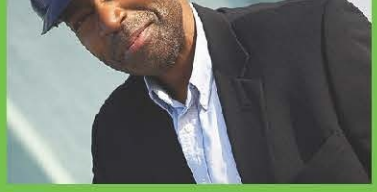

MINNESOTA CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

2017-2021

Minnesota Housing Finance Agency

Minnesota Department of Human Services

MINNESOTA EMPLOYMENT AND ECONOMIC DEVELOPMENT

2017 – 2021 MINNESOTA CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

Prepared for the:
Minnesota Department of Employment and Economic Development
332 Minnesota Street, Suite E200
Saint Paul, MN 55101
(651) 259-7114

Prepared by:
Western Economic Services, LLC
212 SE 18th Avenue
Portland, OR 97214
(503) 239-9091
Toll-free: 1-866-937-9437
Fax: (503) 239-0236
http://www.westernes.com

Final Report

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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(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.

PURPOSE OF THE CONSOLIDATED PLAN

The Minnesota Consolidated Plan for Housing and Community Development for 2017 to 2021 is the comprehensive five-year planning document identifying the needs and respective resource investments in satisfying the state's housing, homeless and non-homeless special population, community development, and economic development needs.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

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

These strategies will be purposed through the Goals as outlined in the Strategic Plan section of this Plan.

3. Evaluation of past performance

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 2012 to 2016 Consolidated Plan and includes an evaluation of past performance through measurable goals and objectives compared to actual performance. The past year CAPER can be found at: http://mn.gov/deed/government/financial-assistance/community-funding/small-cities.jsp and http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904876622&pagename=External%2FPage%2FEXTStandardLayout. The past year CAPER can be found at: http://mn.gov/deed/government/financial-assistance/community-funding/small-cities.jsp and http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1358904876622&pagename=External%2FPage%2FEXTStandardLayout

4. Summary of citizen participation process and consultation process

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.

5. Summary of public comments

Public comment narratives are attached as an appendix in Citizens Participation Comments.

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

Public comment narratives are attached as an appendix in Citizens Participation Comments. The State did not reject any comments.

7. Summary

The 2017-2021 Consolidated Plan has the following goals for the 5 year planning period. 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 rental and homeowner households, including renovation and new construction

- 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 and Infrastructure Needs - DEED

Address community needs through improvements to public facilities and infrastructure

Additionally, throughout this document, data is presented in two forms. Tables with HUD generated data appear in blue. Additional tables have been added to supplement these data, provide additional information, or more up-to-date figures. Narrative throughout this document will make reference to both sets of tables.

I. The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

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		

Table 1 – Responsible Agencies

Narrative

The Minnesota Housing Finance Agency will also administer the National Housing Trust Fund (NHTF).

Consolidated Plan Public Contact Information

Hillary Friend, Grants Coordinator
Department of Employment and Economic Development
1st National Bank Building, 332 Minnesota St., Suite E200
St. Paul MN 55101
Direct: 651-259-7504
Email: Hillary.Friend@state.mn.us

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

1. Introduction

As part of the consolidated planning process, the lead agency, DEED, and sister administering agencies, 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 (91.215(l))

This 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'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 and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

Consultation on allocation:

The State's competitive RFP process for ESG funds continues to include the opportunity for each CoC representative(s) to participate in the evaluation of applications for funding. CoCs have taken advantage of this opportunity and offered meaningful and important input into the allocation of ESG funds in their regions. Additional meetings and opportunities for CoC consultation have been added to the RFP review process as well, ensuring a strong CoC voice in funding decisions.

Performance Standards and Evaluation:

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.

Policies and Procedures for HMIS:

The HMIS Governing Group oversees the operation and administration of Minnesota's statewide HMIS system. The Governing Group includes representatives from each of the Continuum of Care (CoC) regions, state agencies, advocacy organizations and service providers. As members on the HMIS Governing Group, state agency staff participate in making joint decisions regarding the administration and funding of HMIS.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

An additional list of outreach contacts are included in the Appendix.

Table 2 –2 - Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	MN Dept. of Health
	Agency/Group/Organization Type	Services-Health Other government - State
	What section of the Plan was addressed by Consultation?	Lead-based Paint Strategy
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
2	**Agency/Group/Organization**	CITY OF WINONA
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
3	**Agency/Group/Organization**	BROWN COUNTY
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
4	**Agency/Group/Organization**	BLUE EARTH COUNTY
	Agency/Group/Organization Type	Other government - County

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
5	**Agency/Group/Organization**	CITY OF FAIRMONT
	Agency/Group/Organization Type	Services - Housing Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
6	**Agency/Group/Organization**	CEDA
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
7	**Agency/Group/Organization**	City of Delano
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
8	**Agency/Group/Organization**	NEW ULM
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
9	**Agency/Group/Organization**	CITY OF HUTCHINSON
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
10	**Agency/Group/Organization**	WEST CENTRAL MINNESOTA COMMUNITIES
	Agency/Group/Organization Type	Community Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Economic Development
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
11	**Agency/Group/Organization**	DW Jones Management
	Agency/Group/Organization Type	Property Management
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
12	**Agency/Group/Organization**	Minnesota Department of Corrections
	Agency/Group/Organization Type	Other government - State

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
13	**Agency/Group/Organization**	BI-COUNTY COMMUNITY ACTION PROGRAM, INC
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
14	**Agency/Group/Organization**	Economic Development Association of MN
	Agency/Group/Organization Type	Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.
15	**Agency/Group/Organization**	MN Community Action Association
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis

	How the Agency/Group/Organization consulted and what was are the anticipated outcomes of the consultation or areas for improved coordination?	This agency was contacted through surveys, outreach groups and invitation to comment.

Identify any Agency Types not consulted and provide rationale for not consulting

DEED made attempts, including invitations to surveys, email outreach and public notices to be as inclusive as possible.

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 (MICH)	Minnesota has a statewide plan to end homelessness which includes all CoCs in the state. This plan is coordinated by the MICH, in which DHS 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 their family and friends. • Live more independently, • Engage in productive employment, • Participate in community life.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(l))

Consulted with many units of local government across the state when preparing the action plan, including inclusion in the survey, focus groups and other opportunities for feedback. This included local chambers of commerce, housing rehabilitation authorities and local leaders, such as mayors, city clerks, and administrators.

Narrative (optional):

DHS works closely with other ESG jurisdictions within the State to ensure consistency and coordination wherever possible. The State periodically meets with local units of government who are also administering ESG funding, providing a venue for close coordination and communication, as well as peer to peer technical assistance. Local jurisdictions also participate in the State's ESG funding review process each biennium.

PR-15 Citizen 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 State utilized a variety of citizen participation tools throughout the process to allow to input on the planning process. This included a survey, focus groups, outreach groups and public input sessions. The comments received from these various forums were integrated into the development of the plan in selecting priority needs and establishing goals.

The Plan was released for public review on August 15, 2016. The review period will end on September 14, 2016.

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	Internet Outreach	Non-targeted/broad community	The 2016 Housing and Community Development Survey asked respondents various questions about the needs of housing and community development throughout the state.	Surveys indicating survey results are presented throughout this document.	All comments were accepted.	

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	Focus Groups	Stakeholders	Four focus groups were held on April 4(two sessions) and 5, 2016. These four focus groups covered affordable housing, economic development, homelessness and housing, and infrastructure.	Transcripts of all comments are included as an attachment.	All comments were accepted.	
3	Focus Groups	Stakeholders	Four outreach committees were held at various points during the planning process. These outreach committees included eligible grantees to gather comment about the needs and goals for the Plan.	Transcripts of the committees are included as attachments.	All comments were accepted.	

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)
4	Public Meeting	Non-targeted/broad community	Three public input meetings were held to gather comments on the preliminary plan information. These meetings were held in Alexandria, New Ulm and Walker on May 10-11, 2016.	Transcripts of the proceedings are included as attachments.	All comments were accepted.	
5	Public Meeting	Targeted SCDP grantees and administrators	Gathered input from grantees and administrators, June 7-9, Bemidji, Alexandria, Mankato. 100 responses received.	Overall attendees agreed with how we are spending the funds. Community and economic development are key areas where is funding is needed.	All comments were accepted.	

Table 4 – Citizen Participation Outreach

NA-05 Overview

Needs Assessment Overview

This section addresses housing and homeless needs in Minnesota. Specific needs and the priority level of these needs were determined based on data from the 2016 Housing and Community Development Survey, public input meetings, and from consultation with representatives of various state and local agencies throughout Minnesota. Results from the 2016 Housing and Community Development Needs Survey showed that construction of new rental housing and rental housing for very low-income households were considered to have a high need for funding. There were 500,140 households under 80 percent Median Family Income (MFI) with housing problems in 2012. Additionally, some racial/ethnic groups faced disproportionate share of housing problems. According to the point-in-time count, the counted homeless population was 4,644 in 2015. Non-homeless special needs populations in the state include the elderly and frail elderly, persons living with disabilities, persons with alcohol or other drug addiction, victims of domestic violence, and persons living with HIV and their families. These populations are not homeless, but are at the risk of becoming homeless and therefore often require housing and service programs.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

The population of Minnesota grew from approximately 4.9 million in 2000 to 5.3 million in 2010, or by 7.8 percent. According to 2014 Five-year American Community Survey (ACS) estimates, the Minnesota population had grown to 5,383,661 by 2014, as seen in Table II.4. As shown in Table II.1, just over thirty percent of the population was aged 35 to 54 at the beginning of the decade, and 22.5 percent of the population was aged 5 to 19. Both of these groups, which accounted for more than half of the population in 2000, declined in number over the following decade, and by 2010 they represented around 48 percent of the population, down more than four percentage points from 2000. At the same time, residents aged 55 to 64 grew from 8.2 to 11.9 percent of the total population, and residents aged 65 and older, i.e., the "elderly cohort", grew at around twice the rate of the population as a whole.

Table II.1
Population by Age
State of Minnesota
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
Under 5	329,594	6.7%	355,504	6.7%	7.9%
5 to 19	1,105,251	22.5%	1,075,707	20.3%	-2.7%
20 to 24	322,483	6.6%	355,651	6.7%	10.3%
25 to 34	673,138	13.7%	715,586	13.5%	6.3%

35 to 54	1,489,878	30.3%	1,488,992	28.1%	-.1%
55 to 64	404,869	8.2%	629,364	11.9%	55.4%
65 or Older	594,266	12.1%	683,121	12.9%	15.0%
Total	**4,919,479**	**100.0%**	**5,303,925**	**100.0%**	**7.8%**

This elderly cohort represented 12.9 percent of the population in 2010. Nearly a quarter of the elderly population was aged 70 to 74 years in 2000, and more than a fifth were aged 75 to 79 years. As shown in Table II.2, these groups declined as a share of the overall elderly population between 2000 and 2010. The most pronounced growth was at the younger end of the elderly cohort, among residents aged 65 to 69 years.

Table II.2
Elderly Population by Age
State of Minnesota
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
65 to 66	62,176	10.5%	86,158	12.6%	38.6%
67 to 69	90,993	15.3%	116,412	17.0%	27.9%
70 to 74	142,656	24.0%	151,857	22.2%	6.4%
75 to 79	122,677	20.6%	122,114	17.9%	-.5%
80 to 84	90,163	15.2%	99,916	14.6%	10.8%
85 or Older	85,601	14.4%	106,664	15.6%	24.6%
Total	**594,266**	**100.0%**	**683,121**	**100.0%**	**15.0%**

The state also experienced a modest shift in its racial and ethnic composition from 2000 through 2010. As shown in Table II.3, white residents accounted for nearly 90 percent of the state's population in 2000, with 4.4 million residents. However, the white population grew at a slower rate than other racial and ethnic groups over the following decade, and by 2010 had fallen to 85.3 percent of the population. The black population, which represented 3.5 percent of the overall population in 2000, grew comparatively rapidly, accounting for 5.2 percent of the state's residents in 2010. Similarly, the Asian population expanded by over 50 percent from 2000 through 2010, comprising 4 percent of the population at the end of the decade.

Table II.3
Population by Race and Ethnicity
State of Minnesota
2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
White	4,400,282	89.4%	4,524,062	85.3%	2.8%
Black	171,731	3.5%	274,412	5.2%	59.8%
American Indian	54,967	1.1%	60,916	1.1%	10.8%
Asian	141,968	2.9%	214,234	4.0%	50.9%
Native Hawaiian/ Pacific Islander	1,979	.0%	2,156	.0%	8.9%
Other	65,810	1.3%	103,000	1.9%	56.5%
Two or More Races	82,742	1.7%	125,145	2.4%	51.2%
Total	**4,919,479**	**100.0%**	**5,303,925**	**100.0%**	**7.8%**
Non-Hispanic	4,776,097	97.1%	5,053,667	95.3%	5.8%
Hispanic	143,382	2.9%	250,258	4.7%	74.5%

In terms of ethnicity, population growth between 2000 and 2010 was more pronounced among Hispanic residents than among the state's non-Hispanic population. From around 143,400 in 2000, the Hispanic population grew by 74.5 percent to roughly 250,000, or around 4.7 percent of the state's population. The number of non-Hispanic residents also grew over the decade, but by a relatively modest 5.8 percent.

Table II.4
Population by Race and Ethnicity
State of Minnesota
2010 Census & 2014 Five-Year ACS

Race	2010 Census		2014 Five-Year ACS	
	Population	% of Total	Population	% of Total
White	4,524,062	85.3%	4,585,781	85.18%
Black	274,412	5.2%	290,545	5.40%
American Indian	60,916	1.1%	56,490	1.05%
Asian	214,234	4.0%	230,798	4.29%
Native Hawaiian/ Pacific Islander	2,156	.0%	2,166	.04%
Other	103,000	1.9%	78,863	1.46%
Two or More Races	125,145	2.4%	139,018	2.58%
Total	**5,303,925**	**100.0%**	**5,383,661**	**100.0%**
Non-Hispanic	5,053,667	95.3%	5,119,396	95.09%
Hispanic	250,258	4.7%	264,265	4.91%

Demographics	Base Year: 2000	Most Recent Year: 2012	% Change
Population	4,919,479	5,313,081	8%
Households	1,896,209	2,101,875	11%
Median Income	$47,111.00	$59,126.00	26%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2008-2012 ACS (Most Recent Year)

Table II.1
Population by Age
State of Minnesota
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change
	Population	% of Total	Population	% of Total	00–10
Under 5	329,594	6.7%	355,504	6.7%	7.9%
5 to 19	1,105,251	22.5%	1,075,707	20.3%	-2.7%
20 to 24	322,483	6.6%	355,651	6.7%	10.3%
25 to 34	673,138	13.7%	715,586	13.5%	6.3%
35 to 54	1,489,878	30.3%	1,488,992	28.1%	-.1%
55 to 64	404,869	8.2%	629,364	11.9%	55.4%
65 or Older	594,266	12.1%	683,121	12.9%	15.0%
Total	**4,919,479**	**100.0%**	**5,303,925**	**100.0%**	**7.8%**

Table II.1

Table II.2
Elderly Population by Age
State of Minnesota
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change
	Population	% of Total	Population	% of Total	00–10
65 to 66	62,176	10.5%	86,158	12.6%	38.6%
67 to 69	90,993	15.3%	116,412	17.0%	27.9%
70 to 74	142,656	24.0%	151,857	22.2%	6.4%
75 to 79	122,677	20.6%	122,114	17.9%	-.5%
80 to 84	90,163	15.2%	99,916	14.6%	10.8%
85 or Older	85,601	14.4%	106,664	15.6%	24.6%
Total	**594,266**	**100.0%**	**683,121**	**100.0%**	**15.0%**

Table II.2

Table II.3
Population by Race and Ethnicity
State of Minnesota
2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change
	Population	% of Total	Population	% of Total	00–10
White	4,400,282	89.4%	4,524,062	85.3%	2.8%
Black	171,731	3.5%	274,412	5.2%	59.8%
American Indian	54,967	1.1%	60,916	1.1%	10.8%
Asian	141,968	2.9%	214,234	4.0%	50.9%
Native Hawaiian/ Pacific Islander	1,979	.0%	2,156	.0%	8.9%
Other	65,810	1.3%	103,000	1.9%	56.5%
Two or More Races	82,742	1.7%	125,145	2.4%	51.2%
Total	**4,919,479**	**100.0%**	**5,303,925**	**100.0%**	**7.8%**
Non-Hispanic	4,776,097	97.1%	5,053,667	95.3%	5.8%
Hispanic	143,382	2.9%	250,258	4.7%	74.5%

Table II.3

Table II.4
Population by Race and Ethnicity
State of Minnesota
2010 Census & 2014 Five-Year ACS

Race	2010 Census		2014 Five-Year ACS	
	Population	% of Total	Population	% of Total
White	4,524,062	85.3%	4,585,781	85.18%
Black	274,412	5.2%	290,545	5.40%
American Indian	60,916	1.1%	56,490	1.05%
Asian	214,234	4.0%	230,798	4.29%
Native Hawaiian/ Pacific Islander	2,156	.0%	2,166	.04%
Other	103,000	1.9%	78,863	1.46%
Two or More Races	125,145	2.4%	139,018	2.58%
Total	**5,303,925**	**100.0%**	**5,383,661**	**100.0%**
Non-Hispanic	5,053,667	95.3%	5,119,396	95.09%
Hispanic	250,258	4.7%	264,265	4.91%

Table II.4

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	254,440	245,450	339,910	234,385	1,027,690
Small Family Households *	64,815	67,635	109,980	93,940	582,990
Large Family Households *	15,280	17,360	27,545	20,865	87,895
Household contains at least one person 62-74 years of age	37,165	43,045	64,310	43,130	162,530
Household contains at least one person age 75 or older	50,510	56,925	48,435	21,780	52,020
Households with one or more children 6 years old or younger *	41,955	38,115	54,750	40,015	122,590

TABLE 6 - TOTAL HOUSEHOLDS TABLE

Data Source: * the highest income category for these family types is >80% HAMFI	2008-2012 CHAS

Table 7 - Total Households Table

Data Source: 2008-2012 CHAS

Housing Problems

The Census Bureau collects data on several topics that HUD has identified as "housing problems". For the purposes of this report, housing problems include overcrowding, incomplete plumbing or kitchen facilities, and cost-burden.

