpart G, §93.301 (if receiving NHTF) and/or 24 CFR Part 92, Subpart F, §92.251 (if receiving HOME) funding, including part (a) *New construction projects* and part (b) *Rehabilitation projects*. In addition, the project must comply with all other applicable Minnesota Housing policies, including this guide.

Regardless if a project is new construction and/or rehabilitation, all building materials used during construction or rehabilitation must be new and compliant with applicable building codes and Minnesota Housing approved plans and specifications. Construction materials must also be installed in accordance with manufacturers' recommendations. Construction contracts and construction documents must describe the work to be undertaken in adequate detail and in compliance with Minnesota Housing Building Standards.

Minnesota Housing must review and approve written cost estimates for construction or rehabilitation and determine that the costs are reasonable. Minnesota Housing staff must be given access to the site to conduct progress and final inspections to ensure work was done in accordance with approved plans and specifications, applicable codes, and the construction contract. For rehabilitation, Minnesota Housing will also conduct an initial property inspection to identify the minimum deficiencies that must be addressed in order for housing to meet UPCS.

The standards identified in this chapter may be changed by either statute, regulatory action of the federal government and/or building code change, which may be put into effect by the governing authorities having jurisdiction. Any change will be in effect on the effective date of the change. When previously approved designs are affected by new action(s), as described herewith, owners must discuss with Minnesota Housing the effect of the change on the project and whether previously approved plans and specifications must be altered. Where two standards govern the same condition, conformance to the most restrictive standard is required.

In addition, the owner must maintain the housing as decent, safe, and sanitary housing in good repair at the time construction or rehabilitation is completed and throughout the affordability period as required by federal regulations (24 CFR § 92.252 (HOME) and/or 24 CFR § 93.302 (NHTF)). The affordability period may vary depending upon funding type and amount.

9.02 Purpose

The purpose is to ensure projects funded with NHTF and/or HOME funds complies with all applicable building codes/standards, federal regulations and applicable requirements of this guide.

9.03 Property Standards (New Construction Projects)

The following federal regulations and Minnesota Housing Building Standards apply to new construction projects receiving NHTF and/or HOME funds, as applicable:

- A. **State and Local Codes, Ordinances, and Zoning Requirements:** (24 CFR §93.301(a)(1))/(24 CFR §92.251(a)(1)): Housing that is newly constructed with NHTF and/or HOME funds must be designed to meet all applicable state and local codes, ordinances, and zoning requirements. NHTF and/or HOME-assisted new construction projects must meet state or local residential and building codes, as applicable or, in the absence of a state or local building code, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council. The housing must meet the applicable requirements upon project completion.
- B. **Accessibility:** (24 CFR §93.301(a)(2)(i))/(24 CFR §92.251(a)(2)(i)): The housing must meet the accessibility requirements of 24 CFR part 8, which implements section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. "Covered Multifamily Dwellings," as defined at 24 CFR §100.201, must also meet the design and construction requirements at 24 CFR §100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). In addition, housing must meet Minnesota Housing's Accessibility Standards contained within Chapter 6 of this guide.
- C. **Energy Efficiency:** (24 CFR §93.301(a)(2)(ii)): Any housing that is receiving NHTF funds must meet the energy efficiency standards established pursuant to section 109 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12709). In addition, all housing must meet EGCC as amended per applicable MN Overlay. Depending upon type and size of the project the owner must commission either a HERS Rater or licensed mechanical engineer to determine applicable Building Performance requirements/strategies and ensure conformance to the most stringent requirements.
- D. **Disaster Mitigation:** (24 CFR §93.301(a)(2)(iii))/(24 CFR §92.251(a)(2)(iii)): The state of Minnesota does not impose additional standards that require housing to be improved to mitigate potential disasters. If a local governing authority has adopted standards to mitigate potential disasters, which are applicable to the project at hand, or if Minnesota or HUD adopts disaster mitigation requirements, those standards must be adhered to.
- E. **Construction Documents and Cost Estimates:** (24 C.F.R. § 93.301(b)(1)(iv)/§ 92.251 (b)(1)(iv)): To ensure that the work to be undertaken will meet NHTF and applicable Minnesota Housing Building Standards, the construction documents (work write-ups) must be prepared by a qualified entity (architect, engineer, or approved rehabilitation specialist) in sufficient detail and must be reviewed and approved by Minnesota Housing's staff architect. In addition, the Minnesota Housing staff architect will review cost estimate and construction bids for cost reasonableness.
- F. **Broadband Infrastructure:** (24 CFR §93.301(a)(2)(vi))/(24 CFR §92.251(a)(2)(vi)): A building with more than 4 rental units, the construction must include installation of Broadband Infrastructure, as this term is defined in 24 CFR §5.100, except where Minnesota Housing determines and, in accordance with §93.407(a)(2)(iv), documents the determination that:
 1. The location of the new construction makes installation of Broadband Infrastructure infeasible; or
 2. The cost of installing the infrastructure would result in a fundamental alteration in the nature of its program or activity or create an undue financial burden.
- G. **Other New Construction Standards:** Housing must also meet all applicable Minnesota Housing's General Occupancy New Construction Standards as described within Chapter 2 of this guide.

9.04 Property Standards (Rehabilitation Projects)

The following federal regulations and Minnesota Housing [Building Standards](#) apply to all rehabilitation projects receiving Minnesota Housing's NHTF and/or HOME funds, as applicable:

- A. **Health and Safety:** (24 CFR §93.301(b)(1)(i))/(24 CFR §92.251(b)(1)(i)): If the housing is occupied at the time of initial inspection, all Life-Threatening Items (LTI) must be identified and addressed immediately including all LTI associated with UPCs, as listed in **Appendix A** of this guide. All other deficiencies or items (non-Life-Threatening) not addressed immediately must be addressed in the rehabilitation work scope.
- B. **Major Systems:** (24 CFR §93.301(b)(1)(ii))/(24 CFR §92.251(b)(1)(ii)): All major systems must be assessed and include: structural support; roofing; cladding and weatherproofing (e.g., windows doors, siding gutters) plumbing, electrical, heating, ventilation, and AC. The owner must estimate (based on age and condition) the remaining useful life of these systems upon project completion of each major system. For rental housing, if the remaining useful life of one or more major system (that is/are scheduled to remain) is less than the applicable period of affordability, then the owner must establish a replacement reserve with monthly payments that are deemed adequate by Minnesota Housing to repair or replace the system(s) as needed. To assist the owner in assessing major systems the owner must commission an architect or rehabilitation specialist to carry out this assessment.
- C. **Capital Needs Assessment:** (24 CFR §93.301(b)(1)(ii), §93.301(b)(1)(ix))/(24 CFR §92.251(b)(1)(ii), §92.251(b)(1)(ix)): For multifamily housing projects of 26 units or more, the owner must undertake a capital needs assessment (CNA) in a format approved by Minnesota Housing. The CNA must determine all work that will be performed in the rehabilitation of the housing and the long-term physical needs of the project. The CNA must include determining the useful life of major systems upon project completion (including structural support, roofing, cladding and weatherproofing (e.g. windows, doors, siding, gutters), plumbing, electrical, and heating, ventilation, and AC). If the remaining useful life of one or more major system is less than the affordability period, then the owner must establish a replacement reserve with monthly payments that are deemed adequate by Minnesota Housing to replace the system(s) as needed).
- D. **Lead-Based Paint:** (24 CFR §93.301(b)(1)(iii))/(24 CFR §92.251 (b)(1)(iii)). Unless exempt from HUD's lead-based paint regulations, housing must meet the lead-based paint requirements at 24 CFR Part 35. To determine applicable requirements under Subpart J - Rehabilitation, the level of federal assistance and the hard costs of rehabilitation must be evaluated and the level of federal rehabilitation assistance determined. The level of federal rehabilitation assistance will dictate appropriate lead hazard evaluation and reduction requirements. All notices required by 24 CFR Part 35 must be provided in accordance with the regulations.
- E. **Accessibility:** (24 CFR §93.301(b)(1)(iv))/(24 CFR §92.251(b)(1)(iv)). The housing must meet the accessibility requirements in 24 CFR Part 8, which implements section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented as 28 CFR Parts 35 and 36, as applicable. "Covered Multifamily Dwellings," as defined at 24 CFR §100.201, must also meet the design and construction requirements at 24 CFR §100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). Rehabilitation may include improvements that are not required by regulation or state law that permit use by a person with disabilities. In addition, housing must meet Minnesota Housing's Accessibility Standards contained within Chapter 6 of this guide. Owner must commission an Accessibility Analysis and Survey per Minnesota Housing's Accessibility Standards. Funded improvements must not reduce or have the effect of reducing accessibility of a building or portion of a building.

- F. **Disaster Mitigation:** (24 CFR § 93.301(b)(1)(vi))/(24 CFR § 92.251(b)(1)(vi)). The state of Minnesota does not impose any additional standards to mitigate the impact of potential disasters. If a local governing authority has adopted standards to mitigate potential disasters, which are applicable to the project at hand, or if Minnesota and/or HUD adopt disaster mitigation requirements, those standards must be adhered to.
- G. **State and Local Codes, Ordinances, and Zoning Requirements:** (24 CFR §93.301(b)(1)(vii))/(24 CFR §92.251 (b)(1)(vii)): The housing must meet all applicable state and local codes, ordinances and requirements or, in the absence of a state and local building code, the International Building Code of the International Code Council. Minnesota Housing encourages owners to contact their local building inspector early in the work scope development process to ensure property and all work is in conformance with state and local codes, ordinances, and zoning requirements.
- H. **Uniform Physical Condition Standards:** (24 CFR §93.301(b)(1)(viii))/(24 CFR §92.251(b)(1)(viii)): Upon completion, the project and units must be decent, safe, sanitary, and in good repair as described in 24 CFR §5.703. The minimum deficiencies that must be corrected under Minnesota Housing's rehabilitation standards is based on inspectable items and inspected areas in accordance with HUD-prescribed physical inspection procedures (Uniform Physical Conditions Standards) pursuant to 24 CFR §5.705, see **Appendix A**
- I. **Broadband Infrastructure:** (24 CFR §93.301(b)(1)(x))/(24 CFR §92.251(b)(1)(x)): A building with more than 4 rental units and undergoing Substantial Rehabilitation as defined in 24 CFR §5.100, must provide for installation of Broadband Infrastructure, as this term is also defined in 24 CFR § 5.100, except where Minnesota Housing determines and, in accordance with §93.407(a)(2)(iv)/§92.508(a)(3)(iv), documents the determination that:
 - 1. The location of the Substantial Rehabilitation makes installation of Broadband Infrastructure infeasible;
 - 2. The cost of installing the infrastructure would result in a fundamental alteration in the nature of its program or activity or creates an undue financial burden; or
 - 3. The structure of the housing to be substantially rehabilitated makes installation of Broadband Infrastructure infeasible.
- J. **Other Rehabilitation Standards:** Housing must also meet Minnesota Housing's General Occupancy Rehabilitation Minimum Standards as described within Chapter 3 of this guide.

9.05 Post-Construction Capital Expenditure Analysis

A post-rehabilitation CNA must be provided to Minnesota Housing upon construction close out by the owner. Refer to the HOME and NHTF Combined Program Guide. It must include applicable capital projections through the end of the affordability period. Minnesota Housing's staff architect will review the capital expenditure projections based on the completed work to ensure appropriate useful life timeline and items are included.

Chapter 10 – Critical Needs and Preservation Housing Projects

10.01 Background

This chapter is applicable only if pursuing Preservation funding through *Risk of Loss Due to Critical Physical Needs*. Refer to the [Multifamily 2018 Housing Tax Credit Self-Scoring Worksheet and 2017 Request for Proposals Deferred Loan Priority Checklist](#) to determine eligibility requirements. Applicants claiming *Risk of Loss Due to Critical Physical Needs* must determine (by third party assessment) the following:

- A. Whether or not there are any Critical Physical Needs. Critical Physical Needs are deficiencies that if left unattended will likely jeopardize the property's federal assistance.
- B. Whether or not repair/replacement of major physical plant components (including Critical Physical Needs) that have been identified will result in 15+ years of sustained operations.
- C. Whether or not identified scope of Critical Physical Needs exceeds the available reserves by at least \$5,000 per unit

Refer to Chapter 3 *Rehabilitation* of this guide for definitions and general information related to needs assessments, 20-Year Capital Expenditure Template, needs categories and other standard rehabilitation procedures.

10.02 Purpose

The purpose is to ensure projects submitting a proposal for Preservation funding through Minnesota Housing that claim *Risk of Loss Due to Critical Physical Needs* are in a physical condition likely to cause the project to be in imminent danger of losing its federal subsidy.