Less than one percent of households had incomplete plumbing facilities in 2000 or 2010-2014, as shown in Table II.5. Plumbing facilities are considered to be incomplete if a household is missing any of the following: a flush toilet, piped hot and cold running water, a bathtub, or a shower.

Table II.5
Households with Incomplete Plumbing Facilities
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Households	2000 Census	2014 Five-Year ACS
With Complete Plumbing Facilities	1,885,546	2,107,913
Lacking Complete Plumbing Facilities	9,581	7,424
Total Households	**1,895,127**	**2,115,337**
Percent Lacking	**.5%**	**0.4%**

A similarly small share of households lacked complete kitchen facilities, as shown in Table II.6. However, unlike households with incomplete plumbing facilities, the number of households with incomplete kitchen facilities grew by an estimated 3,664 after 2000, accounting for 0.6 percent of households by 2010-2014. A household is considered to lack complete kitchen facilities when it does not have a range or cook top and oven, a sink with piped hot and cold running water, and a refrigerator.

Table II.5
Households with Incomplete Plumbing Facilities
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Households	2000 Census	2014 Five-Year ACS
With Complete Plumbing Facilities	1,885,546	2,107,913
Lacking Complete Plumbing Facilities	9,581	7,424
Total Households	**1,895,127**	**2,115,337**
Percent Lacking	**.5%**	**0.4%**

Table II.5

Table II.6
Households with Incomplete Kitchen Facilities
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Households	2000 Census	2014 Five-Year ACS
With Complete Kitchen Facilities	1,885,904	2,102,450
Lacking Complete Kitchen Facilities	9,223	12,887
Total Households	**1,895,127**	**2,115,337**
Percent Lacking	**.5%**	**.6%**

Table II.6

Table II.6
Households with Incomplete Kitchen Facilities
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Households	2000 Census	2014 Five-Year ACS
With Complete Kitchen Facilities	1,885,904	2,102,450
Lacking Complete Kitchen Facilities	9,223	12,887
Total Households	**1,895,127**	**2,115,337**
Percent Lacking	**.5%**	**.6%**

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	3,895	2,150	1,475	810	8,330	1,430	1,130	1,225	630	4,415
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	2,795	1,570	1,180	380	5,925	290	595	610	360	1,855
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	5,635	4,890	3,205	1,330	15,060	1,440	2,210	3,075	1,770	8,495
Housing cost burden greater than 50% of income (and none of the above problems)	91,480	22,020	4,325	595	118,420	48,945	36,820	28,470	8,390	122,625
Housing cost burden greater than 30% of income (and none of the above problems)	26,490	54,345	29,485	4,605	114,925	17,495	33,325	68,120	46,185	165,125
Zero/negative Income (and none of the above problems)	7,055	0	0	0	7,055	6,005	0	0	0	6,005

Table 8 – Housing Problems Table

Data Source: 2008-2012 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	103,805	30,635	10,185	3,110	147,735	52,100	40,755	33,380	11,150	137,385
Having none of four housing problems	56,210	86,640	105,930	53,355	302,135	29,260	87,415	190,420	166,765	473,860
Household has negative income, but none of the other housing problems	7,055	0	0	0	7,055	6,005	0	0	0	6,005

Table 9 – Housing Problems 2

Data Source: 2008-2012 CHAS

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**Total**
NUMBER OF HOUSEHOLDS								
Small Related	38,720	25,755	10,630	75,105	14,970	23,045	39,740	77,755
Large Related	8,970	5,445	1,405	15,820	4,290	7,080	11,450	22,820
Elderly	26,940	18,260	8,515	53,715	33,360	27,745	21,185	82,290
Other	53,510	31,730	14,350	99,590	16,020	14,455	25,935	56,410
Total need by income	128,140	81,190	34,900	244,230	68,640	72,325	98,310	239,275

Table 10 – Cost Burden > 30%

Data Source: 2008-2012 CHAS

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**Total**
NUMBER OF HOUSEHOLDS								
Small Related	30,730	5,640	660	37,030	12,590	13,455	11,595	37,640
Large Related	6,575	1,235	30	7,840	3,555	3,560	2,675	9,790
Elderly	18,370	9,120	2,555	30,045	20,920	11,830	6,690	39,440
Other	42,745	7,290	1,390	51,425	13,555	8,925	7,790	30,270
Total need by income	98,420	23,285	4,635	126,340	50,620	37,770	28,750	117,140

Table 11 – Cost Burden > 50%

Data Source: 2008-2012 CHAS

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**
NUMBER OF HOUSEHOLDS										
Single family households	7,620	5,410	3,485	1,195	17,710	1,485	2,370	3,005	1,635	8,495
Multiple, unrelated family households	750	700	645	290	2,385	280	490	735	500	2,005
Other, non-family households	250	425	345	229	1,249	20	15	14	19	68
Total need by income	8,620	6,535	4,475	1,714	21,344	1,785	2,875	3,754	2,154	10,568

Table 12 – Crowding Information – 1/2

Data Source: 2008-2012 CHAS

Data Source: 2008-2012 CHAS

Table II.7

Overcrowding and Severe Overcrowding

State of Minnesota

2000 Census SF3 & 2014 Five-Year ACS Data

Data Source	No Overcrowding		Overcrowding		Severe Overcrowding		Total
	Households	% of Total	Households	% of Total	Households	% of Total	
Owner							
2000 Census	1,389,409	98.3%	15,559	1.1%	7,756	.5%	1,412,724
2014 Five-Year ACS	1,508,557	98.9%	13,284	.9%	3,360	.2%	1,525,201
Renter							
2000 Census	450,692	93.4%	15,402	3.2%	16,309	3.4%	482,403
2014 Five-Year ACS	563,360	95.5%	19,055	3.2%	7,721	01.3%	590,136
Total							
2000 Census	1,840,101	97.1%	30,961	1.6%	24,065	1.3%	1,895,127
2014 Five-Year ACS	2,071,917	97.9%	32,339	1.5%	11,081	.5%	2,115,337

Table II.7

Table II.7
Overcrowding and Severe Overcrowding
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Data Source	No Overcrowding		Overcrowding		Severe Overcrowding		Total
	Households	% of Total	Households	% of Total	Households	% of Total	
Owner							
2000 Census	1,389,409	98.3%	15,559	1.1%	7,756	.5%	1,412,724
2014 Five-Year ACS	1,508,557	98.9%	13,284	.9%	3,360	.2%	1,525,201
Renter							
2000 Census	450,692	93.4%	15,402	3.2%	16,309	3.4%	482,403
2014 Five-Year ACS	563,360	95.5%	19,055	3.2%	7,721	01.3%	590,136
Total							
2000 Census	1,840,101	97.1%	30,961	1.6%	24,065	1.3%	1,895,127
2014 Five-Year ACS	2,071,917	97.9%	32,339	1.5%	11,081	.5%	2,115,337

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 13 – Crowding Information – 2/2

Data Source Comments: As a self-populating table, no data is provided by HUD. Data for households with children present are presented in Table III.14.

Describe the number and type of single person households in need of housing assistance.

There was a 14.6 percent increase in the number of single person households between 2000 and 2010, as seen in Table II.8. This rate of growth exceeds the average for the state during that time, and single person households accounted for 28.0 percent of the population by 2010. Single person households at or below 30 percent MFI are the most likely to need housing assistance. As the size of this population increases, the State expects the need for housing assistance will increase also. These trends continued through 2014, as seen in Table II.9. One and two person households made up a majority of households in that state in 2014, while all other household sizes dropped in share of households.

Table II.8
Households by Household Size
State of Minnesota
2000 & 2010 Census SF1 Data

Size	2000 Census		2010 Census		% Change 00–10
	Households	% of Total	Households	% of Total	
One Person	509,468	26.9%	584,008	28.0%	14.6%
Two Persons	641,694	33.9%	724,386	34.7%	12.9%
Three Persons	283,467	15.0%	307,794	14.7%	8.6%
Four Persons	273,585	14.4%	274,621	13.2%	.4%
Five Persons	123,222	6.5%	123,002	5.9%	-.2%
Six Persons	40,228	2.1%	44,258	2.1%	10.0%
Seven Persons or More	23,463	1.2%	29,158	1.4%	24.3%
Total	**1,895,127**	**100.0%**	**2,087,227**	**100.0%**	**10.1%**

Table II.9
Households by Household Size
State of Minnesota
2010 Census SF1 & 2014 5-Year ACS Data

Size	2010 Census		2014 ACS	
	Households	% of Total	Households	% of Total
One Person	584,008	28.00%	597,373	28.24%
Two Persons	724,386	34.70%	749,113	35.41%
Three Persons	307,794	14.70%	303,375	14.34%

Four Persons	274,621	13.20%	274,929	13.00%
Five Persons	123,002	5.90%	122,263	5.78%
Six Persons	44,258	2.10%	42,891	2.03%
Seven Persons or More	29,158	1.40%	25,393	1.20%
Total	**2,087,227**	**100.00%**	**2,115,337**	**100.00%**

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

According to the 2000 Census, approximately 679,000 residents were living with a disability in that year, or 15 percent of the population. In 2008, the Census Bureau made substantial changes to how it conceives of and defines "disability", and these changes mean that ACS estimates from after 2008 are not directly comparable to earlier estimates or the 2000 Census. For that reason, the analysis of disability included in this study will focus on the incidence of disability among different age groups. As shown in Table II.10, residents became progressively more likely to be impacted by disability in older age groups in 2000.

Table II.10
Disability by Age
State of Minnesota
2000 Census SF3 Data

Age	Total	
	Disabled Population	Disability Rate
5 to 15	43,780	5.4%
16 to 64	431,252	13.6%
65 and older	204,204	36.9%
Total	**679,236**	**15.0%**

The same was true of the state's population in 2010-2014, when 10.3 percent of the population was counted as living with a disability. As shown in Table II.11, the disability rate for the population as a whole; i.e., males and females together; rose progressively with age, from less than one percent of the population aged less than five to 45.4 percent of the population aged 75 and over. The disability rate for male residents was higher than that of female residents.

Table II.11
Disability by Age
State of Minnesota
2014 Five-Year ACS Data

Age	Male		Female		Total	
	Disabled Population	Disability Rate	Disabled Population	Disability Rate	Disabled Population	Disability Rate
Under 5	1,180	.7%	1,216	.7%	2,396	.7%
5 to 17	29,304	6.2%	16,322	3.6%	45,626	4.9%
18 to 34	34,692	5.6%	29,093	4.8%	63,785	5.2%
35 to 64	111,073	10.5%	101,451	9.5%	212,524	10.0%
65 to 74	43,879	23.8%	37,201	18.4%	81,080	20.9%
75 or Older	58,168	45.5%	83,845	45.3%	142,013	45.4%
Total	**278,296**	**10.5%**	**269,128**	**10.0%**	**547,424**	**10.3%**

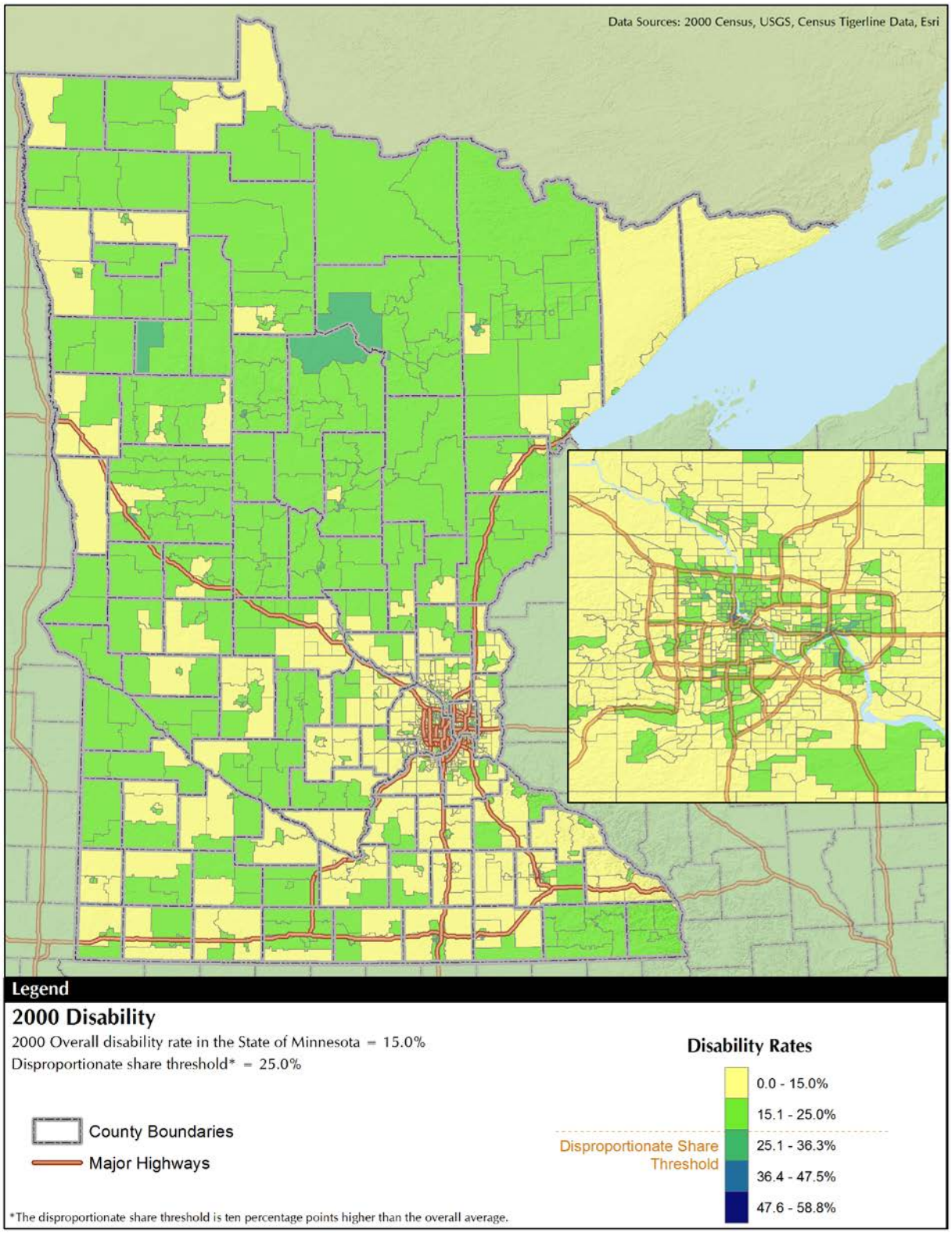
Disabled residents are present in as much as a quarter of the population in Census tracts throughout the state. As shown in Map II.1, there were Census tracts in the Minneapolis-St. Paul

area where the percentage of residents living with disabilities was higher: as many as one resident in three was living with some form of disability in Census tracts in and around the urban core of Minneapolis and St. Paul. However, the highest concentrations of residents with disabilities in 2000 were observed in two Census tracts in Duluth, where more than half of the population was living with some form of disability in that year.

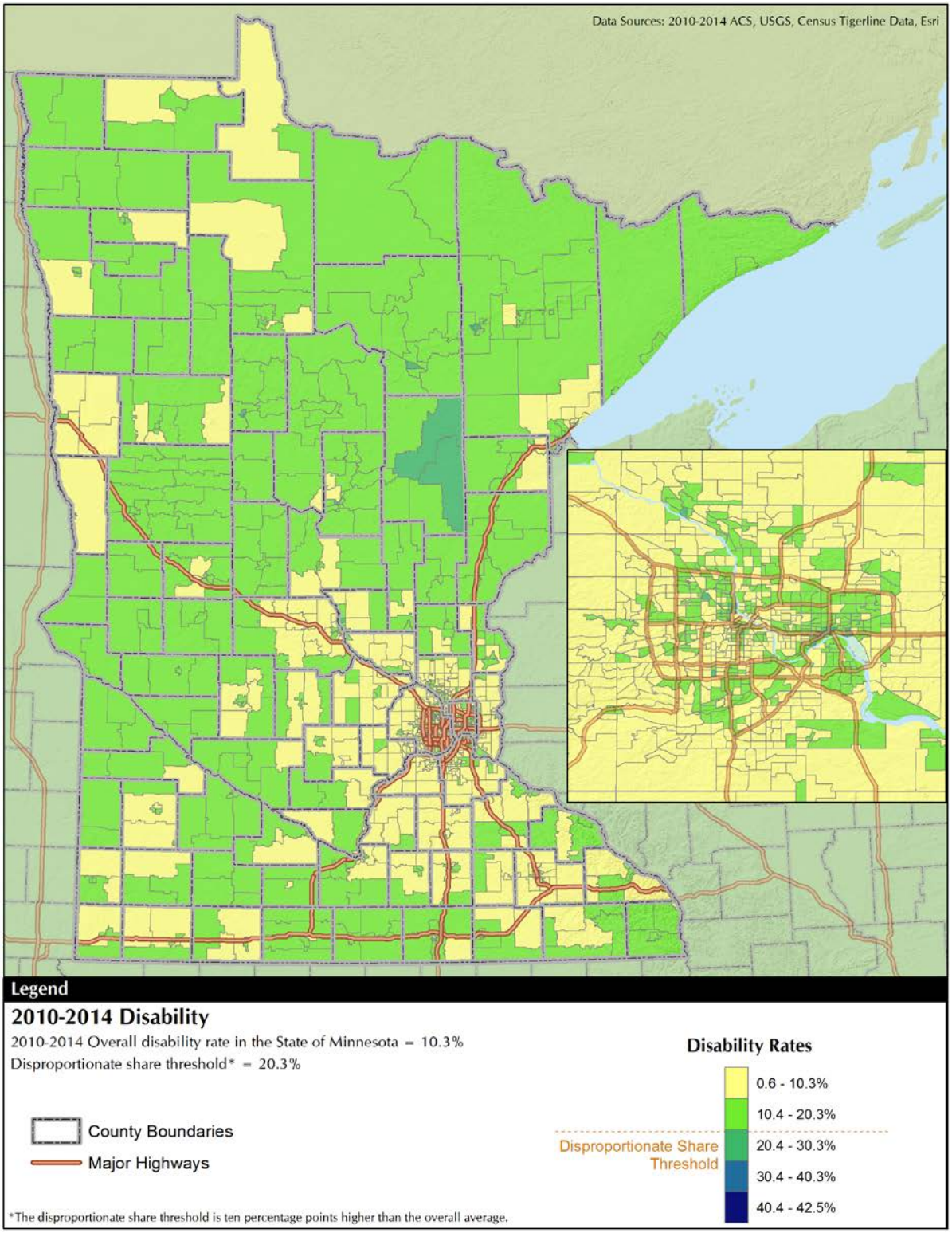
Although there were many Census tracts throughout the state with relatively high disability rates, there were few in which the percentage of residents living with disabilities was more than ten percentage points higher than the statewide average in 2010-2014. Exceptions were to be found, as shown in Map II.2, in tracts in St. Paul, Duluth, Rochester, all of which had areas in which residents with disabilities accounted for at least one-third of the population.

Pinpointing a specific number of victims of domestic violence can be difficult because many cases go unreported. However, there are other means of gathering statistics, including tracking the numbers of cases that are reported to law enforcement. According to the Minnesota Coalition for Battered Women, 63,000 Minnesotans sought services during 2014. According to the National Coalition Against Domestic Violence, Minnesota courts adjudicated 27,288 cases of domestic violence in 2011.

Map II.1
Population with Disabilities by Census Tract, 2000
The State of Minnesota
2000 Census



Map II.2
Population with Disabilities by Census Tract, 2010-2014
The State of Minnesota
2010-2014 Five-Year ACS



What are the most common housing problems?

A considerably larger percentage of households were impacted by cost-burdening in 2000, and this percentage grew considerably over the decade. A housing unit is considered cost-burdened when between 30 and 50 percent of its income goes toward housing costs, and severely cost-burdened when housing costs consume more than 50 percent of a household's income. As shown in Table II.12, the share of households living in affordable housing, or those spending less than 30 percent of their income on housing, fell from 76.2 percent in 2000 to 68.1 percent in 2010-2014.

Table II.12
Cost Burden and Severe Cost Burden by Tenure
State of Minnesota
2000 Census & 2014 Five-Year ACS Data

Data Source	Less Than 30%		31%-50%		Above 50%		Not Computed		Total
	Households	% of Total	Households	% of Total	Households	% of Total	Households	% of Total	
Owner With a Mortgage									
2000 Census	663,238	80.0%	118,725	14.3%	45,292	5.5%	1,826	.2%	829,081
2014 Five-Year ACS	746,559	71.2%	197,531	18.8%	101,992	9.7%	2,884	0.3%	1,048,966
Owner Without a Mortgage									
2000 Census	264,711	91.8%	13,764	4.8%	7,430	2.6%	2,503	.9%	288,408
2014 Five-Year ACS	411,622	86.4%	36,381	7.6%	24,283	5.1%	3,949	.8%	476,235
Renter									
2000 Census	282,754	60.0%	92,463	19.6%	72,644	15.4%	23,605	5.0%	471,466
2014 Five-Year ACS	282,553	47.9%	135,829	23.0%	136,332	23.1%	35,422	6.0%	590,136
Total									
2000 Census	1,210,703	76.2%	224,952	14.2%	125,366	7.9%	27,934	1.8%	1,588,955
2014 Five-Year ACS	1,440,734	68.1%	369,741	17.5%	262,607	12.4%	42,255	2.0%	2,115,337

Are any populations/household types more affected than others by these problems?

Renters are more likely to be cost burdened than homeowners. Around 23 percent of renters were cost-burdened, and 23.1 severely cost-burdened, in 2010-2014.

Describe the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Households most likely to be at risk of becoming unsheltered are those that with extremely low incomes that are cost-burdened. There were 199,895 households at or below 30 percent MFI that have housing problems in 2012, as demonstrated by Table II.13. Of these households, there are 14,245 are large families and 54,380 are small families.

Table II.13
Households by Income and Family Status
State of Minnesota
2008–2012 HUD CHAS Data

Income	Elderly Family	Small Family	Large Family	Elderly Non-Family	Other Household	Total
Housing Problems						
30% HAMFI or less	9,540	54,380	14,245	51,325	70,405	199,895
30.1-50% HAMFI	13,005	50,435	15,150	33,625	46,850	159,065
50.1-80% HAMFI	13,760	52,285	17,140	16,670	41,325	141,180
80.1% HAMFI or more	17,770	79,670	20,290	9,880	37,210	164,820
Total	54,075	236,770	66,825	111,500	195,790	664,960
No Housing Problems						
30% HAMFI or less	2,655	7,770	850	18,540	11,670	41,485
30.1-50% HAMFI	18,700	17,205	2,205	30,450	17,830	86,390
50.1-80% HAMFI	42,160	57,695	10,410	32,270	56,210	198,745
80.1% HAMFI or more	159,215	597,260	88,475	53,410	198,895	1,097,255
Total	222,730	679,930	101,940	134,670	284,605	1,423,875
Housing Problems Not Computed						
30% HAMFI or less	735	2,665	190	2,350	7,125	13,065
30.1-50% HAMFI	0	0	0	0	0	0
50.1-80% HAMFI	0	0	0	0	0	0
80.1% HAMFI or more	0	0	0	0	0	0
Total	735	2,665	190	2,350	7,125	13,065
Total						
30% HAMFI or less	12,930	64,815	15,285	72,215	89,200	254,445
30.1-50% HAMFI	31,705	67,640	17,355	64,075	64,680	245,455
50.1-80% HAMFI	55,920	109,980	27,550	48,940	97,535	339,925
80.1% HAMFI or more	176,985	676,930	108,765	63,290	236,105	1,262,075
Total	**277,540**	**919,365**	**168,955**	**248,520**	**487,520**	**2,101,900**

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

Not applicable.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

According to the National Alliance to End Homelessness, there are various factors that contribute to an increased risk of homelessness. These housing characteristics include households that are doubled up, or living with friends or family, persons recently released from prison, and young adults out of foster care. Economic factors include households with severe cost burden and households facing unemployment. As described here and in the following sections, there is a large number of households facing cost burdens and other housing problems that create instability and increase their risk of homelessness.

Discussion

As seen above, the amount of housing need in the State has increased, especially for cost burdens. By 2014, an estimated 29.9 percent of the population faced cost burdens, an increase from 22.1 percent in 2000. This is by far the most commonly experienced housing problem in the

State. Renters face this problem at an even higher rate, with 46.1 percent of renters facing cost burdens in 2014.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A disproportionate need exists if any one racial or ethnic group faces housing problems at a rate of 10 percentage points higher than the jurisdiction average. The following section will explore the disproportionately greater need for housing problems in the State of Minnesota.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	191,487	44,589	10,468
White	144,680	36,892	7,858
Black / African American	22,409	3,931	1,239
Asian	7,116	875	556
American Indian, Alaska Native	3,633	1,366	164
Pacific Islander	148	65	0
Hispanic	10,415	1,006	354

Table 14 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2008-2012 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	144,425	91,625	0
White	116,882	80,822	0
Black / African American	11,117	3,764	0
Asian	4,951	1,710	0
American Indian, Alaska Native	1,605	1,185	0
Pacific Islander	60	69	0
Hispanic	8,077	3,255	0

Table 15 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2008-2012 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	146,000	212,323	0
White	126,684	190,894	0
Black / African American	6,157	6,972	0
Asian	4,763	4,185	0
American Indian, Alaska Native	1,331	2,433	0
Pacific Islander	54	90	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Hispanic	5,652	5,735	0

Table 16 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2008-2012 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	71,561	178,686	0
White	64,622	162,853	0
Black / African American	1,782	4,644	0
Asian	2,396	4,108	0
American Indian, Alaska Native	442	1,448	0
Pacific Islander	15	10	0
Hispanic	1,870	3,965	0

Table 17 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2008-2012 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

A discussion of disproportionate share is included in NA-30.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The following section will explore the disproportionately greater need for severe housing problems in the State of Minnesota. (For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in category as a whole

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	148,470	87,553	10,468
White	110,521	71,036	7,858
Black / African American	18,208	8,146	1,239
Asian	5,885	2,094	556
American Indian, Alaska Native	2,712	2,285	164
Pacific Islander	148	65	0
Hispanic	8,364	3,074	354

Table 18 – Severe Housing Problems 0 - 30% AMI

Data Source: 2008-2012 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	64,603	171,122	0
White	51,576	145,602	0
Black / African American	4,519	10,341	0
Asian	2,646	4,001	0
American Indian, Alaska Native	837	1,940	0
Pacific Islander	45	84	0
Hispanic	4,105	7,217	0

Table 19 – Severe Housing Problems 30 - 50% AMI

Data Source: 2008-2012 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	43,614	314,602	0
White	35,551	281,911	0
Black / African American	2,215	10,877	0
Asian	2,232	6,724	0
American Indian, Alaska Native	596	3,178	0
Pacific Islander	4	140	0
Hispanic	2,632	8,745	0

Table 20 – Severe Housing Problems 50 - 80% AMI

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

Data Source: 2008-2012 CHAS

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	13,450	236,520	0
White	11,080	216,023	0
Black / African American	527	5,886	0
Asian	706	5,801	0
American Indian, Alaska Native	227	1,674	0
Pacific Islander	15	10	0
Hispanic	885	4,969	0

Table 21 – Severe Housing Problems 80 - 100% AMI

Data Source: 2008-2012 CHAS

*The four severe housing problems are:
1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The following section will explore the disproportionately greater need for cost burdens in the State of Minnesota.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,431,020	378,182	250,283	11,130
White	1,311,575	325,359	201,021	8,144
Black / African American	32,312	19,257	21,828	1,464
Asian	31,784	11,107	8,346	610
American Indian, Alaska Native	11,704	3,068	3,134	204
Pacific Islander	511	89	172	0
Hispanic	29,154	13,215	10,400	424

Table 22 – Greater Need: Housing Cost Burdens AMI

Data Source: 2008-2012 CHAS

Table II.16

Total Households with Housing Problems by Income and Race

State of Minnesota

2008–2012 HUD CHAS Data

Income	Non-Hispanic by Race						Hispanic (Any Race)	Total
	White	Black	Asian	American Indian	Pacific Islander	Other Race		
With Housing Problems								
30% HAMFI or less	145,125	26,500	7,835	4,225	134	4,090	11,990	199,899
30.1-50% HAMFI	124,010	14,825	5,880	1,685	29	2,400	10,235	159,064
50.1-80% HAMFI	121,230	6,605	4,460	1,090	19	1,750	6,025	141,179
80.1-100% HAMFI	57,585	1,905	2,515	450	50	635	1,910	65,050
100.1% HAMFI or more	90,375	2,330	3,385	355	50	1,155	2,115	99,765
Total	538,325	52,165	24,075	7,805	282	10,030	32,275	664,957
Without Housing Problems								
30% HAMFI or less	32,355	4,865	1,360	1,155	25	615	1,100	41,475
30.1-50% HAMFI	75,295	3,900	1,680	1,215	8	1,060	3,225	86,383
50.1-80% HAMFI	175,705	7,530	4,020	2,260	215	2,100	6,910	198,740
80.1-100% HAMFI	152,090	5,435	3,945	1,290	14	1,990	4,570	169,334
100.1% HAMFI or more	866,140	14,345	23,155	4,025	230	6,665	13,370	927,930
Total	1,301,585	36,075	34,160	9,945	492	12,430	29,175	1,423,862
Not Computed								
30% HAMFI or less	9,640	1,810	700	280	10	230	395	13,065
30.1-50% HAMFI	0	0	0	0	0	0	0	0
50.1-80% HAMFI	0	0	0	0	0	0	0	0
80.1-100% HAMFI	0	0	0	0	0	0	0	0
100.1% HAMFI or more	0	0	0	0	0	0	0	0
Total	9,640	1,810	700	280	10	230	395	13,065
Total								
30% HAMFI or less	187,120	33,175	9,895	5,660	169	4,935	13,485	254,439
30.1-50% HAMFI	199,305	18,725	7,560	2,900	37	3,460	13,460	245,447
50.1-80% HAMFI	296,935	14,135	8,480	3,350	234	3,850	12,935	339,919
80.1-100% HAMFI	209,675	7,340	6,460	1,740	64	2,625	6,480	234,384
100.1% HAMFI or more	956,515	16,675	26,540	4,380	280	7,820	15,485	1,027,695
Total	**1,849,550**	**90,050**	**58,935**	**18,030**	**784**	**22,690**	**61,845**	**2,101,884**

Table II.16

Discussion

A discussion of disproportionate share is included in NA-30.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

There are several racial and ethnic minorities that face a disproportionate share of housing problems, as seen in Table II.16. Black households between 30 and 50 percent HAMFI face a disproportionate share of housing problems. Asian households between 30 and 100 percent HAMFI face a disproportionate share of housing problems, as do Pacific Islander households between 30 and 50 percent and 80 to 100 percent HAMFI. In addition, Hispanic households below 50 percent HAMFI face a disproportionate share of housing problems.