10.03 Requirements

Applicants claiming *Risk of Loss due to Critical Physical Needs* must provide the following to Minnesota Housing at time of initial application for funding in order for Minnesota Housing to consider the applicant's claim:

- A. **Minnesota Housing Physical Needs Assessment Template (PNAT) or other Minnesota Housing approved CNA format**, which supports the following conclusions regarding any identified Critical Physical Needs:
 1. As-is condition of a property's physical condition is determined to be deficient in accordance with HUD's UPCS. UPCS deficiencies that have the following characteristics may be considered Critical Physical Needs:
 - (a) Condition(s) determined to be critical via a certified HUD UPCS/Real Estate Assessment Center (REAC) Deficiencies Inspection Report. Other Deficiencies and Deficient Levels defined in the [REAC Dictionary of Deficiency Definitions 2012 version](#) may be considered a Critical Physical Need if approved by Minnesota Housing. Health and safety hazards including building or fire code violation
 - (b) Conditions that adversely affect egress
 - (c) Conditions that prevent sustaining occupancy

- (d) Material existing of potential unsafe conditions
 - (e) Conditions that, if not remedied, having the potential to result in or contribute to critical element/system failure within one year or will most probably result in a significant escalation of remedial costs
 - (f) Site drainage issues causing water penetration into the building through situations that impact life and safety
 - (g) Repairs or replacements of code-required electrical items such as smoke detectors, fire alarms, GFCI protection, AFCI protection, carbon monoxide (CO) alarms or nitrogen dioxide (NO²) alarms
 - (h) Non-aesthetic, elevator life and safety work including work in compliance with the 2007 Minnesota Elevator Code
 - (i) Kitchen and Bath Cabinets and Counters
 - i. Replacement due to other critical/immediate needs work. Example: If cabinets are removed/damaged due to the destructive repair and replacement of plumbing main lines, new cabinets may be included as critical/immediate needs
 - ii. Replacement if there's a presence of mold or other life and safety concern
 - iii. **NOTE:** Damaged cabinets and countertops such as missing loose doors/ drawers, delamination, holes, or other wear-and-tear are not necessarily critical/immediate needs. (These items must be included under Non-Critical Rehabilitation Needs.)
 - (j) Parking lot and other paved surfaces with systemic tripping hazards or other site life and safety corrections
 - (k) Environmental remediation for mold, radon, friable asbestos, lead-based paint hazards (deteriorated paint), etc. Remediation due to a proposed rehabilitation activity is not considered a critical/immediate need.
 - (l) Remedies to correct non-compliant accessibility features. Typically non-grandfathered improvements based upon the age of the building/site. Refer to Accessibility paragraph for more information.
2. Other building components and mechanical system deficiencies for which UPCS does not provide a measure, which are confirmed to exist by a qualified, independent third-party professional assessor. A deficiency that has the following characteristics may be considered a Critical Physical Need:
- (a) All components are of imminent structural collapse or failure
 - (b) Building envelope work limited to the replacement of siding, trim, stucco, masonry, windows, doors, roofing, sheathing, roof substrate, weather barrier, waterproofing, etc., that, due to its inability to adequately prevent water or air penetration, has resulted in mold or other unsafe, interior health and life safety conditions
 - (c) Remedies to replace systemic leaky or failed water and sewer piping. Sewer scoping and jet cleaning are maintenance items and not a Critical Need.

- (d) Repairs or replacements of mechanical equipment, controls, ductwork, etc., that, due to their inability to properly heat, cool, or ventilate, has resulted in mold or other unsafe, interior health and life safety conditions. Abandoned and non-functioning equipment or low cubic feet per minute (CFM) ventilation systems are considered a Critical Need.

B. Accessibility.

1. Remedies to bring existing conditions to current accessibility codes are typically not considered Critical Need.
2. Accessibility improvements are not Critical Need unless required by a building official or occupancy was threatened without improvement.
3. Accessibility improvements must be included in the general work scope (non-Critical Need).

C. Minnesota Housing 20-Year Capital Expenditure (20YCE) Template.

In addition to short-term needs and needs over term, Critical Needs must be identified in the Critical Needs column and must only include cost of repairs, replacements, remedies that address the conditions described above.

D. Critical Physical Needs - Additional Narrative:

When claiming and identifying a Critical Need on the 20YCE, it must be supported by an attached narrative to explain how and why the identified condition meets the definition of "Critical Need". Items with 0 years or negative ERL are not automatically considered a Critical Need but instead must meet one of the conclusions in 10.3A.1 (a) through (m).

- E. Forensic/Destructive inspections**, X-ray imaging, plumbing pipe video-scoping, special testing, or third party professional opinion (architect, engineer, environmental specialist, etc.) may be required to confirm if repair or replacement is a Critical Need.
- F. Energy efficiency upgrades** are not considered Critical Need.
- G. [Link to Three Year Critical Needs Model](#)**

Chapter 11 – Contract Compliance and Equal Opportunity; Fair Housing

11.01 Contract Compliance and Equal Opportunity Policy

It is the policy of Minnesota Housing to practice affirmative action to provide equal opportunity in all of our projects, programs, and other endeavors. Minnesota Housing's goal is to achieve a client and recipient mix that is representative of the people who live in our state and our communities so that all employment and contractual benefits that develop as a result of our programs will be shared by all Minnesotans. This policy applies to all Minnesota Housing employees and Minnesota Housing's external partners.

11.02 Purpose

The purpose of this policy is to make Minnesota Housing's commitment to act affirmatively to achieve equal opportunity in all facets of its operation, clear to both internal staff and outside parties with whom we do business.

11.03 Goals

Our goal is to ensure minority and female contractors and subcontractors equal access to business opportunities on Minnesota Housing financed projects and to encourage the presence of minorities and women at all levels, including on the staffs of the program participants having contractual agreements with Minnesota Housing. Minnesota Housing's goal is to ensure that the workforces on the projects and programs we finance reflect demographically the area in which they are located. These goals will apply for the length of the contract or the life of the mortgage. Minnesota Housing, at its discretion, may set numerical or percentage goals dependent on the location and size of a given project. Current goals will be determined by staff based on the location of the project.

11.04 Requirements

Minnesota Housing is required to comply with all applicable local, state, and federal laws. These requirements are passed on to everyone that Minnesota Housing does business with, either by contractual agreement or as a Minnesota Housing policy.

11.05 Sanctions

Minnesota Housing has the contractual authority to demand full payment of any loan or grant, stop proceeding with any project at any stage, and cease to do business with any entity or individual that fails to follow its affirmative action policies or fails to meet its/his/her contractual equal opportunity obligations.

11.06 Fair Housing

It is the policy of Minnesota Housing to affirmatively further fair housing in all its programs so that individuals of similar income levels have equal access to Minnesota Housing programs, regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, gender identity or sexual orientation.

Minnesota Housing's fair housing policy incorporates the requirements of the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988, as well as the

Minnesota Human Rights Act. Housing providers are expected to comply with the applicable statutes, regulations, and related policy guidance. Housing providers should ensure that admissions, occupancy, marketing and operating procedures comply with nondiscrimination requirements.