Table II.14
Homeowner Households with Housing Problems by Income and Race
State of Minnesota
2008–2012 HUD CHAS Data

Income	Non-Hispanic by Race						Hispanic (Any Race)	Total
	White	Black	Asian	American Indian	Pacific Islander	Other Race		
With Housing Problems								
30% HAMFI or less	61,990	1,660	1,665	985	4	910	2,385	69,599
30.1-50% HAMFI	64,885	2,275	2,715	565	25	650	2,970	74,085
50.1-80% HAMFI	90,345	2,815	3,045	590	15	1,150	3,540	101,500
80.1-100% HAMFI	51,750	1,495	1,935	315	50	555	1,235	57,335
100.1% HAMFI or more	85,870	1,855	2,850	275	50	1,075	1,525	93,500
Total	354,840	10,100	12,210	2,730	144	4,340	11,655	396,019
Total								
30% HAMFI or less	78,320	1,870	2,050	1,370	14	985	2,750	87,359
30.1-50% HAMFI	116,100	2,625	3,445	1,005	29	1,085	3,885	128,174
50.1-80% HAMFI	205,860	3,790	4,620	1,570	30	1,915	6,015	223,800
80.1-100% HAMFI	164,470	3,030	4,000	1,015	60	1,610	3,730	177,915
100.1% HAMFI or more	866,495	10,560	19,615	3,275	150	6,395	10,975	917,465
Total	**1,431,245**	**21,875**	**33,730**	**8,235**	**283**	**11,990**	**27,355**	**1,534,713**

Table II.15
Renter Households with Housing Problems by Income and Race
State of Minnesota
2008–2012 HUD CHAS Data

Income	Non-Hispanic by Race						Hispanic (Any Race)	Total
	White	Black	Asian	American Indian	Pacific Islander	Other Race		
With Housing Problems								
30% HAMFI or less	83,135	24,840	6,170	3,240	130	3,180	9,605	130,300
30.1-50% HAMFI	59,125	12,550	3,165	1,120	4	1,750	7,265	84,979
50.1-80% HAMFI	30,885	3,790	1,415	500	4	600	2,485	39,679
80.1-100% HAMFI	5,835	410	580	135	0	80	675	7,715
100.1% HAMFI or more	4,505	475	535	80	0	80	590	6,265
Total	183,485	42,065	11,865	5,075	138	5,690	20,620	268,938
Total								
30% HAMFI or less	108,800	31,305	7,845	4,290	155	3,950	10,735	167,080
30.1-50% HAMFI	83,205	16,100	4,115	1,895	8	2,375	9,575	117,273
50.1-80% HAMFI	91,075	10,345	3,860	1,780	204	1,935	6,920	116,119
80.1-100% HAMFI	45,205	4,310	2,460	725	4	1,015	2,750	56,469

100.1% HAMFI or more	90,020	6,115	6,925	1,105	130	1,425	4,510	110,230
Total	**418,305**	**68,175**	**25,205**	**9,795**	**501**	**10,700**	**34,490**	**567,171**

Table II.16
Total Households with Housing Problems by Income and Race
State of Minnesota
2008–2012 HUD CHAS Data

Income	Non-Hispanic by Race						Hispanic (Any Race)	Total
	White	Black	Asian	American Indian	Pacific Islander	Other Race		
With Housing Problems								
30% HAMFI or less	145,125	26,500	7,835	4,225	134	4,090	11,990	199,899
30.1-50% HAMFI	124,010	14,825	5,880	1,685	29	2,400	10,235	159,064
50.1-80% HAMFI	121,230	6,605	4,460	1,090	19	1,750	6,025	141,179
80.1-100% HAMFI	57,585	1,905	2,515	450	50	635	1,910	65,050
100.1% HAMFI or more	90,375	2,330	3,385	355	50	1,155	2,115	99,765
Total	538,325	52,165	24,075	7,805	282	10,030	32,275	664,957
Without Housing Problems								
30% HAMFI or less	32,355	4,865	1,360	1,155	25	615	1,100	41,475
30.1-50% HAMFI	75,295	3,900	1,680	1,215	8	1,060	3,225	86,383
50.1-80% HAMFI	175,705	7,530	4,020	2,260	215	2,100	6,910	198,740
80.1-100% HAMFI	152,090	5,435	3,945	1,290	14	1,990	4,570	169,334
100.1% HAMFI or more	866,140	14,345	23,155	4,025	230	6,665	13,370	927,930
Total	1,301,585	36,075	34,160	9,945	492	12,430	29,175	1,423,862
Not Computed								
30% HAMFI or less	9,640	1,810	700	280	10	230	395	13,065
30.1-50% HAMFI	0	0	0	0	0	0	0	0
50.1-80% HAMFI	0	0	0	0	0	0	0	0
80.1-100% HAMFI	0	0	0	0	0	0	0	0
100.1% HAMFI or more	0	0	0	0	0	0	0	0
Total	9,640	1,810	700	280	10	230	395	13,065
Total								
30% HAMFI or less	187,120	33,175	9,895	5,660	169	4,935	13,485	254,439
30.1-50% HAMFI	199,305	18,725	7,560	2,900	37	3,460	13,460	245,447
50.1-80% HAMFI	296,935	14,135	8,480	3,350	234	3,850	12,935	339,919
80.1-100% HAMFI	209,675	7,340	6,460	1,740	64	2,625	6,480	234,384
100.1% HAMFI or more	956,515	16,675	26,540	4,380	280	7,820	15,485	1,027,695
Total	**1,849,550**	**90,050**	**58,935**	**18,030**	**784**	**22,690**	**61,845**	**2,101,884**

If they have needs not identified above, what are those needs?

No additional needs have been identified.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

The maps discussed in this section are included in MA-50.

The black population of Minnesota is largely concentrated in the Twin Cities Metropolitan area in 2010. As shown in Map III.8, residents identifying as black accounted for between half and two-thirds of the population in Census tracts to the northwest and south of the Minneapolis city center, as well as a couple of tracts to the immediate west of the Saint Paul city center.

The Asian population also tended to be concentrated in the Twin Cities Metropolitan area, notably in and around the St. Paul city center. Residents identifying as Asian accounted for more than 40 percent of the population in several Census tracts in that area.

Native American households were largely concentrated in and adjacent to Tribal Reservation lands. In many of these areas, the Native American population compromises a majority of residents.

Those that identify as having Hispanic Ethnicity accounted for a larger share of the population in Minneapolis-St. Paul than they did in the state as a whole. Around 24 percent of the state's Hispanic population lived with the city limits of either Minneapolis or St. Paul in 2010, and were most highly concentrated in in Census tracts in, and to the south of, both city centers. Beyond the Twin Cities area, Hispanic residents accounted for relatively large shares of the population in small urban and large rural areas in the south of the state, including St. James, Worthington, as well as in Long Prairie to the north.

NA-35 Public Housing – (Optional)

Introduction

Not required for statewide plans. Due to the scale of the statewide plan, an assessment of public housing is not feasible and is addressed at the local level.

Totals in Use

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	70	0	0	0	0	0	0

Table 23 - Public Housing by Program Type

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

Characteristics of Residents

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project -based	Tenant -based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	0	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	15	0	0	0	0	0

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project -based	Tenant -based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
# of Disabled Families	0	0	9	0	0	0	0	0
# of Families requesting accessibility features	0	0	70	0	0	0	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

TABLE 24 – CHARACTERISTICS OF PUBLIC HOUSING RESIDENTS BY PROGRAM TYPE

Data Source: PIC (PIH Information Center)

Race of Residents

	Program Type								
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	69	0	0	0	0	0	0
Black/African American	0	0	0	0	0	0	0	0	0
Asian	0	0	1	0	0	0	0	0	0
American Indian/Alaska Native	0	0	0	0	0	0	0	0	0
Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

TABLE 25 – RACE OF PUBLIC HOUSING RESIDENTS BY PROGRAM TYPE

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Program Type									
Ethnicity	**Certificate**	**Mod-Rehab**	**Public Housing**	**Vouchers**					
				Total	**Project -based**	**Tenant -based**	**Special Purpose Voucher**		
							Veterans Affairs Supportive Housing	**Family Unification Program**	**Disabled ***
Hispanic	0	0	0	0	0	0	0	0	0
Not Hispanic	0	0	70	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

TABLE 26 – ETHNICITY OF PUBLIC HOUSING RESIDENTS BY PROGRAM TYPE

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

How do these needs compare to the housing needs of the population at large

Discussion:

The State of Minnesota does not administer public housing funds. Public Housing Agencies (PHAs) that attended forums and public hearings did not identify needs of public housing agencies; however, they have voice concerns outside the state's citizen participation and consultation process of continual reductions over several years in federal appropriations for public housing capital and operating costs.

Public housing rehabilitation is an eligible use of CDBG funds, but an ineligible use of HOME. Through an eligible grantee, PHAs may apply to DEED for CDBG funding to rehabilitate public housing.

Troubled Public Housing Agencies

Among the reasons PHAs may be designated "troubled" are substandard scores in one more of the following assessment areas: management, financial, or physical. Financial and physical deterioration can result from declining federal appropriations for capital and operating subsidies. As discussed above, rehabilitation and restoration of the physical building would be an eligible use of CDBG funds; however, neither HOME nor CDBG can be used to support ongoing operations of public housing.

The state has not authorized Minnesota Housing, DEED, or DHS to assume the federal government's role of subsidizing the operations of public housing agencies, nor has it appropriated funds for such purpose.

In conjunction with the Minnesota Chapter of the National Association of Housing and Redevelopment Officials (NAHRO) and others, the state cosponsors the annual "Working Together" conference that provides training on housing maintenance and management. Twice-annual conferences of Minnesota NAHRO also provide trainings to PHA's.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

In Minnesota, there are two primary sources of Homeless Needs data. As part of a Federal requirement to receive McKinney Vento Act funding, the regional Continuum of Care committees partner with the State of Minnesota to conduce the HUD Point in Time Count in January of every year. The date of this count is Federally mandated, and results in significant undercounts of homeless persons in the harsh Minnesota climate, especially the unsheltered population. According to the point-in-time homeless count taken on January 22, 2015, there were a total of 7,546 individuals experiencing homelessness in the state at that time. A majority of those households, or 3,764, lived in an emergency shelter. An additional 2,941 lived in transitional housing. The remainder, comprising some 619 households, lived outside of a shelter. As seen in Table II.17, this included a total of 7,546 persons.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	206	3,718	0	0	0	0
Persons in Households with Only Children	18	124	0	0	0	0
Persons in Households with Only Adults	617	2,863	0	0	0	0
Chronically Homeless Individuals	291	833	0	0	0	0
Chronically Homeless Families	51	221	0	0	0	0
Veterans	44	253	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Unaccompanied Child	94	639	0	0	0	0
Persons with HIV	0	24	0	0	0	0

Table 26 - Homeless Needs Assessment

Table II.17
Point-In-Time Homeless Count
State of Minnesota
Point-In-Time County Date: 1/22/2015

Household Type	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Persons in households without children				
Persons age 18 to 24	268	274	93	635
Persons over age 24	1,758	563	524	2,845
Total	**2,026**	**837**	**617**	**3,480**
Persons in households with at least on adult and one child				
Children under age 18	1,040	1,325	100	2,465
Persons age 18 to 24	158	171	29	358
Persons over age 24	465	559	77	1,101
Total	**1,663**	**2,055**	**206**	**3,924**
Persons in households with only children	**75**	**49**	**18**	**142**
Total Homeless Persons	**3,764**	**2,941**	**841**	**7,546**

Data Source Comments:

Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	136	1,114	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Only Children	9	47	0	0	0	0
Persons in Households with Only Adults	309	710	0	0	0	0
Chronically Homeless Individuals	162	113	0	0	0	0
Chronically Homeless Families	33	106	0	0	0	0
Veterans	30	53	0	0	0	0
Unaccompanied Youth	51	209	0	0	0	0
Persons with HIV	0	4	0	0	0	0

TABLE 27 - HOMELESS NEEDS ASSESSMENT

Alternate Data Source Name:
2015 CoC Point-in-Time Count
Data Source Comments:

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

The most comprehensive source of Homeless Needs data is a single-night count, and comes from Wilder Research's triennial Minnesota Homeless Study. This study has been conducted by Wilder Research every three years in October since 1991. According to the 2015 study, "time-specific counts and surveys are not able to completely enumerate all people experiencing homelessness in any given geographical area, and the numbers represented in this report should be considered a minimum. All such counts underrepresent the total homeless population, since many homeless people outside the shelter system are not found on the night of the study. This is especially true of youth on their own, who often couch hop or find other temporary places to stay, and homeless people in greater

Minnesota where there are fewer shelters." This difficulty in locating and identifying unsheltered person in rural Minnesota (where people are often forced to reside in campers, tents and ice fishing houses) has resulted in an annual and triennial fluxuation in unsheltered counts (often due to limited outreach volunteers and effectiveness in reaching this population.) In addition, historically rural Minnesota has had very few emergency shelters (or none at all) in many communities, and those that do exist are largely targeted to families.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

The second and more comprehensive source of Homeless Needs data is also a single-night count, and comes from Wilder Research's triennial Minnesota Homeless Study. This study has been conducted by Wilder Research every three years in October since 1991. In 2015 Homeless study found that there were 9,312 homeless persons on a given night, which was a 9 percent decrease from the 2012 study. The Minnesota Homeless Youth Act defines youth up to age 24, and the Wilder Study found 1,463 unaccompanied youth to be homeless. In addition, there were 3,296 homeless children under the age of 18 in families. These 4,759 accompanied and unaccompanied children and youth make up 40 percent of the homeless population. This data can be seen in Table III.15, along with a break out of homeless numbers between the 7-county Metro region, and Greater Minnesota.

The Wilder Research Minnesota Homeless study also collects extensive data on homeless veterans and their families. At the time of this report, the detailed 2015 data was still being analyzed, including veteran's data, and was not yet available. However, the 2015 HUD Point -in -Time Count identified 44 *unsheltered* homeless veterans and 253 sheltered veterans, along with 1,124 homeless individuals and 272 families meeting the HUD definition of Chronic Homeless. To be considered chronically homeless, a person must be: living in a place not meant for human habitation, a safe haven, or in an emergency shelter; and have been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last three years; and can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability

Table II.18
Homeless Population By Type and Location
State of Minnesota
Wilder Research: 2015 Minnesota Homeless Study

	Number of Homeless People in Metro Area	Number of Homeless People in Greater MN	Total Number of Homeless People Identified on October 22, 2015
Unaccompanied Minors (Age: < 18)	132	81	213
Children (<18) with parents	2,198	1,098	3,296
Young Adults (Age: 18-21)	480	299	779
Young Adults (Age: 22-24)	305	166	471
Adults (Age: 25-54)	2,450	1,187	3,637
Adults (Age: 55 and older)	637	206	843
Total Number of People in Homeless Persons in MN Homeless Study	**6,202**	**3,037**	**9,312**

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	2,136	505
Black or African American	3,327	19
Asian	111	6
American Indian or Alaska Native	515	148
Pacific Islander	29	0
Ethnicity:	**Sheltered:**	**Unsheltered (optional)**
Hispanic	0	0
Not Hispanic	0	0

Alternate Data Source Name:
2015 CoC Point-in-Time Count

Data Source Comments:

Table II.17
Point-In-Time Homeless Count
State of Minnesota
Point-In-Time County Date: 1/22/2015

Household Type	Sheltered		Unsheltered	Total
	Emergency Shelter	Transitional Housing		
Persons in households without children				
Persons age 18 to 24	268	274	93	635
Persons over age 24	1,758	563	524	2,845
Total	**2,026**	**837**	**617**	**3,480**
Persons in households with at least on adult and one child				
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Persons age 18 to 24	158	171	29	358
Persons over age 24	465	559	77	1,101
Total	**1,663**	**2,055**	**206**	**3,924**
Persons in households with only children	**75**	**49**	**18**	**142**
Total Homeless Persons	**3,764**	**2,941**	**841**	**7,546**

Table II.17

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Homeless Population By Type and Location
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Adults (Age: 55 and older)	637	206	843
Total Number of People in Homeless Persons in MN Homeless Study	**6,202**	**3,037**	**9,312**

Table II.18

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

There were over 1,300 homeless persons in households with children during the 2015 Point-in-Time count. In addition, there were almost 300 Veterans that were homeless at the time of the count.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Around 45 percent of those people experiencing homelessness were black, and approximately 35 percent were white. By comparison, black residents accounted for only 5.2 percent of the state population in 2010, and white residents 85.3 percent. In that sense, black residents were "overrepresented" among those living in homelessness, as were American Indian or Alaska Native residents and people of two or more races. In terms of ethnicity, around 8.1 percent of residents experiencing homelessness were Hispanic or Latino: these residents accounted for around 4.7 percent of the state population in 2010. A majority of residents experiencing homelessness were male.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Of the 9,312 homeless adults, youth, and children counted in the Wilder 2015 Minnesota Homeless Study, at least 1,662 adults and children were in unsheltered settings, including on the street or in places not meant for human habitation. Of these unsheltered individuals, 264 were minor children with their parents, and at another 455 were unaccompanied homeless youth.