In part, the Fair Housing Act and the Minnesota Human Rights Act make it unlawful to, because of protected class status:

- discriminate in the selection/acceptance of applicants in the rental of housing units;
- discriminate in terms, conditions or privileges of the rental of a Dwelling Unit or services or facilities;
- engage in any conduct relating to the provision of housing that otherwise make unavailable or denies the rental of a Dwelling Unit;
- make, print or publish (or cause to make, print or publish) notices, statements or advertisements that indicate preferences or limitations based on protected class status;
- represent a dwelling is not available when it is in fact available;
- deny access to, or membership or participation in, associations or other services organizations or facilities relating to the business of renting a dwelling or discriminate in the terms or conditions of membership or participation; or
- engage in harassment or quid pro quo negotiations related to the rental of a Dwelling Unit.

Minnesota Housing has a commitment to affirmatively further fair housing for individuals with disabilities by promoting the accessibility requirements set out in the Fair Housing Act, which establish design and construction mandates for Covered Multifamily Dwellings and requires housing providers to make reasonable accommodations and to allow persons with disabilities to make reasonable modifications.

Applicants will be required to submit an Affirmative Fair Housing Marketing Plan at the time of application, to update the plan regularly and to use affirmative fair housing marketing practices in soliciting renters, determining eligibility and concluding all transactions.

As a condition of funding through Minnesota Housing, housing providers are not permitted to refuse to lease a unit to, or discriminate against, a prospective resident solely because the prospective resident has a Housing Choice Voucher or other form of tenant-based rental assistance.

Appendix A: Uniform Physical Conditions Standards for Multifamily Housing Rehabilitation involving Federal Programs

NOTE: LTI = Life-threatening Item that must be addressed immediately if the housing is occupied.

REQUIREMENTS FOR SITE			
<i>Inspectable Item</i>	<i>Observed Deficiency</i>	<i>Type and Degree of Deficiency</i>	<i>LTI</i>
Fencing and Gates	Damaged/Falling/Leaning	Fence or gate is missing or damaged to the point it does not function as it should	
	Holes	Hole in fence or gate is larger than 6 inches by 6 inches	
	Missing Sections	An exterior fence, security fence or gate is missing a section, which could threaten safety or security	
Grounds	Erosion/Rutting Areas	A rut/groove is 6-8 inches wide and 3-5 inches deep. And/or runoff has extensively displaced soils, which has caused visible damage or potential failure to adjoining structures or threatens the safety of pedestrians or makes the grounds unusable	
	Overgrown/Penetrating Vegetation	Vegetation is extensive and dense; it is difficult to see broken glass, holes and other hazards. And/ or Vegetation contacts or penetrates an unintended surface. And/or Vegetation has visibly damaged a component, area or system of the property or has made them unusable or unpassable	
	Ponding/Site Drainage	There is an accumulation of more than 5 inches deep and/or a large section of the grounds – more than 20% – is unusable for its intended purpose due to poor drainage or ponding	
Health & Safety	Air Quality – Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods	
	Air Quality – Propane/Natural Gas/ Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled	Yes
	Electrical Hazards – Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)	Yes
	Electrical Hazards – Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion	Yes
	Flammable Materials – Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion	
	Garbage and Debris – Outdoors	Too much garbage has gathered – more than the planned storage capacity – or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Health & Safety Cont.	Hazards – Other	Any general defects or hazards that pose risk of bodily injury	
	Hazards – Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm	
	Hazards – Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk	
	Infestation – Insects	Evidence of infestation of insects – including roaches and ants throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk	
	Infestation – Rats/Mice/Vermin	Evidence of rats or mice – sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk	
Mailboxes/Project Signs	Mailbox – Missing/Damaged	Mailbox cannot be locked or is missing	
	Signs Damaged	The project sign is not legible or readable because of deterioration or damage	
Parking Lots/Driveways/Roads	Cracks	Cracks that are large enough to affect traffic ability over more than 5% of the property's parking lots/driveways/roads or pose a safety hazard	
	Ponding	3 inches or more of water has accumulated making 5% or more of a parking lot/driveway unusable or unsafe	
	Potholes/Loose Material	Potholes or loose material that have made a parking lot/driveway unusable/unpassable for vehicles and/or pedestrians or could cause tripping or falling	
	Settlement/Heaving	Settlement/heaving has made a parking lot/driveway unusable/unpassable or creates unsafe conditions for pedestrians and vehicles	
Play Areas and Equipment	Damaged/Broken Equipment	More than 20% of the equipment is broken or does not operate as it should or any item that poses a safety risk	
	Deteriorated Play Area Surface	More than 20% of the play surface area shows deterioration or the play surface area could cause tripping or falling and thus poses a safety risk	
Refuse Disposal	Broken/Damaged Enclosure-Inadequate Outside Storage Space	A single wall or gate of the enclosure has collapsed or is leaning and in danger of falling or trash cannot be stored in the designated area because it is too small to store refuse until disposal	
Retaining Walls	Damaged/Falling/Leaning	A retaining wall is damaged and does not function as it should or is a safety risk	
Storm Drainage	Damaged/Obstructed	The system is partially or fully blocked by a large quantity of debris , causing backup into adjacent areas or runoffs into areas where runoff is not intended	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Walkways/Steps	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable	
	Cracks/Settlement/Heaving	Cracks, hinging/tilting or missing sections that affect traffic ability over more than 5% of the property's walkways/steps or any defect that creates a tripping or falling hazard	
	Spalling/Exposed Rebar	More than 5% of walkways have large areas of spalling – larger than 4 inches by 4 inches--they affects traffic ability	

REQUIREMENTS FOR BUILDING EXTERIOR			
<i>Inspectable Item</i>	<i>Observed Deficiency</i>	<i>Type and Degree of Deficiency</i>	<i>LTI</i>
Doors	Damaged – Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim	
	Damaged – Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware	
	Damaged – Surface (Holes/Paint/Rusting/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass	
	Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass – shown by an empty frame or frames or any security door that is not functioning or is missing	
	Deteriorated/Missing Caulking/Seals	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should	
	Missing Door	Any exterior door that is missing	
Fire Escapes	Blocked Egress/Ladders	Stored items or other barriers restrict or block people from exiting	Yes
	Visibly Missing Components	Any of the functional components that affect the function of the fire escape – one section of a ladder or railing, for example – are missing	
Foundations	Cracks/Gaps	Large cracks in foundation more than 3/8 inches wide by 3/8 inches deep by 6 inches long that present a possible sign of a serious structural problem, or opportunity for water penetration or sections of wall or floor that are broken apart	
	Spalling/Exposed Rebar	Significant spalled areas affecting more than 10% of any foundation wall or any exposed reinforcing material – rebar or other	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Health and Safety	Electrical Hazards – Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)	Yes
	Electrical Hazards – Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion	Yes
	Emergency Fire Exits – Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit	Yes
	Emergency Fire Exits – Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign	
	Flammable/Combustible Materials – Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion	
	Garbage and Debris – Outdoors	Too much garbage has gathered – more than the planned storage capacity – or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	
	Hazards – Other	Any general defects or hazards that pose risk of bodily injury	
	Hazards – Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm	
	Hazards – Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk	
	Infestation – Insects	Evidence of infestation of insects – including roaches and ants throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk	
	Infestation – Rats/Mice/Vermin	Evidence of rats or mice – sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk	
Lighting	Broken Fixtures/Bulbs	10% or more of the lighting fixtures and bulbs surveyed are broken or missing	
Roofs	Damaged Soffits/Fascia	Soffits or fascia that should be there are missing or so damaged that water penetration is visibly possible	
	Damaged Vents	Vents are missing or so visibly damaged that further roof damage is possible	
	Damaged/Clogged Drains	The drain is damaged or partially clogged with debris or the drain no longer functions	
	Damaged/Torn Membrane/Missing Ballast	Ballast has shifted and no longer functions as it should or there is damage to the roof membrane that may result in water penetration	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Roofs Cont.	Missing/Damaged Components from Downspout/Gutter	Drainage system components are missing or damaged causing visible damage to the roof, structure, exterior wall surface, or interior	
	Missing/Damaged Shingles	Roofing shingles are missing or damaged enough to create a risk of water penetration	
	Ponding	Evidence of standing water on roof, causing potential or visible damage to roof surface or underlying materials	
Walls	Cracks/Gaps	Any large crack or gap that is more than 3/8 inches wide or deep and 6 inches long that presents a possible sign of serious structural problem or opportunity for water penetration	
	Damaged Chimneys	Part or all of the chimney has visibly separated from the adjacent wall or there are cracked or missing pieces large enough to present a sign of chimney failure or there is a risk of falling pieces that could create a safety hazard	
	Missing/Damaged Caulking/Mortar	Any exterior wall caulking or mortar deterioration that presents a risk of water penetration or risk of structural damage	
	Missing Pieces/Holes/Spalling	Any exterior wall deterioration or holes of any size that present a risk of water penetration or risk of structural damage	
	Stained/Peeling/Needs Paint	More than 20% of the exterior paint is peeling or paint is missing and siding surface is exposed thereby exposing siding to water penetration and deterioration	
Windows	Broken/Missing/Cracked Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane	
	Damaged Sills/Frames/Lintels/Trim	Sills, frames, lintels, or trim are missing or damaged, exposing the inside of the surrounding walls and compromising its weather tightness	
	Damaged/Missing Screens	Missing screens or screens with holes greater than 1 inch by 1 inch or tears greater than 2 inches in length	
	Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure	
	Peeling/Needs Paint	More than 20% of the exterior window paint is peeling or paint is missing and window frame surface is exposed thereby exposing window frame to water penetration and deterioration	
	Security Bars Prevent Egress	The ability to exit through egress window is limited by security bars that do not function properly and, therefore, pose safety risks	Yes

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

REQUIREMENTS FOR BUILDING SYSTEMS			
<i>Inspectable Item</i>	<i>Observed Deficiency</i>	<i>Type and Degree of Deficiency</i>	<i>LTI</i>
Domestic Water	Leaking Central Water Supply	Leaking water from water supply line is observed	
	Missing Pressure Relief Valve	There is no pressure relief valve or pressure relief valve does not drain down to the floor	
	Rust/Corrosion on Heater Chimney	The water heater chimney shows evidence of flaking, discoloration, pitting or crevices that may create holes that could allow toxic gases to leak from the chimney	
	Water Supply Inoperable	There is no running water in any area of the building where there should be	
Electrical System	Blocked Access/Improper Storage	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency	
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident	
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures, or any evidence of water leaks in the enclosure or hardware	
	Frayed Wiring	Any nicks, abrasion or fraying of the insulation that exposes any conducting wire	
	Missing Breakers/Fuses	Any open and/or exposed breaker port	Yes
	Missing Outlet Covers	A cover is missing, which results in exposed visible electrical connections	Yes
Elevators	Not Operable	The elevator does not function at all or the elevator doors open when the cab is not there	
Emergency Power	Auxiliary Lighting Inoperable (if applicable)	Auxiliary lighting does not function	
Fire Protection	Missing Sprinkler Head	Any sprinkler head is missing, visibly disabled, painted over, blocked, or capped	
	Missing/Damaged/Expired Extinguishers	There is missing, damaged or expired fire extinguisher in any area of the building where a fire extinguisher is required	Yes
Health & Safety	Air Quality – Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk	
	Air Quality – Propane/Natural Gas/ Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled	Yes
	Air Quality – Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Health & Safety Cont.	Electrical Hazards – Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)	Yes
	Electrical Hazards – Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion	Yes
	Elevator – Tripping	An elevator is misaligned with the floor by more than 3/4 of an inch. The elevator does not level as it should, which causes a tripping hazard	
	Emergency Fire Exits – Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit	Yes
	Emergency Fire Exits – Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign	
	Flammable Materials – Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion	
	Garbage and Debris – Indoors	Too much garbage has gathered – more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	
	Hazards – Other	Any general defects or hazards that pose risk of bodily injury	
	Hazards – Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm	
	Hazards – Tripping Hazards	Any physical defect in walkways or other travelled area that poses a tripping risk	
	Infestation – Insects	Evidence of infestation of insects – including roaches and ants – throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk	
	Infestation – Rats/Mice/Vermin	Evidence of rats or mice – sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk	
	HVAC	Boiler/Pump Leaks	Evidence of water or steam leaking in piping or pump packing
Fuel Supply Leaks		Evidence of any amount of fuel leaking from the supply tank or piping	
General Rust/Corrosion		Significant formations of metal oxides, significant flaking, discoloration, or the development of a noticeable pit or crevice	
Misaligned Chimney/Ventilation System		A misalignment of an exhaust system on a combustion fuel-fired unit (oil, natural gas, propane, wood pellets etc.) that causes improper or dangerous venting of gases	Yes

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Roof Exhaust System	Roof Exhaust Fan(s) Inoperable	The roof exhaust fan unit does not function	
Sanitary System	Broken/Leaking/Clogged Pipes or Drains	Evidence of active leaks in or around the system components or evidence of standing water, puddles or ponding – a sign of leaks or clogged drains	
	Missing Drain/Cleanout/Manhole Covers	A protective cover is missing	