Discussion:

Homelessness continues to be a persistent problem in the State of Minnesota, although 2015 was the first time in a decade that the Wilder study showed a modest decrease (9 percent) in the overall numbers of persons experiencing homelessness. The gradually improving economy likely resulted in some of the decrease, while extremely low vacancy rates, stagnant incomes and rising rents likely slowed the rate of progress in eliminating homelessness.

When assessing homelessness statewide, the state relies on point-in-time counts to estimate the amount of homelessness the state. While such counts are effective for tracking trends, identifying the overall number of homeless persons in a given year is difficult to do from such data. Another challenge of Point in Time counts comes in a large, mostly rural state where many communities lack any physical emergency shelter, or have limited provider resources.

These factors make it very challenging to identify the actual number of unsheltered persons. HUD also does not consider those who may be frequently moving from on unstable housing situation to another as literally homeless, even though many individuals and families in Minnesota sleep in temporary arrangements (on the floors or couches of friends and family) due to limited or non-existent emergency shelters in many parts of the State .

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

According to HUD, special needs populations are "not homeless but require supportive housing, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify." Because individuals in these groups face unique housing challenges and are vulnerable to becoming homeless, a variety of support services are needed in order for them to achieve and maintain a suitable and stable living environment. Each of these special needs populations will be discussed in terms of their size and characteristics, services and housing currently provided, and services and housing still needed.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	805
Area incidence of AIDS	25
Rate per population	1
Number of new cases prior year (3 years of data)	92
Rate per population (3 years of data)	1
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	424
Area Prevalence (PLWH per population)	503
Number of new HIV cases reported last year	0

Table 28 – HOPWA Data

Data Source: CDC HIV Surveillance

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	0
Short-term Rent, Mortgage, and Utility	5
Facility Based Housing (Permanent, short-term or transitional)	0

Table 29 – HIV Housing Need

Alternate Data Source Name:
Data Source: 2015 HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

Table II.19
Please rate the need for services and facilities for each of the following special needs groups.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Persons with severe mental illness	3	40	105	250	255	653
Homeless persons	9	57	110	225	252	653
Persons recently released from prison	12	71	118	197	255	653
The frail elderly (age 85+)	5	41	157	192	258	653
Persons with substance abuse addictions	7	70	147	174	255	653
Victims of domestic violence	5	54	164	173	257	653
Veterans	5	59	161	172	256	653
The elderly (age 65+)	4	44	185	162	258	653
Persons with developmental disabilities	2	60	193	136	262	653
Persons with physical disabilities	3	60	201	127	262	653
Persons with HIV/AIDS	22	164	148	50	269	653
Other groups	7	1	1	16	628	653

Table II.19

Describe the characteristics of special needs populations in your community:

Elderly and Frail Elderly Persons

According to 2010 Census Bureau data, 683,121 residents in Minnesota were age 65 or older. Table II.20 presents a breakdown of the elderly population by age at the time of the 2010 census. While elderly is defined as persons over 62, "extra elderly" persons are those over the age of 75. Within the elderly population in Minnesota, 48.1 percent were extra elderly. The elderly population in Minnesota grew 15.0 percent between 2000 and 2010. The two age groups with the greatest growth over this decade were those aged 65 to 66 and those aged 67 to 69, with an increase of 38.6 percent and 27.9percent9 percent, respectively.

Table II.20
Elderly Population by Age
State of Minnesota
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
65 to 66	62,176	10.5%	86,158	12.6%	38.6%
67 to 69	90,993	15.3%	116,412	17.0%	27.9%
70 to 74	142,656	24.0%	151,857	22.2%	6.4%

75 to 79	122,677	20.6%	122,114	17.9%	-.5%
80 to 84	90,163	15.2%	99,916	14.6%	10.8%
85 or Older	85,601	14.4%	106,664	15.6%	24.6%
Total	**594,266**	**100.0%**	**683,121**	**100.0%**	**15.0%**

People with Disabilities (Mental, Physical, Developmental)

Data from the 2014 Five-Year American Community Survey for Minnesota showed a total population of persons with disabilities of 547,424, with an overall disability rate of 10.3 percent. Table II.21 presents a tally of disabilities by age and gender. The age group with the highest disability rate is persons aged 75 and older. Males had a slightly higher disability rate at 10.5 percent, than females, at 10.3 percent. Children under 5 had the lowest disability rate, at 0.7 percent.

Table II.21
Disability by Age
State of Minnesota
2014 Five-Year ACS Data

Age	Male		Female		Total	
	Disabled Population	Disability Rate	Disabled Population	Disability Rate	Disabled Population	Disability Rate
Under 5	1,180	.7%	1,216	.7%	2,396	.7%
5 to 17	29,304	6.2%	16,322	3.6%	45,626	4.9%
18 to 34	34,692	5.6%	29,093	4.8%	63,785	5.2%
35 to 64	111,073	10.5%	101,451	9.5%	212,524	10.0%
65 to 74	43,879	23.8%	37,201	18.4%	81,080	20.9%
75 or Older	58,168	45.5%	83,845	45.3%	142,013	45.4%
Total	**278,296**	**10.5%**	**269,128**	**10.0%**	**547,424**	**10.3%**

Table II.22 breaks down disabilities by disability type for persons aged 5 and older, from the 2000 Census data. The most common disability is a physical disability, followed by an employment disability. The third most common disability type is a go-outside-home disability.

Table II.22
Total Disabilities Tallied: Aged 5 and Older
State of Minnesota
2000 Census SF3 Data

Disability Type	Population
Sensory disability	134,424
Physical disability	288,196
Mental disability	185,567
Self-care disability	84,376
Employment disability	271,332
Go-outside-home disability	216,922
Total	**1,180,817**

People with Alcohol or other Drug Addictions

In their 2014 Annual Report, the Minnesota Department of Human Services saw an increase in heroin admissions in 2012. The highest percentage of drug abuse was for alcohol in 2013, while heroin saw the greatest increase since 2009. According to national data, Minnesota has the fifth lowest drug overdose rate in the nation.

Victims of Domestic Violence

Pinpointing a specific number of victims of domestic violence can be difficult because many cases go unreported. However, there are other means of gathering statistics, including tracking the numbers of cases that are reported to law enforcement. According to the Minnesota Coalition for Battered Women, 63,000 Minnesotans sought services during 2014. According to the National Coalition Against Domestic Violence, Minnesota courts adjudicated 27,288 cases of domestic violence in 2011.

What are the housing and supportive service needs of these populations and how are these needs determined?

Elderly and Frail Elderly Persons

According to the Center for Housing Policy, housing will be a priority need for the elderly population. A growing number of older households will face severe housing costs burdens, and many will require assisted or long-term care housing and services. In addition, as the Baby Boomer generation continues to grow, many will prefer to remain independent, requiring in-home services and adaptions to existing homes. Thus, there is a greater focus on in-home care, housing rehabilitation, and expanded home health services to meet the needs of a more independent elderly population. Because most elderly persons are on a fixed income, these increasing costs may fall on publically funded programs in the state. The elderly population is identified as having a moderate amount of need, based on the results from the Housing and Community Development Survey.

People with Disabilities (Mental, Physical, Developmental)

The Housing and Community Development Survey also asked participants to rank the need for services and facilities for persons with disabilities. The results indicate a moderate need for housing for both persons with physical disabilities and developmental disabilities, with over 60 percent of respondents indicating a medium to high level of need for services and facilities.

People with Alcohol or other Drug Addictions

According to the Healthy People 2020 national objectives, there were 22 million Americans struggling with a drug or alcohol problem in 2005. [1] Of those with substance abuse problems, 95 percent are unaware of their problem. Obtaining treatment is a primary concern for many, which often includes high costs and other impacts on the person's ability to obtain or retain an income and housing.

The National Coalition for the Homeless notes that other needs for persons living with addictions to drugs or alcohol include transportation and support services, including work programs and therapy access. [2] Barriers also include programs that follow abstinence-only policies. These programs are often unrealistic for persons suffering from addictions because they fail to address the reality of relapses. A person living in supportive housing with an addiction problem who experiences a relapse may suddenly become a homeless person.

Results from the 2016 Housing and Community Development Survey show that respondent indicated a medium to high need level for additional services and facilities for this special needs group.

Victims of Domestic Violence

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[1] https://www.healthypeople.gov/2020/topics-objectives/topic/substance-abuse

[2] http://www.nationalhomeless.org/factsheets/addiction.html

Services needed for domestic violence victims include access to safe housing and resources, as well as economic opportunities and other community assistance. Results from the 2016 Housing and Community Development Survey indicated a medium to high need level for additional domestic violence facilities and services in Minnesota.

People with HIV/AIDS and Their Families

Persons with HIV/AIDS have a variety of needs, including improving access to medical care, case management, and legal services.

According to the 2016 Housing and Community Development survey, over 39 percent of respondents indicated a medium to high need level for services and facilities for persons with HIV/AIDS.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

According to the CDC, the State of Minnesota has a total of 805 cumulative cases of AIDS reported and a total of 424 persons are living with HIV. Persons with HIV are located throughout the state, but a majority are located within the Twin Cities metropolitan area. The Minnesota Department of Health (MDH) reports that over 8,500 persons are living with HIV/AIDS in the state, a significant difference from what is reported by the CDC. According to MDH, 290 new cases of HIV were reported in 2016 in the state. In Greater Minnesota, where the state formula grant is directed for HOPWA, there was a 41% increase in new cases in 2016, with 52 new cases in 2016 compared to 37 in 2015. Males made up 76 percent of persons living with HIV. Those between the ages of 45 and 49 and between 50 and 54 represented the highest proportion of persons living with HIV, accounting for 16 and 18 percent, respectively.

Discussion:

NA-50 Non-Housing Community Development Needs - 91.315 (f)

The following section explores the need for non-housing community development needs in the State. These needs include public facilities, public improvements, public services and economic development. A more detailed look at economic development is included in section MA-45.

Describe the jurisdiction's need for Public Facilities:

Public facilities were prioritized by respondents in the 2016 Housing and Community Development Survey. According to allocation responses, public facilities (including those classified as community facilities, water/ wastewater systems or infrastructure) should account for about 31 percent of resources statewide. As seen in Table II.23 respondents indicated the highest level of need for community facilities includes emergency shelters for families and children, childcare facilities and broadband.

Table II.23
Please rate the need for the following community and public facilities.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Emergency shelters for families and children	10	69	135	240	224	678
Childcare facilities	5	61	144	232	236	678
Broadband	21	76	124	207	250	678
Youth centers	15	71	179	184	229	678
Community centers	16	85	183	164	230	678
Residential treatment centers	20	105	179	141	233	678
Senior centers	20	110	202	112	234	678
Public buildings with improved accessibility	23	148	176	96	235	678
Healthcare facilities	23	161	178	81	235	678
Parks and recreational centers	15	151	199	80	233	678
Other infrastructure activities	10	5	5	31	627	678

How were these needs determined?

Needs were determined from the Housing and Community Development Survey and public input.

Table II.23
Please rate the need for the following community and public facilities.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Emergency shelters for families and children	10	69	135	240	224	678
Childcare facilities	5	61	144	232	236	678
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Community centers	16	85	183	164	230	678
Residential treatment centers	20	105	179	141	233	678
Senior centers	20	110	202	112	234	678
Public buildings with improved accessibility	23	148	176	96	235	678
Healthcare facilities	23	161	178	81	235	678
Parks and recreational centers	15	151	199	80	233	678
Other infrastructure activities	10	5	5	31	627	678

Table II.23

Describe the jurisdiction's need for Public Improvements:

Respondents indicated that infrastructure as part of public facilities should account for over 10 percent of resources and water systems themselves should account for over 12 percent of resources. Table II.24 demonstrates the highest ranking for street and road improvements. This was followed by bridge improvements and sidewalk improvements.

How were these needs determined?

Needs were determined from the Housing and Community Development Survey and public input.

Table II.24
Please rate the need for the following Infrastructure activities.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Street and road improvements	1	36	177	243	221	678
Bridge improvements	22	99	168	157	232	678
Sidewalk improvements	11	123	185	136	223	678
Sewer system improvements	17	129	171	121	240	678
Water quality improvements	19	124	191	113	231	678
Water system capacity improvements	19	129	184	111	235	678
Streetscape – trees, light poles, planters	22	177	163	89	227	678
Storm sewer system improvements	15	136	198	89	240	678
Aesthetics in downtown areas	51	164	149	77	237	678
Flood drainage improvements	32	151	181	70	244	678
Solid waste facility improvements	27	148	191	68	244	678
Other infrastructure activities	10	5	5	31	627	678

Describe the jurisdiction's need for Public Services:

According to the survey, human services should account for over 19 percent of funding statewide. As seen in Table II.25, the highest rated needs are services for homeless children and families, mental health/chemical dependency services, and transportation services.

How were these needs determined?

Needs were determined from the Housing and Community Development Survey and public input.

Table II.25
Please rate the need for the following human and public services
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Services for homeless children and families	11	62	96	281	228	678
Mental health/chemical dependency services	5	55	134	253	231	678
Transportation services	5	45	150	250	228	678
Childcare services	9	56	142	234	237	678
Services for the chronically homeless	15	83	128	225	227	678
Youth centers	4	49	169	222	234	678
Employment services	4	62	169	210	233	678
Senior services	4	58	193	190	233	678
Fair housing activities	17	100	159	166	236	678
Fair housing education	19	113	156	155	235	678
Tenant/Landlord counseling	17	109	173	145	234	678
Healthcare services	13	94	210	127	234	678
Homebuyer education	17	119	187	124	231	678
Crime awareness education	22	165	190	64	64	678
Mitigation of lead-based paint hazards	31	191	156	64	236	678
Mitigation of radon hazards	31	191	162	57	237	678
Mitigation of asbestos hazards	33	196	153	56	240	678
Other public services	7	2	6	30	633	678

Describe the workforce and infrastructure needs of business in the state.

As found in the 2016 Housing and Community Development Survey, shown in Table II.26, the business and economic development activities with the highest need are to foster business with higher paying jobs, retention of existing businesses, and provision of job training.

Table II.26
Please rate the need for the following Business and Economic Development activities.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Retention of existing businesses	2	27	159	302	188	678
Foster businesses with higher paying jobs	7	37	137	302	195	678
Provision of job training	4	36	175	265	198	678
Rehabilitation of commercial properties of downtown areas of Greater Minnesota	29	54	156	230	209	678
Attraction of new businesses	6	48	214	221	189	678
Expansion of existing businesses	4	65	194	219	196	678
Provision of job re-training, such as after plant or other closures	15	114	167	188	194	678
Enhancement of businesses infrastructure	7	96	240	134	201	678
Provision of technical assistance for businesses	9	132	212	120	205	678
Development of business parks	23	138	196	110	211	678
Investment as equity partners	23	133	201	109	212	678
Provision of venture capital	21	130	214	99	214	678
Other business activities	15	1	12	51	599	678

III.Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The following narrative provides information about the housing market, the supply and demand for housing over time, building permit data and related price information for both rental properties and homeownership opportunities in Minnesota.