REQUIREMENTS FOR COMMON AREAS			
<i>Inspectable Item</i>	<i>Observed Deficiency</i>	<i>Type and Degree of Deficiency</i>	<i>LTI</i>
Basement/Garage /Carport	Baluster/Side Railings – Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area	
Closet/Utility/Mechanical	Cabinets – Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating	
Community Room	Call for Aid – Inoperable	The system does not function as it should	
Halls/Corridors/Stairs	Ceiling – Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches long	
Kitchen	Ceiling – Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint	
Laundry Room	Ceiling – Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew – such as a darkened area – over a ceiling area greater than 1 foot square	
Lobby	Countertops – Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate; not a sanitary surface to prepare food	
Office	Dishwasher/Garbage Disposal-Inoperable	The dishwasher or garbage disposal does not operate as it should	
Other Community Spaces	Doors – Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim	
Patio/Porch/Balcony	Doors – Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware	
Restrooms	Doors – Damaged Surface (Holes/Paint/Rust/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Storage	Doors – Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass – shown by an empty frame or frames or any security door that is not functioning or is missing	
	Doors – Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should	
	Doors – Missing Door	Any door that is missing that is required for the functional use of the space	
	Dryer Vent – Missing/Damaged/ Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside	
	Electrical – Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency	
	Electrical – Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident	
	Electrical – Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware	
	Electrical – Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire	
	Electrical – Missing Breakers	Any open and/or exposed breaker port	
	Electrical – Missing Covers	A cover is missing, which results in exposed visible electrical connections	Yes
	Floors – Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types	
	Floors – Floor Covering Damaged	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams	
	Floors – Missing Floor/Tiles	More than 5% of the flooring or tile flooring is missing	
	Floors- Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface	
	Floors – Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches	
	Floors – Water Stains/Water Damage/ Mold/Mildew	Evidence of a leak, mold or mildew – such as a darkened area – covering a flooring area greater than 1 foot square	
	GFI – Inoperable	The GFI does not function	
Graffiti	Any graffiti on any exposed surface greater than 6 inches by 6 inches		

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Storage Cont.	HVAC – Convection/ Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans	
	HVAC – General Rust/Corrosion	Significant formations of metal oxides, flaking, or discoloration – or a pit or crevice	
	HVAC – Inoperable	HVAC does not function. It does not provide the heating and cooling it should. The system does not respond when the controls are engaged	
	HVAC – Misaligned Chimney/ Ventilation System	Any misalignment that may cause improper or dangerous venting of gases	Yes
	HVAC – Noisy/Vibrating/Leaking	HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged	
	Lavatory Sink – Damaged/Missing	Sink has extensive discoloration or cracks in over 50% of the basin or the sink or associated hardware have failed or are missing and the sink can't be used	
	Lighting – Missing/Damaged/Inoperabl e Fixture	More than10% of the permanent lighting fixtures are missing or damaged so they do not function	
	Mailbox – Missing/Damaged	The U.S Postal Service mailbox cannot be locked or is missing	
	Outlets/Switches/Cover Plates-Missing/Broken	Outlet or switch is missing or a cover plate is missing or broken, resulting in exposed wiring	Yes
	Pedestrian/Wheelchair Ramp	A walkway or ramp is damaged and cannot be used by people on foot, in wheelchair, or using walkers	
	Plumbing – Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration	
	Plumbing – Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area	
	Range Hood /Exhaust Fans – Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air	
	Range/Stove – Missing/Damaged/Inoperabl e	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning	
Refrigerator – Damaged/Inoperable	The refrigerator has an extensive accumulation of ice or the seals around the doors are deteriorated or is damaged in any way, which substantially impacts its performance		
Restroom Cabinet – Damaged/Missing	Damaged or missing shelves, vanity top, drawers, or doors that are not functioning as they should for storage or their intended purpose		

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Storage Cont.	Shower/Tub – Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing	
	Sink – Missing/Damaged	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing	
	Smoke Detector – Missing/Inoperable	Smoke detector is missing or does not function as it should	Yes
	Stairs – Broken/Damaged/Missing Steps	A step is missing or broken	
	Stairs Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable	
	Ventilation/Exhaust System – Inoperable	Exhaust fan is not functioning or window designed for ventilation does not open	
	Walls – Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment	
	Walls – Damaged	Any hole in wall greater than 2 inches by 2 inches	
	Walls – Damaged/Deteriorated Trim	10% or more of the wall trim is damaged	
	Walls – Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing	
	Walls – Water Stains/ Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew – such as a common area – covering a wall area greater than 1 foot square	
	Water Closet/Toilet – Damaged/Clogged/Missing	Fixture elements – seat, flush handle, cover etc. – are missing or damaged or the toilet seat is cracked or has a broken hinge or toilet cannot be flushed	
	Windows – Cracked/Broken/Missing Panels	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane	
	Windows – Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness	
	Windows – Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is broken	
Windows – Missing/Deteriorated Caulking/ Seals/Glazing Compound	There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure		

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Storage Cont.	Windows – Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing	
	Windows – Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risks	Yes
Health & Safety	Air Quality – Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk	
	Air Quality – Propane/Natural Gas/ Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled	Yes
	Air Quality – Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods	
	Electrical Hazards – Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)	Yes
	Electrical Hazards – Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion	Yes
	Emergency Fire Exits – Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit	Yes
	Emergency Fire Exits – Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign	
	Flammable/Combustible Materials – Improperly Stored	Flammable or combustible materials are improperly stored, causing the potential risk of fire or explosion	
	Garbage and Debris – Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	
	Garbage and Debris – Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	
	Hazards – Other	Any general defects or hazards that pose risk of bodily injury	
	Hazards – Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm	
	Hazards – Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk	
Infestation – Insects	Evidence of infestation of insects – including roaches and ants – throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk		

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Health & Safety Cont.	Infestation – Rats/Mice/Vermin	Evidence of rats or mice – sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk	
Pools and Related Structures	Fencing – Damaged/Not Intact	Any damage that could compromise the integrity of the fence	
Trash Collection Areas	Chutes – Damaged/Missing Components	Garbage has backed up into chutes, because the collection structure is missing or broken or compactors or components – chute, chute door, and other components – have failed	