In 2000, the Minnesota had 2,066,014 total housing units. Since that time, the total housing stock increased each year, reaching 2,385,544 units in 2014. According to the American Community Survey in 2014, Minnesota's housing stock included 74.7 percent single family units, and 17.4 percent rental apartment units. Of the 2,347,201 housing units counted in Minnesota in the 2010 census, 89.9 percent of units were occupied, with 73.0 percent counted as owner-occupied and 27.0 percent counted as renter-occupied. The vacancy rate for the state was 11.1 percent in 2010, and down to 10.5 percent by 2014. The rental vacancy rate for the State was reported to be 4.9 percent in 2015.[3]

MA-10 Number of Housing Units – 91.310(a)

Introduction

In 2000, the Census Bureau reported that Minnesota had 2,066,014 total housing units. Since that time, the Census Bureau has continued to release estimates of the total number of housing units in the state. The annual estimates of housing stock are presented in Table III.1. By 2014, there were estimated to be 2,385,544 housing units in Minnesota. Housing units were added at a rate around 1 percent from 2000 to 2008, but had dropped off to around 0.2 percent by 2013.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	1,582,374	67%
1-unit, attached structure	172,942	7%
2-4 units	104,870	4%
5-19 units	133,949	6%
20 or more units	268,828	11%

[3] http://www.census.gov/housing/hvs/data/ann15ind.html

Property Type	Number	%
Mobile Home, boat, RV, van, etc	84,965	4%
Total	***2,347,928***	***100%***

Table 30 – Residential Properties by Unit Number

Data Source: 2008-2012 ACS

Table III.1
Housing Units Estimates
State of Minnesota
Census Data, 2000 - 2014

Year	Housing Units
2000	2,066,014
2001	2,107,726
2002	2,142,641
2003	2,182,060
2004	2,222,902
2005	2,263,510
2006	2,297,756
2007	2,320,290
2008	2,335,024
2009	2,343,101
2010	2,347,201
2011	2,354,975
2012	2,361,925
2013	2,373,100
2014	2,385,544

Housing

The State added around 220,000 households between 2000 and 2010-2014. As shown in Table III.2, over forty percent of the units in which those households were living in 2010-2014 were built in 1980 or later. However, more than one unit in six was built prior to 1940.

Table III.2
Households by Year Home Built
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Year Built	2000 Census		2014 Five-Year ACS	
	Households	% of Total	Households	% of Total
1939 or Earlier	393,621	20.8%	359,972	17.0%
1940 to 1949	118,809	6.3%	99,980	4.7%
1950 to 1959	230,612	12.2%	219,499	10.4%
1960 to 1969	225,015	11.9%	205,107	9.7%
1970 to 1979	347,987	18.4%	331,697	15.7%
1980 to 1989	276,805	14.6%	279,400	13.2%

1990 to 1999	302,278	16.0%	293,015	13.9%
2000 to 2009	.	.	308,768	14.6%
2010 or Later	.	.	17,899	.8%
Total	**1,895,127**	**100.0%**	**2,115,337**	**100.0%**

A majority of housing units in the state were single-family units in 2000 and 2010-2014, as shown in Table III.3. Nearly three-quarters of housing units were single-family units in 2010-2014, up from 73 percent in 2000. Apartments also grew as a share of total housing units by around half a percentage point, accounting for 17.4 percent of housing units in 2010-2014. No other type of housing unit represented greater than five percent of housing units at any point in time, and all other types of housing units declined as a share of the state's housing stock.

Table III.3
Housing Units by Type
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Unit Type	2000 Census		2014 Five-Year ACS	
	Units	% of Total	Units	% of Total
Single-Family	1,507,378	73.0%	1,765,946	74.7%
Duplex	62,137	3.0%	55,216	2.3%
Tri- or Four-Plex	48,235	2.3%	49,195	2.1%
Apartment	349,302	16.9%	410,648	17.4%
Mobile Home	93,618	4.5%	82,441	3.5%
Boat, RV, Van, Etc.	5,276	.3%	703	0.0%
Total	**2,065,946**	**100.0%**	**2,364,149**	**100.0%**

Permits

As seen in Diagram III.1, the amount of single and multi-family permits continued to increase from 1980 to 2005, when building rates dropped. The number of units permitted peaked in 2003 at over 42,000 units and fell to less than 9,000 units by 2011. Since that time, however, the number of permitted units has risen back to over 21,000 by 2015. This data can be seen in Table III.4. The proportion of multi-family units has increased during this time period as well, accounting for almost 40 percent of units in 2015, compared to only 18 percent of units in 2003.

Diagram III.1

Single and Multi-Family Units
State of Minnesota
Census Bureau Data, 1990–2015

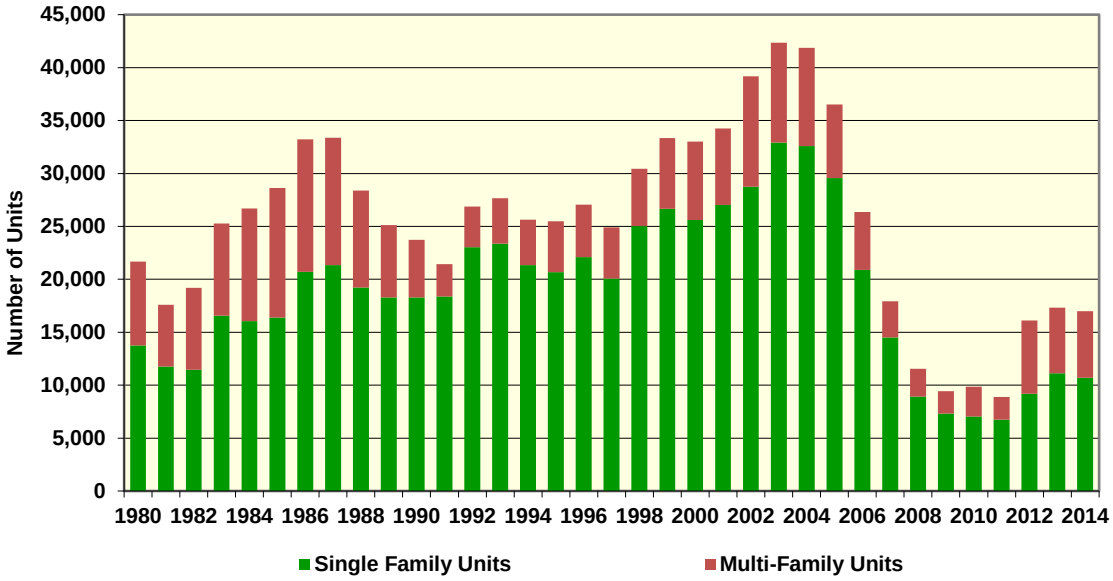


Table III.4
Building Permits and Valuation
State of Minnesota
U.S. Census Bureau, 1980 - 2015

Year	Authorized Construction in Permit Issuing Areas					Per Unit Valuation Real 2010 Dollars
	Single Family Units	Duplex Units	Tri and Four Plex Units	Multi-Family Units	Total Units	Single Family Units
1980	13,766	1,258	934	5,705	21,663	120,492
1981	11,757	1,026	1,243	3,576	17,602	113,932
1982	11,468	504	1,168	6,059	19,199	110,880
1983	16,550	640	1,589	6,503	25,282	118,067
1984	16,042	530	1,256	8,870	26,698	120,924
1985	16,382	486	791	10,952	28,611	130,195
1986	20,694	514	725	11,282	33,215	137,529
1987	21,333	278	700	11,065	33,376	147,576
1988	19,237	288	533	8,322	28,380	148,078
1989	18,300	222	376	6,231	25,129	145,071
1990	18,282	160	273	4,998	23,713	138,328
1991	18,376	186	361	2,509	21,432	142,156
1992	23,038	270	235	3,337	26,880	147,501
1993	23,355	252	285	3,774	27,666	150,771
1994	21,339	312	497	3,482	25,630	151,182
1995	20,675	324	709	3,786	25,494	151,214
1996	22,096	376	774	3,808	27,054	155,644
1997	20,069	634	997	3,209	24,909	157,220
1998	25,015	746	931	3,755	30,447	160,451
1999	26,667	804	836	5,037	33,344	169,977
2000	25,608	730	915	5,754	33,007	176,614
2001	27,037	596	917	5,711	34,261	180,312
2002	28,754	636	942	8,840	39,172	183,017
2003	32,929	654	992	7,785	42,360	191,515
2004	32,587	478	778	8,007	41,850	197,544
2005	29,566	312	571	6,060	36,509	201,630
2006	20,901	232	281	4,938	26,352	212,533
2007	14,508	108	258	3,056	17,930	214,814
2008	8,908	110	140	2,393	11,551	212,863
2009	7,314	112	129	1,870	9,425	206,729
2010	7,053	70	193	2,524	9,840	216,988
2011	6,733	90	133	1,934	8,890	228,750
2012	9,197	90	101	6,707	16,095	241,429
2013	11,114	84	259	5,859	17,316	257,647
2014	10,689	110	181	6,010	16,990	266,991
2015(p)	12,616	234	371	8,652	21,873	259,047

Unit Size by Tenure

	Owners		Renters	
	Number	**%**	**Number**	**%**
No bedroom	2,294	0%	24,343	4%
1 bedroom	41,472	3%	194,255	34%
2 bedrooms	329,665	21%	213,169	38%
3 or more bedrooms	1,161,288	76%	135,389	24%
Total	***1,534,719***	***100%***	***567,156***	***100%***

Table 31 – Unit Size by Tenure

Data Source: 2008-2012 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

As seen in Table III.5, there are 664,940 households with housing problems in the State of Minnesota. Of these, 500,140 are at or below 80 percent HUD Area Median Family Income (HAMF)I. HAMFI).

Table III.5
Households by Income and Family Status
State of Minnesota
2008–2012 HUD CHAS Data

Income	Elderly Family	Small Family	Large Family	Elderly Non-Family	Other Household	Total
Housing Problems						
30% HAMFI or less	9,540	54,380	14,245	51,325	70,405	199,895
30.1-50% HAMFI	13,005	50,435	15,150	33,625	46,850	159,065
50.1-80% HAMFI	13,760	52,285	17,140	16,670	41,325	141,180
80.1% HAMFI or more	17,770	79,670	20,290	9,880	37,210	164,820
Total	54,075	236,770	66,825	111,500	195,790	664,960
No Housing Problems						
30% HAMFI or less	2,655	7,770	850	18,540	11,670	41,485
30.1-50% HAMFI	18,700	17,205	2,205	30,450	17,830	86,390
50.1-80% HAMFI	42,160	57,695	10,410	32,270	56,210	198,745
80.1% HAMFI or more	159,215	597,260	88,475	53,410	198,895	1,097,255
Total	222,730	679,930	101,940	134,670	284,605	1,423,875
Housing Problems Not Computed						
30% HAMFI or less	735	2,665	190	2,350	7,125	13,065
30.1-50% HAMFI	0	0	0	0	0	0
50.1-80% HAMFI	0	0	0	0	0	0
80.1% HAMFI or more	0	0	0	0	0	0
Total	735	2,665	190	2,350	7,125	13,065
Total						
30% HAMFI or less	12,930	64,815	15,285	72,215	89,200	254,445
30.1-50% HAMFI	31,705	67,640	17,355	64,075	64,680	245,455

50.1-80% HAMFI	55,920	109,980	27,550	48,940	97,535	339,925
80.1% HAMFI or more	176,985	676,930	108,765	63,290	236,105	1,262,075
Total	**277,540**	**919,365**	**168,955**	**248,520**	**487,520**	**2,101,900**

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The State expects that by 2021, the end of this planning cycle, there will be 312 expiring contracts, which will impact 15,676 units. After 2021, an additional 170 contracts and 11,142 units are at risk. These data are shown in table III.6. Map III.1 shows the location of these units throughout the State. Those marked in red are expected to expire in 2017.

Table III.6
Expiring Multifamily Housing
State of Minnesota
2016 HUD Multifamily Contracts Database

Expiration Year	Expiring Contracts	Units at Risk
2017	78	3,144
2018	80	4,201
2019	86	5,022
2020	57	2,733
2021	11	576
After 2021	170	11,142
Total	**482**	**26,818**

Does the availability of housing units meet the needs of the population?

As shown in NA-10 Housing Needs Assessment, some 31.6 percent of households have housing problems in Minnesota. Households at or below 30 percent median family income are disproportionately affected by housing problems at a rate of 78.6 percent. This demonstrates that the current housing stock does not meet the needs of the population, particularly lower income households. In addition, the vacancy rate, especially for rental housing, continues to decline, indicating a growing need for suitable housing units in the state.

Describe the need for specific types of housing:

As seen in Table III.7, the highest rated housing needs are for rental housing. This includes construction of new rental housing, rental housing for very low-income households, and rental assistance. This is followed by preservation of federal subsidized housing, supportive housing, and construction of new for-sale housing.

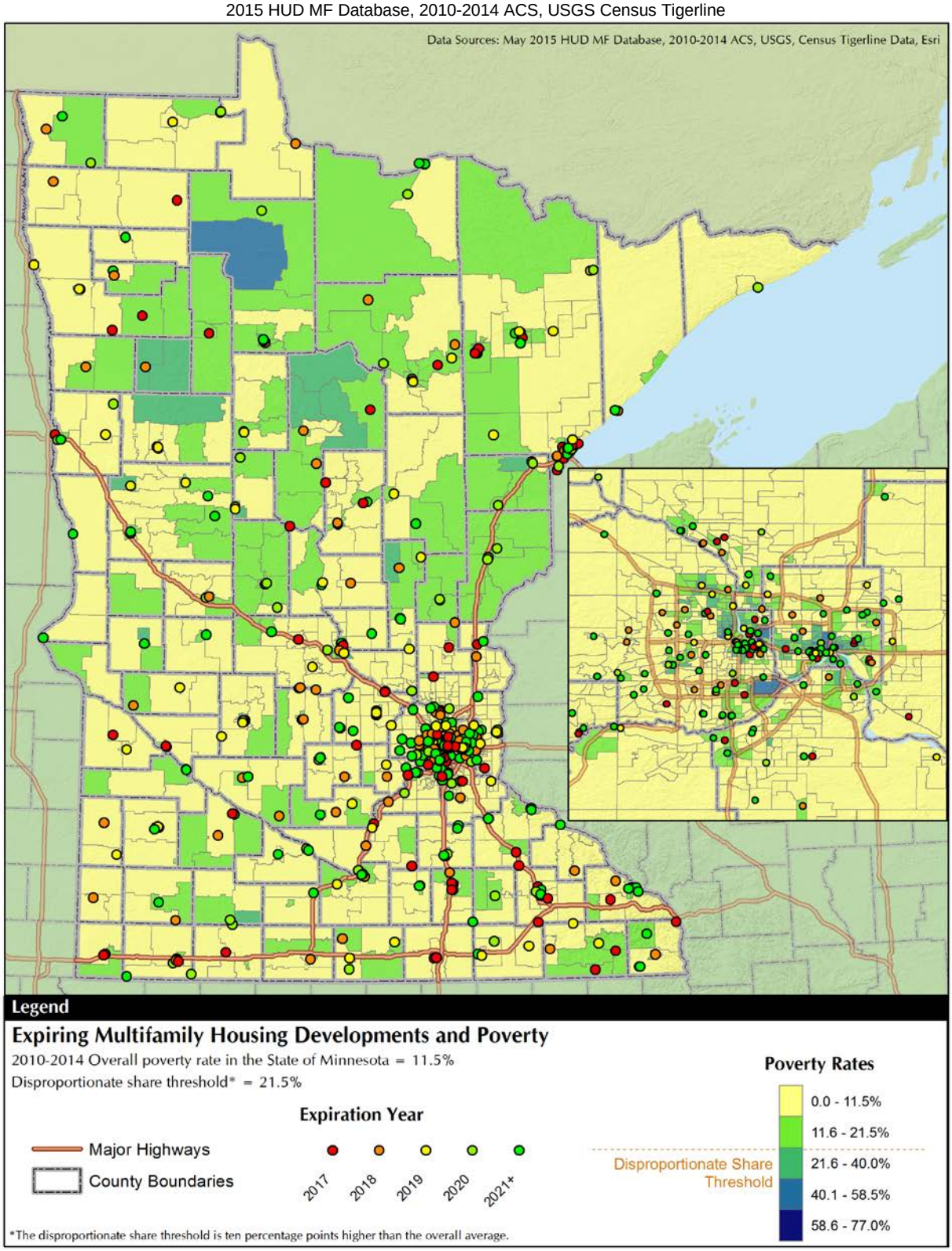
Table III.7
Please rate the need for the following Housing activities.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Construction of new rental housing	4	27	101	313	233	678
Rental housing for very low-income households	9	56	105	265	243	678
Rental assistance	6	55	141	236	240	678
Construction of new for-sale housing	11	60	136	233	238	678
Preservation of federal subsidized housing	15	59	129	230	245	678
Supportive housing	9	75	121	229	244	678
Homeowner housing rehabilitation	5	58	163	203	249	678
Multi-family rental rehabilitation	11	68	153	197	249	678
Single family rental rehabilitation	9	69	165	189	246	678
Senior-friendly housing	8	55	181	187	247	678
Mixed income housing	19	61	175	180	243	678
First-time home-buyer assistance	2	80	183	175	238	678
Retrofitting existing housing to meet seniors' needs	9	68	182	174	245	678
Homeownership in communities of color	27	92	137	171	251	678
Energy efficient retrofits	6	71	190	167	244	678
Mixed use housing	19	102	176	132	249	678
Downtown housing	37	159	136	92	254	678
Housing demolition	38	181	135	70	254	678
Other Housing activities	7	1	4	32	634	678

Discussion

While the number of housing units has grown since 2000, there is a continued need for new housing units. The need is especially acute for low-income households.

Map III.1
Expiring Multifamily Housing Developments
State of Minnesota
2015 HUD MF Database, 2010-2014 ACS, USGS Census Tigerline



MA-15 Cost of Housing – 91.310(a)

Introduction

This increase in cost-burdening came amidst an overall rise in housing costs between 2000 and 2014. As shown in Table III.8, the median contract rent for a housing unit in 2000 was $566, meaning that half of the rental population was paying more, and half was paying less, than that figure. By 2010-2014, half of the state's renters were paying around $747 or more. Similarly, the median value of owner-occupied homes was $122,400 in 2000. By 2010-2014, half of the owner-occupied homes in the state were valued at $185,200 or more.

Table III.8
Median Housing Costs
State of Minnesota
2000 Census SF3 & 2014 Five-Year ACS Data

Housing Cost	2000	2014 5-Year ACS
Median Contract Rent	$566	$747
Median Home Value	$122,400	$185,200

Cost of Housing

	Base Year: 2000	Most Recent Year: 2012	% Change
Median Home Value	118,100	194,300	65%
Median Contract Rent	521	717	38%

Table 32 – Cost of Housing

Data Source: 2000 Census (Base Year), 2008-2012 ACS (Most Recent Year)

Rent Paid	Number	%
Less than $500	156,205	27.5%
$500-999	292,340	51.6%
$1,000-1,499	91,528	16.1%
$1,500-1,999	18,326	3.2%
$2,000 or more	8,757	1.5%
Total	***567,156***	***100.0%***

Table 33 - Rent Paid

Data Source: 2008-2012 ACS

Housing Costs

Housing costs were the highest in the more populous, urbanized areas of the state. In fact, there were no Census tracts outside of the Minneapolis-St. Paul, Duluth, or Rochester areas in which median contract rental costs exceeded the statewide median of $566 in 2000. As shown in Map III.2, rental housing costs in that year were highest in suburban Census tracts on the outskirts of the Twin Cities, where median contract rents ranged from $1,220 to $1,875.

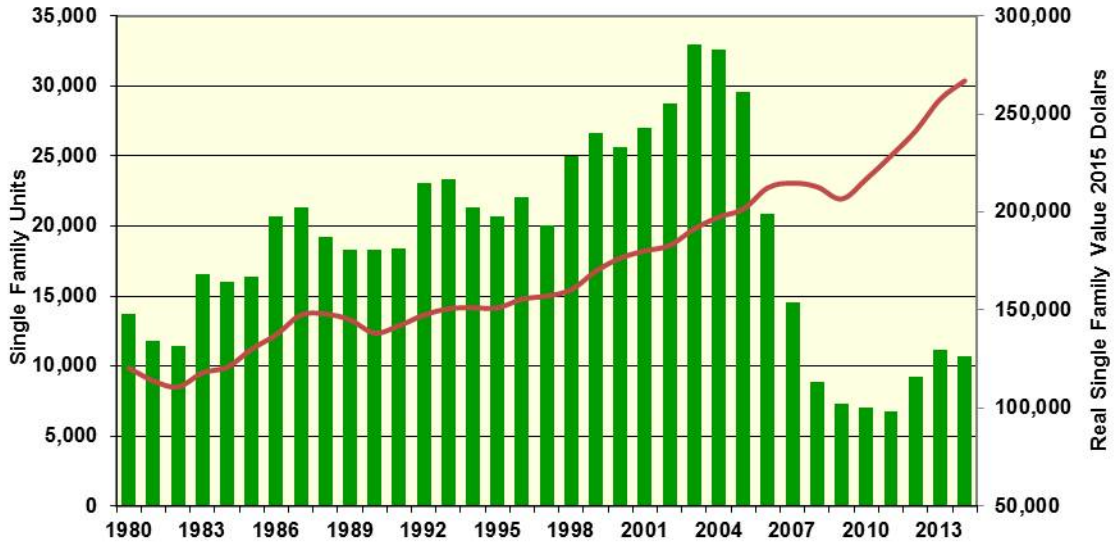
By 2010-2014, median contract rent prices had risen considerably throughout the state. As prices rose, above-median contract rents started to expand into the state's rural areas, as shown in Map III.3. In addition, there were fewer Census tracts with below-median rental costs near the centers of Minneapolis, St. Paul, Duluth, or Rochester than there had been in 2000.

Geographic trends in home values were similar to trends in contract rental costs, though it was more common to see Census tracts with above-median home values outside of the state's urban areas than to see above-median rental prices. For, example, as shown in Map III.4, half of occupied homes were worth $122,400 or more in several rural tracts in Cass, Crow Wing, and Douglas County. As had been the case with contract rental costs, Census tracts with above median home values became more common after 2000, most notably in the state's rural areas, as shown in Map III.5.

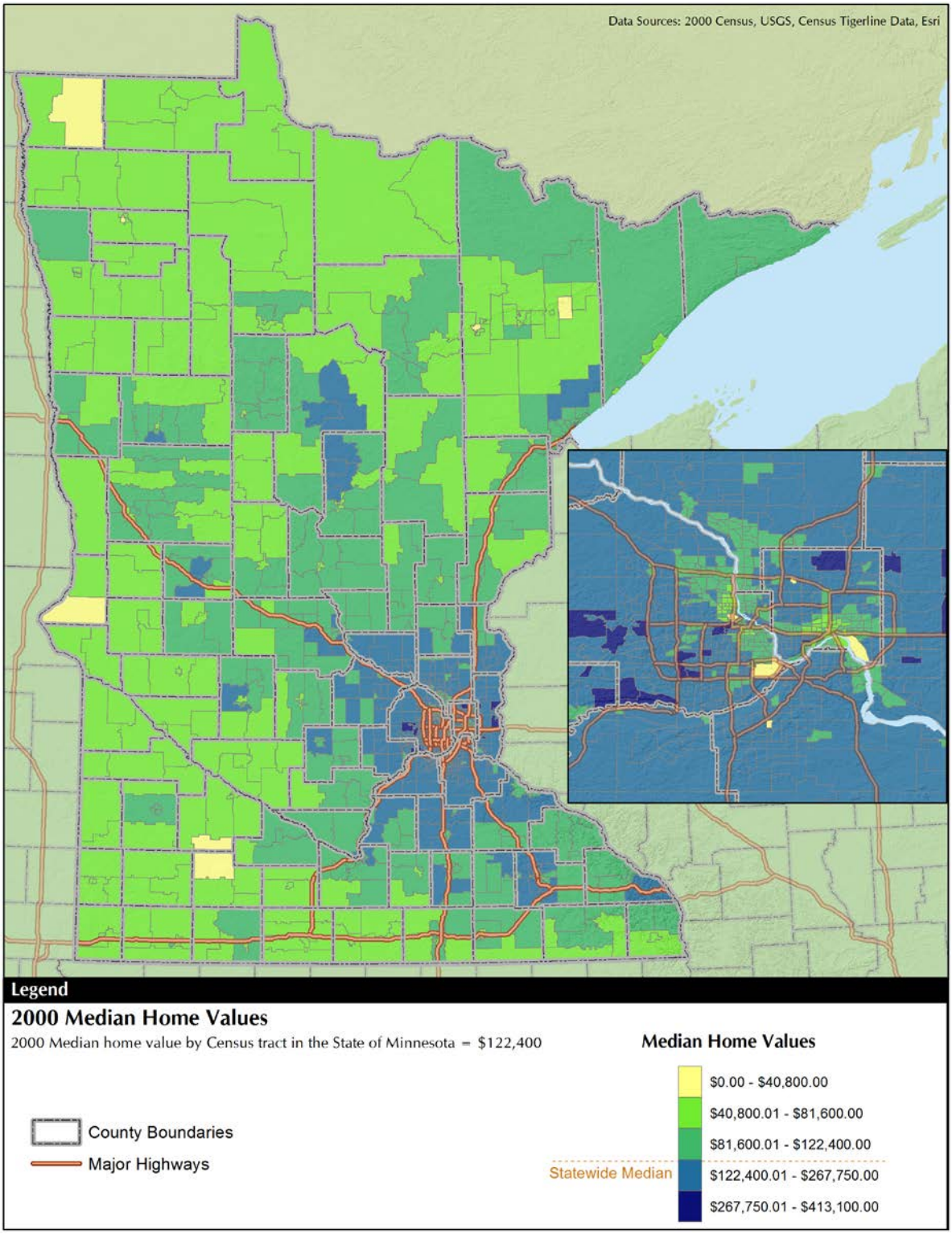
Single Family Units

The valuation of single family units has risen steadily since 1980, experiencing only a slight dip during the recent recession. In 2015, the average value of a single family home in the State was $259,047, an increase of more than $42,000 since 2010. The production of single family units dropped sharply since 2005, but has begun to rise slightly in the past couple years.

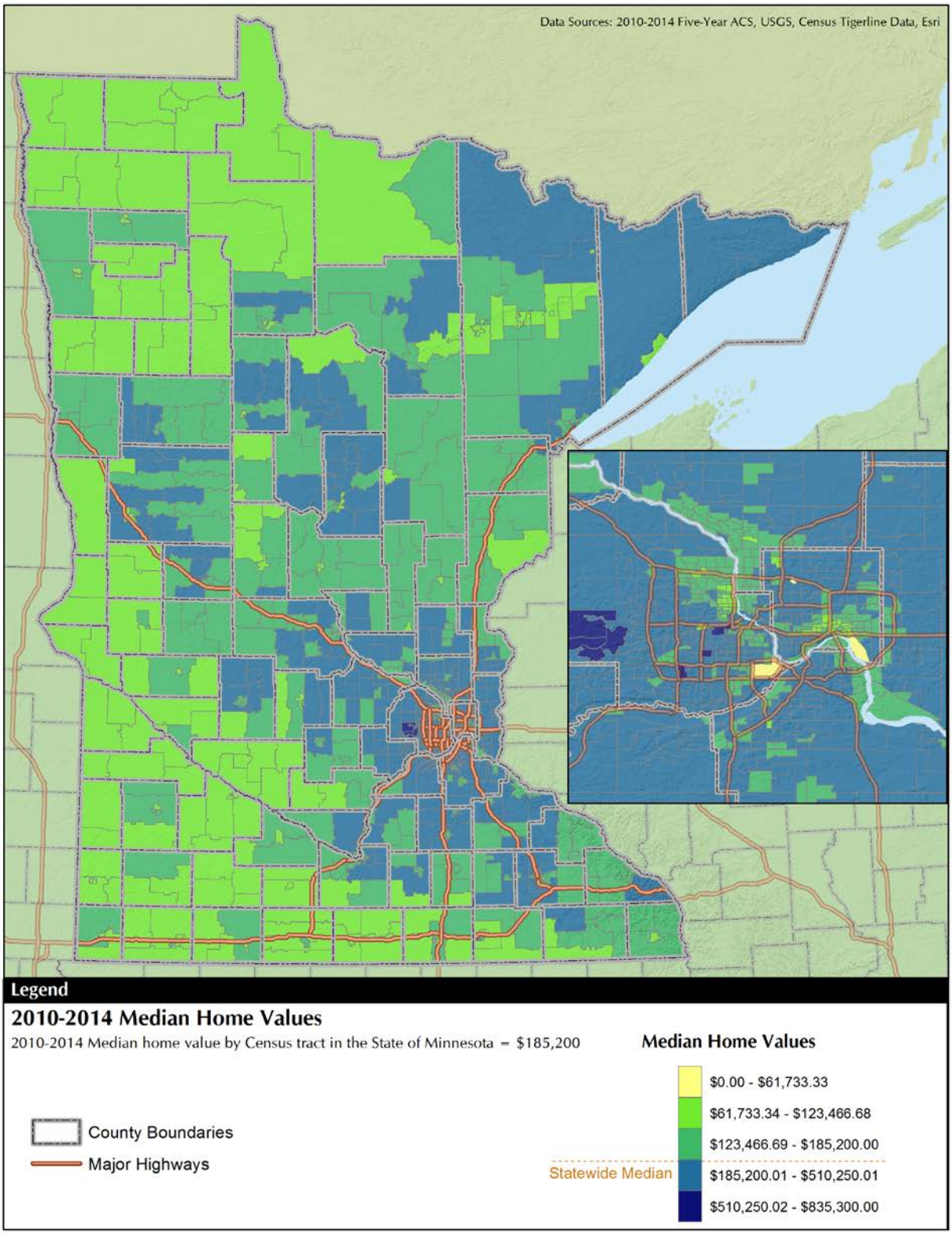
Diagram III.2
Single Family Building Permits and Valuation
State of Minnesota
Census Bureau Data, 1990–2015