REQUIREMENTS FOR UNIT			
Inspectable Item	Observed Deficiency	Type and Degree of Deficiency	LTI
Bathroom	Bathroom Cabinets – Damaged/Missing	Damaged or missing shelves, vanity tops, drawers, or doors that are not functioning as they should for storage or their intended purpose	
	Lavatory Sink – Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing	
	Plumbing – Clogged Drains, Faucets	Drain or faucet is substantially or completely clogged or has suffered extensive deterioration	
	Plumbing – Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area	
	Shower/Tub – Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing	
	Ventilation/Exhaust System-Absent/Inoperable	Exhaust fan is not functioning or window designed for ventilation does not open	
	Water Closet/Toilet-Damaged/Clogged/Missing	Fixture elements – seat, flush handle, cover etc. – are missing or damaged or the toilet seat is cracked or has a broken hinge or toilet cannot be flushed	
Call-for-Aid (if applicable)	Inoperable	The system does not function as it should	
Ceiling	Bulging/Buckling/Leaking	Bulging, buckling or sagging ceiling or problem with alignment	
	Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 6 inches long	
	Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint	
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew – such as a darkened area – over a ceiling area greater than 1 foot square	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Doors	Damaged – Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim	
	Damaged – Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware	
	Damaged/Missing – Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass – shown by an empty frame or frames or any security door that is not functioning or is missing	
	Damaged Surface – Holes/Paint/Rusting/Glass/Rotting	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass	
	Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should	
	Missing Door	Any door that is required for security (entry) or privacy (Bathroom) that is missing or any other unit door that is missing and is required for proper unit functionality	
Electrical System	Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency	
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident	
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware	
	Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire	
	GFI – Inoperable	The GFI does not function	
	Missing Breakers/Fuses	Any open and/or exposed breaker port	Yes
	Missing Covers	A cover is missing, which results in exposed visible electrical connections	Yes
Floors	Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types	
	Floor Covering Damage	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.	
	Missing Flooring Tiles	Any flooring or tile flooring that is missing	
	Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Floors Cont.	Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches	
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew – such as a darkened area – covering a flooring area greater than 1 foot square	
Health & Safety	Air Quality – Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk	
	Air Quality – Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods	
	Air Quality – Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled	Yes
	Electrical Hazards – Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)	Yes
	Electrical Hazards – Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion	Yes
	Emergency Fire Exits – Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit	Yes
	Emergency Fire Exits – Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign	
	Flammable Materials – Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion	
	Garbage and Debris – Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	
	Garbage and Debris – Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris	
	Hazards – Other	Any general defects or hazards that pose risk of bodily injury	
	Hazards – Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm	
	Hazards – Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk	
Infestation – Insects	Evidence of infestation of insects – including roaches and ants – throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk		

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Health & Safety Cont.	Infestation – Rats/Mice/Vermin	Evidence of rats or mice – sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk	
Hot Water Heater	Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases	Yes
	Inoperable Unit/Components	Hot water from hot water taps is no warmer than room temperature indicating hot water heater is not functioning properly	
	Leaking Valves/Tanks/Pipes	There is evidence of active water leaks from hot water heater or related components	
	Pressure Relief Valve Missing	There is no pressure relief valve or pressure relief valve does not drain down to the floor	
	Rust/Corrosion	Significant formations of metal oxides, flaking, or discoloration – or a pit or crevice	
HVAC System	Convection/Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans	
	Inoperable	HVAC does not function. It does not provide the heating and cooling it should. The system does not respond when the controls are engaged	
	Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases	Yes
	Noisy/Vibrating/Leaking	The HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged	
	Rust/Corrosion	Deterioration from rust or corrosion on the HVAC system in the Dwelling Unit	
Kitchen	Cabinets – Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating	
	Countertops – Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate – not a sanitary surface to prepare food	
	Dishwasher/Garbage Disposal- Inoperable	The dishwasher or garbage disposal does not operate as it should	
	Plumbing – Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration	
	Plumbing – Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area	
	Range Hood/Exhaust Fans – Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air	
	Range/Stove – Missing/Damaged/ Inoperable	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Kitchen Cont.	Refrigerator – Missing/Damaged/ Inoperable	The refrigerator has an extensive accumulation of ice or the seals around the doors are deteriorated or is damaged in any way, which substantially impacts its performance	
	Sink – Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing	
Laundry Area (Room)	Dryer Vent – Missing/Damaged/ Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside	
Lighting	Missing/Inoperable Fixture	A permanent light fixture is missing or not functioning, and no other switched light source is functioning in the room	
Outlets/Switches	Missing	An outlet or switch is missing	Yes
	Missing/Broken Cover Plates	An outlet or switch has a broken cover plate over a junction box or the cover plate is missing	Yes
Patio/Porch/Balcony	Baluster/Side Railings Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area	
Smoke Detector	Missing/Inoperable	Smoke detector is missing or does not function as it should	Yes
Stairs	Broken/Damaged/Missing Steps	A step is missing or broken	
	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable	
Walls	Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment	
	Damaged	Any hole in wall greater than 2 inches by 2 inches	
	Damaged/Deteriorated Trim	10% or more of the wall trim is damaged	
	Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing	
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew covering a wall area greater than 1 foot square	
Windows	Cracked/Broken/Missing Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane	
	Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness	
	Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure	
	Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is broken	

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Windows Cont.	Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing	
	Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function	Yes

Appendix B – Terms

Term	Definition
20YCE	Twenty-year Capital Expenditure
AC	Air conditioning
Accessibility Analysis and Survey	A Minnesota Housing required written report documenting an existing property's compliance with applicable accessibility codes and regulations based upon a site inspection and review of existing as-built plans or new plans. Applicability and other requirements are based on funding sources.
Adaptive Reuse	Refers to the process of reusing an old site or building for a purpose other than which it was originally built or designed.
AFCI	Arc-fault circuit-interrupter
Americans with Disabilities Act	42 U.S.C. 12131-12189
Broadband Infrastructure	Cables, fiber optics, wiring, or other permanent (integral to the structure) infrastructure – including wireless infrastructure with a minimum broadband speed of 25 Mbps download and 3 Mbps upload (if receiving federal assistance, speed will be mandated by the U.S. Department of Housing and Urban Development.
CFR	Code of Federal Regulations
CNA	Capital Needs Assessment
Covered Multifamily Dwellings	As defined at 24 CFR §100.201
Critical Need or Critical Physical Needs	Property condition deficiencies that if left unattended will likely jeopardize the property's federal assistance.
Design/Construction Standards	Minnesota Housing design and construction standards contained in this guide.
Dwelling Unit	A single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping (separated bedroom or bedrooms), eating, cooking (full kitchen) and sanitation (3/4 or full bath).
Efficiency Unit (a/k/a SRO)	A single room occupant unit providing complete, independent living facilities, including living, sleeping, and eating. Includes provisions for in-unit sanitation (bathroom) and kitchen facilities.
EGCC	2015 Enterprise Green Communities Criteria

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

ENERGY STAR	A U.S. Environmental Protection Agency program that helps save money, reduces financial risk from rising energy costs, and protects our climate through energy efficiency. ENERGY STAR labeled/qualified designation may include windows, doors, plumbing fixtures, lighting, and appliances. ENERGY STAR certified buildings follow either the Homes program or Multifamily High Rise program.
ESAs	Environmental Site Assessments
ERA	Energy Rebate Analysis
ERL	Effective Remaining Life
EUL	Expected Useful Life
GFCI	Ground-fault circuit-interrupter
HERS Rater	A Residential Energy Services Network (RESNET) certified individual required for ENERGY STAR for Homes certification program.
HOME	HOME Investment Partnerships Program
HTC	Housing Tax Credits
HUD	The United States Department of Housing and Urban Development
HVAC	Heating, ventilating and air conditioning system
IRS	Internal Revenue Service
KCMA	Kitchen Cabinet Manufacturers Association
Mbps	Megabits per second
Minnesota Housing	The Minnesota Housing Finance Agency
MN Overlay	Minnesota Housing's amendment to the 2015 Enterprise Green Communities Criteria.
Moderate Rehabilitation	See Section 3.04
MPCA	Minnesota Pollution Control Agency
NHTF	National Housing Trust Fund Program
PNA	Physical Needs Assessment
PNAT	Physical Needs Assessment Template
Predictive Cost Model	A Minnesota Housing developed software used to compare a project's proposed costs with the expected costs based upon Minnesota Housing's experience with similar projects and industry-wide standards. The model considers the following project specific attributes: activity type (new construction vs. rehabilitation), building type, unit sizes, gross square foot, amount of non-residential space, location, year built, garage type, and acquisition type (land or structure).
Preservation	Funding priority and policy focused on preserving properties with existing federal assistance (project based rental assistance or operating subsidies).

MINNESOTA HOUSING MULTIFAMILY RENTAL HOUSING DESIGN/CONSTRUCTION STANDARDS

Property Standards	Refer to 24 CFR Part 93, Subpart G, §93.301 (if receiving NHTF funding) and/or 24 CFR Part 92, Subpart F, §92.251 (if receiving HOME funding), including part (a) New construction projects and part (b) Rehabilitation projects.
Qualified Rehabilitation Specialist	As defined in the Minnesota Housing Architect's Guide.
REAC	Real Estate Assessment Center
Sleeping Unit	Also known as congregate living or dormitory. A room or space in which people sleep, which can also include permanent provisions for living, eating and either sanitation (bathroom) or kitchen facilities but not both.
Story(ies)	Also known as level or floor. That portion of a building included between the upper surface of the floor and the upper surface of the floor or roof next above.
Substantial Rehabilitation	See Section 3.04.B
Sustainable Building Guidelines	State building guidelines that apply to projects receiving Minnesota Housing Publicly Owned Housing Program general obligation bond proceeds.
Sustainable Housing Standards	Minnesota Housing standards for new construction and rehabilitation that requires compliance with the 2015 Enterprise Green Communities Criteria and most current version of the MN Overlay and Guide to the 2015 Enterprise Green Communities Criteria.
Type A	Accessible Dwelling Units or Sleeping Units which meet the Type A Unit requirements of the Minnesota Accessibility Code.
Type B	Accessible Dwelling Units or Sleeping Units which meet the Type B Unit requirements of the Minnesota Accessibility Code.
Universal Design	As defined in the Multifamily 2018 Housing Tax Credit Self-Scoring Worksheet.
UPCS	HUD's Uniform Physical Condition Standards
USDA	The United States Department of Agriculture
Visitability	Designs that allow persons with mobility impairments to enter and stay, but not live, in a residence.

Per Unit Subsidy as Adjusted for Mix of Unit Sizes

	Subsidy limit for Families/Mixed Developments
New Construction Metro for Singles	\$212,931
New Construction Metro for Families/Mixed	\$247,000
New Construction Metro for Large Families	\$260,000
New Construction Greater MN for Singles	\$168,966
New Construction Greater MN for Families/Mixed	\$196,000
New Construction Greater MN for Large Families	\$206,316
Rehabilitation Metro for Singles	\$160,163
Rehabilitation Metro for Families/Mixed	\$197,000
Rehabilitation Metro for Large Families	\$237,349
Rehabilitation Greater MN for Singles	\$126,829
Rehabilitation Greater MN for Families/Mixed	\$156,000
Rehabilitation Greater MN for Large Families	\$187,952
<ul style="list-style-type: none"> • "Metro" applies to the seven-county Twin Cities metro area, while "Greater MN" applies to the other 80 counties. • "Singles" applies to developments where the share of efficiencies and 1 bedroom units is 75% or greater. • "Large Families" applies to developments where the share of units with 3 or more bedrooms is 50% or greater. • "Families/Mixed" applies to all other developments. • "New Construction" includes regular new construction, adaptive reuse/conversion to residential housing, and projects that mix new construction and rehabilitation if the new construction gross square footage is greater than the rehabilitation square footage. 	

Minnesota Housing will establish the maximum per-unit development subsidy at the same level as per-unit cost thresholds established the cost containment methodology associated with the State's Low-income Housing Tax Credit Qualified Allocation Plan (QAP). The above thresholds reflect the limits active for the 2017 RFP.

MINNESOTA DEPARTMENT OF HUMAN SERVICES
(DHS)

AP-30 Method of Distribution - 91.320(d)&(k)

ESG Funding

ESG Funding covered by this Action Plan is distributed in a competitive funding opportunity. The results of this funding process is reflected in the priorities and specific objectives outlined in State's 2018 Annual Action Plan Table of Objectives and Outcomes.

ESG funds are awarded and distributed for emergency shelter, prevention and rapid re-housing. This competitive funding opportunity addresses three of the State' priority objectives for ESG funding:

SL-1.1 Provide safe, adequate emergency shelter for those not yet re-housed or diverted from shelter.

SL-1.1 Stably rehouse homeless persons and those at-risk of homelessness

SL-1.1 Ensure homeless families and individuals transition to stable, long-term housing situations.

Following are the criteria used for distributing ESG funding for emergency shelter, prevention and rapid re-housing:

1. Phase I: Required Statements Review	The Required documents will be evaluated on a pass or fail basis. Responders must "pass" each of the requirements identified in these sections to move to Phase II. Required documents for this RFP include the electronic and hard copy versions of the application, fully completed and submitted by the deadline.
2. Phase II: Evaluation of Technical Requirements of Proposals Points have been assigned to these component areas. The total possible points for these component areas are outline in Table 2 below:	<p>Program Accessibility, Approach and Equity (13 points)</p> <ul style="list-style-type: none"> • Accessibility of program • Level of implementation of best practice approaches • Program's efforts to reach and provide services to overrepresented groups <hr/> <p>Program Design (25 points)</p> <ul style="list-style-type: none"> • Agency experience providing proposed services • Staff experience and capacity to provide proposed services • Appropriate services for target population and program model • Appropriate outcomes for target population (housing programs only) <hr/> <p>Program Revenue and Budget (12 points)</p> <ul style="list-style-type: none"> • Cost effectiveness of program • Detailed information on revenue sources • Diverse and sustainable funding • Descriptive/complete budget narrative • Reasonableness of budget
Other Criteria	<ul style="list-style-type: none"> • Financial and Administrative • Previous performance including monitoring and reporting • Capacity Geographic location

AP-90 PROGRAM SPECIFIC REQUIREMENTS: ESG MONITORING

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

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

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

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

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

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

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

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

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Other Criteria	<ul style="list-style-type: none"> • Financial and Administrative • Previous performance including monitoring and reporting • Capacity Geographic location