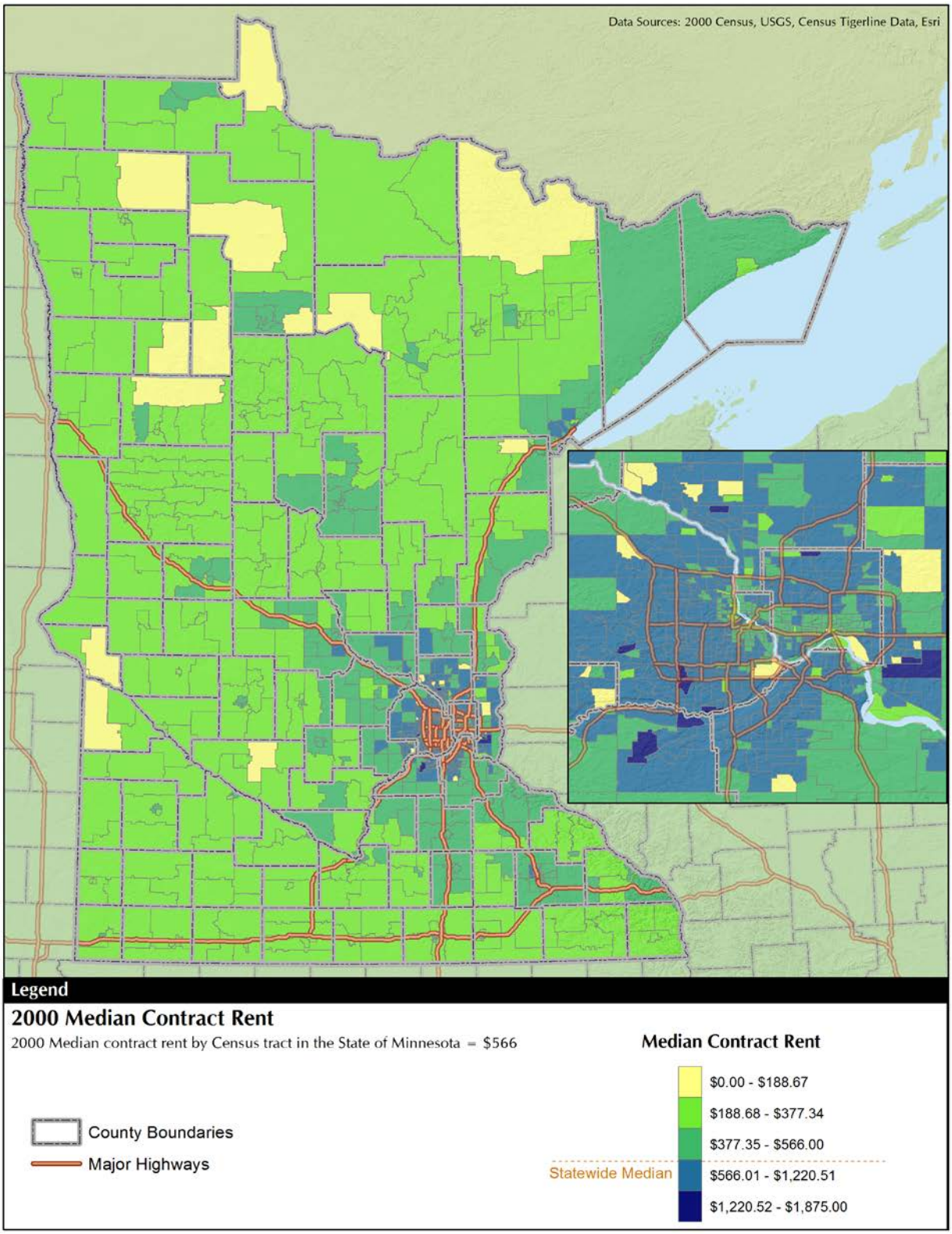
Map III.2
Median Home Values by Census Tract, 2000
The State of Minnesota
2000 Census



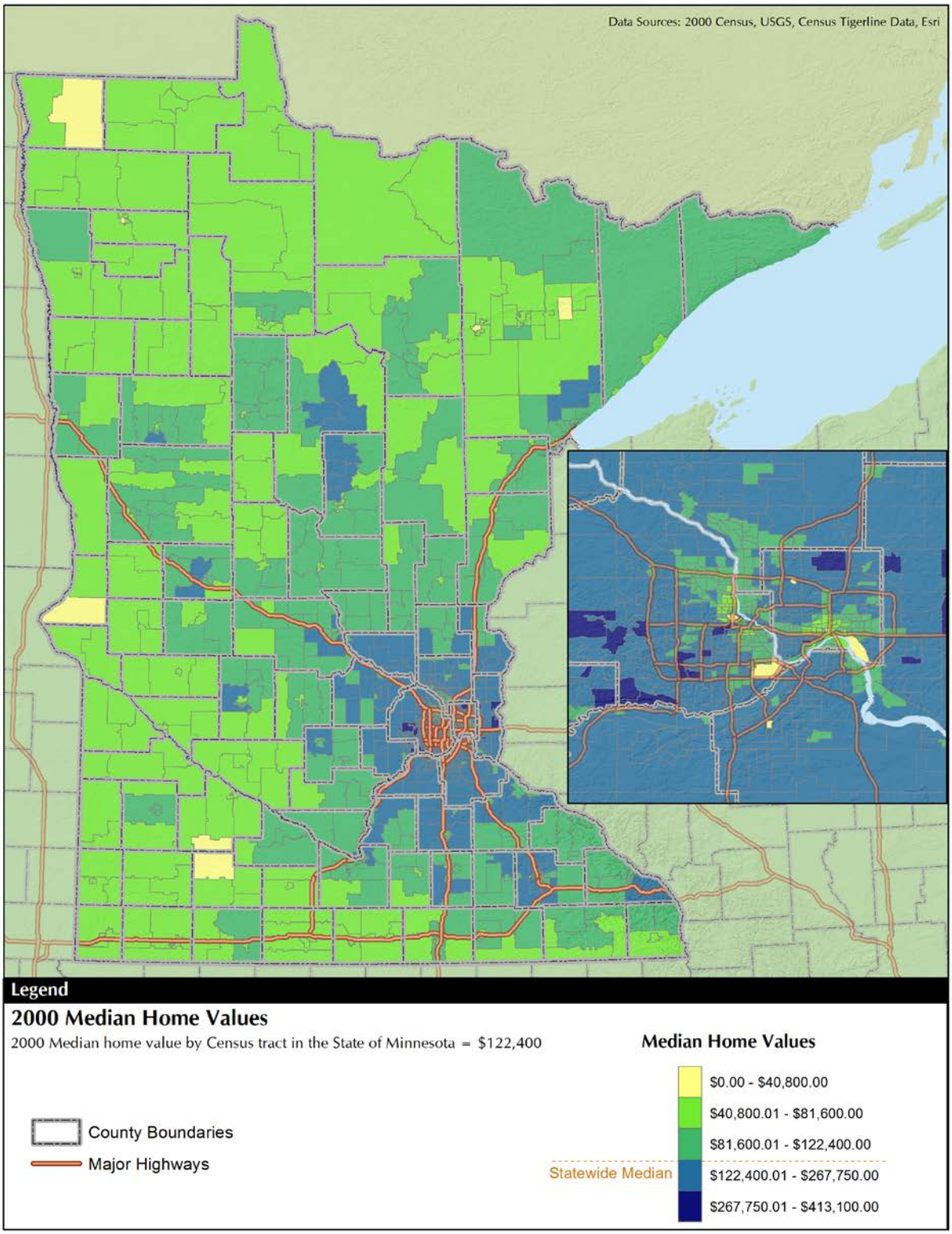
Map III.3
Median Home Values by Census Tract, 2010-2014
The State of Minnesota
2010-2014 Five-Year ACS



Map III.4
Median Contract Rent by Census Tract, 2000
The State of Minnesota
2000 Census



Map III.5
Median Contract Rent by Census Tract, 2010-2014
The State of Minnesota
2010-2014 Five-Year ACS



Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	64,070	No Data
50% HAMFI	209,505	101,590
80% HAMFI	398,340	335,055
100% HAMFI	No Data	541,000
Total	***671,915***	***977,645***

Table 34 – Housing Affordability

Data Source: 2008-2012 CHAS

Monthly Rent

Monthly Rent ($)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	0	0	0	0	0
High HOME Rent	0	0	0	0	0
Low HOME Rent	0	0	0	0	0

Table 35 – Monthly Rent

Data Source Comments: There are no statewide Fair Market Rents for HOME rents. Regional rent limits can be found at http://www.mnhousing.gov/wcs/Satellite?c=Page&cid=1362997094928&pagename=External%2FPage%2FEXTStandardLayout

Is there sufficient housing for households at all income levels?

As seen in the Cost burden section of this document, as well as demonstrated by data presented in this section, there is not sufficient housing for households at lower income levels. This is demonstrated by the high percentage of households facing cost burdens, especially those at lower income levels.

How is affordability of housing likely to change considering changes to home values and/or rents?

As shown above, the price of housing has continued to rise and as shown in other sections, cost burdens have risen as well. As this trend continues, the state expects that housing will continue to remain unaffordable for many households.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

There are no statewide Fair Market Rents for HOME rents.

Discussion

Housing prices have continued to rise since 2000. There are areas of the state that are more impacted by these cost rises, as seen in the maps presented above. As the cost of housing continues to rise, more households face the potential of cost burdens and other housing problems.

MA-20 Condition of Housing – 91.310(a)

Introduction:

The following section describes the condition of housing throughout Minnesota. This includes the number of housing units with risks of lead-based paint exposure, the age of the housing stock and the increase in vacant units.

Definitions

Units that are classified as standard condition meet all state and local codes. Units that are classified to be in "substandard condition but suitable for rehabilitation" are both structurally and financially feasible to rehabilitate to a condition that meet all state and local codes.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	386,200	25%	250,536	44%
With two selected Conditions	8,638	1%	17,027	3%
With three selected Conditions	1,121	0%	1,313	0%
With four selected Conditions	56	0%	47	0%
No selected Conditions	1,138,704	74%	298,233	53%
Total	***1,534,719***	***100%***	***567,156***	***100%***

Table 36 - Condition of Units

Data Source: 2008-2012 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	231,640	15%	70,244	12%
1980-1999	422,710	28%	142,431	25%
1950-1979	535,738	35%	229,294	40%
Before 1950	344,631	22%	125,187	22%
Total	***1,534,719***	***100%***	***567,156***	***99%***

Table 37 – Year Unit Built

Data Source: 2008-2012 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	880,369	57%	354,481	63%
Housing Units build before 1980 with children present	122,810	8%	38,505	7%

Table 38 – Risk of Lead-Based Paint

Data Source: 2008-2012 ACS (Total Units) 2008-2012 CHAS (Units with Children present)

Vacant Units – Information included in tables below

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 39 - Vacant Units

Data Source: 2005-2009 CHAS

Vacant Housing Units

Over 91 percent of housing units in the state were occupied in 2000, a share that had fallen below 89 percent by 2010. As shown in Table III.9, most of these units were occupied by the Over 91 percent of housing units in the state were occupied in 2000, a share that had fallen below 89 percent by 2010. As shown in Table III.9, most of these units were occupied by the people who owned them. However, the occupied housing stock shifted slightly in favor of rental occupancy over the decade as the percentage of owner-occupied units slipped from 74.6 to 73 percent. Growth in the number of housing units in the state, at 13.6 percent between 2000 and 2010,

outpaced household formation, resulting in an uptick in the vacancy rate from 8.3 to 11.1 percent. By 2014, some 10.5 percent of units were vacant, as shown in Table III.10.

Table III.9
Housing Units by Tenure
State of Minnesota
2000 & 2010 Census SF1 Data

Tenure	2000 Census		2010 Census		% Change 00–10
	Units	% of Total	Units	% of Total	
Occupied Housing Units	1,895,127	91.7%	2,087,227	88.9%	10.1%
Owner-Occupied	1,412,865	74.6%	1,523,859	73.0%	7.9%
Renter-Occupied	482,262	25.4%	563,368	27.0%	16.8%
Vacant Housing Units	170,819	8.3%	259,974	11.1%	52.2%
Total Housing Units	**2,065,946**	**100.0%**	**2,347,201**	**100.0%**	**13.61%**

Table III.10
Housing Units by Tenure
State of Minnesota
2010 Census & 2014 Five-Year ACS Data

Tenure	2010 Census		2014 Five-Year ACS	
	Units	% of Total	Units	% of Total
Occupied Housing Units	2,087,227	88.9%	2,115,337	89.5%
Owner-Occupied	1,523,859	73.0%	1,525,201	72.1%
Renter-Occupied	563,368	27.0%	590,136	27.9%
Vacant Housing Units	259,974	11.1%	248,812	10.5%
Total Housing Units	**2,347,201**	**100.0%**	**2,364,149**	**100.0%**

There are a number of reasons that housing units may lie vacant, or uses for which vacant units are intended: as shown in Table III.11, a majority of vacant units were designated for seasonal, recreational, or occasional use. This was only a bare majority in 2010, however: eleven percentage points lower than in 2000 when 61.8 percent of vacant units were dedicated to intermittent use. By contrast, units available for sale or rent accounted for larger shares of the vacant housing stock at the end of the decade, as did units classified as "other vacant". This latter type of vacant unit, which is often unavailable to the market place, is at a risk of falling into dilapidation, and may present a blighting influence when grouped in close geographic proximity to other such units.

Table III.11
Disposition of Vacant Housing Units
State of Minnesota
2000 & 2010 Census SF1 Data

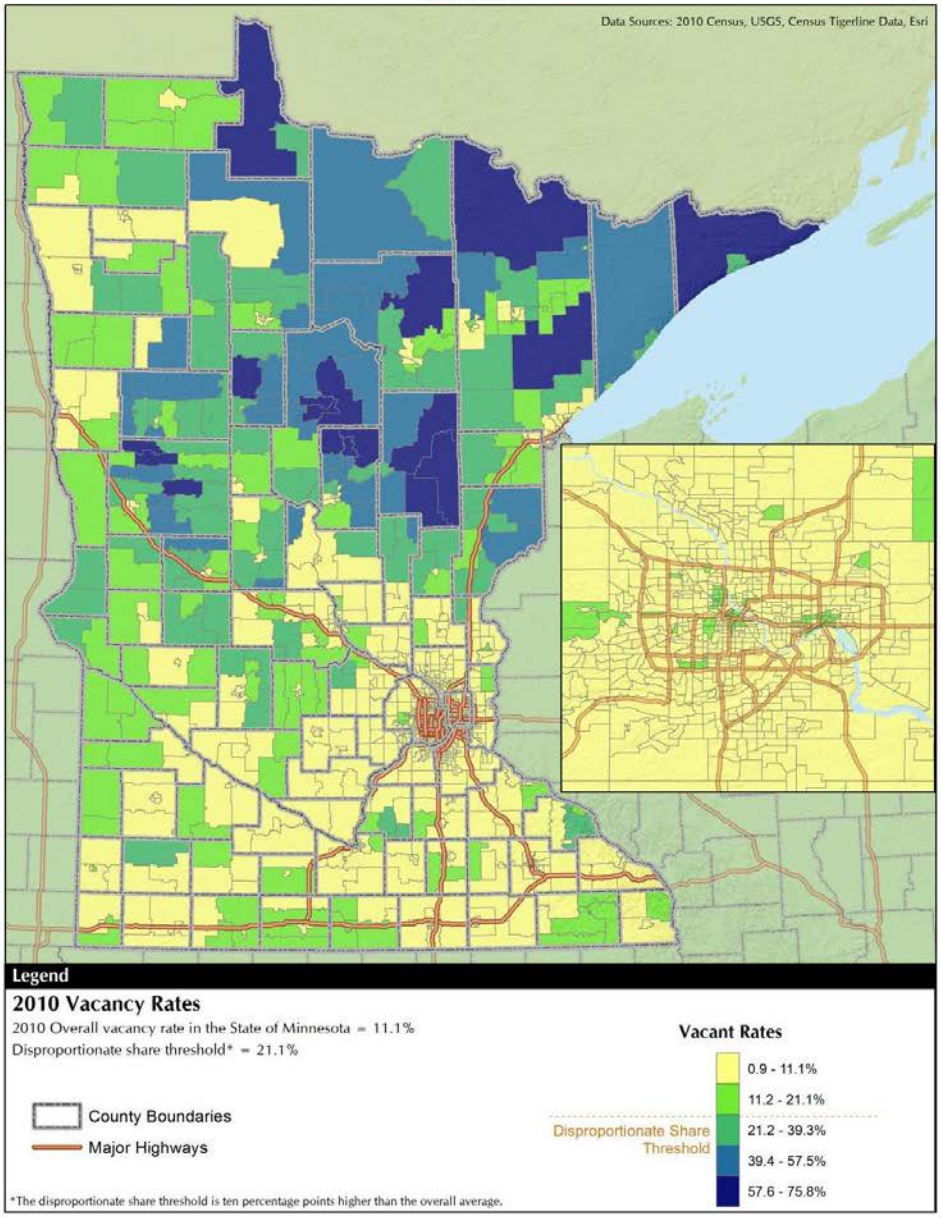
Disposition	2000 Census		2010 Census		% Change 00–10
	Units	% of Total	Units	% of Total	
For Rent	20,452	12.0%	48,091	18.5%	135.14%
For Sale	13,392	7.8%	30,726	11.8%	129.44%
Rented or Sold, Not Occupied	8,022	4.7%	9,430	3.6%	17.55%
For Seasonal, Recreational, or Occasional Use	105,609	61.8%	130,471	50.2%	23.54%
For Migrant Workers	554	0.3%	334	0.1%	-39.71%
Other Vacant	22,790	13.3%	40,922	15.7%	79.56%
Total	**170,819**	**100.0%**	**259,974**	**100.0%**	**52.2%**

As shown in Map III.6, vacant units represented roughly half to three-quarters of housing units throughout the northeastern portion of the state. Vacant units accounted for smaller shares of the housing stock in and around the more populous areas of the state, including Duluth and

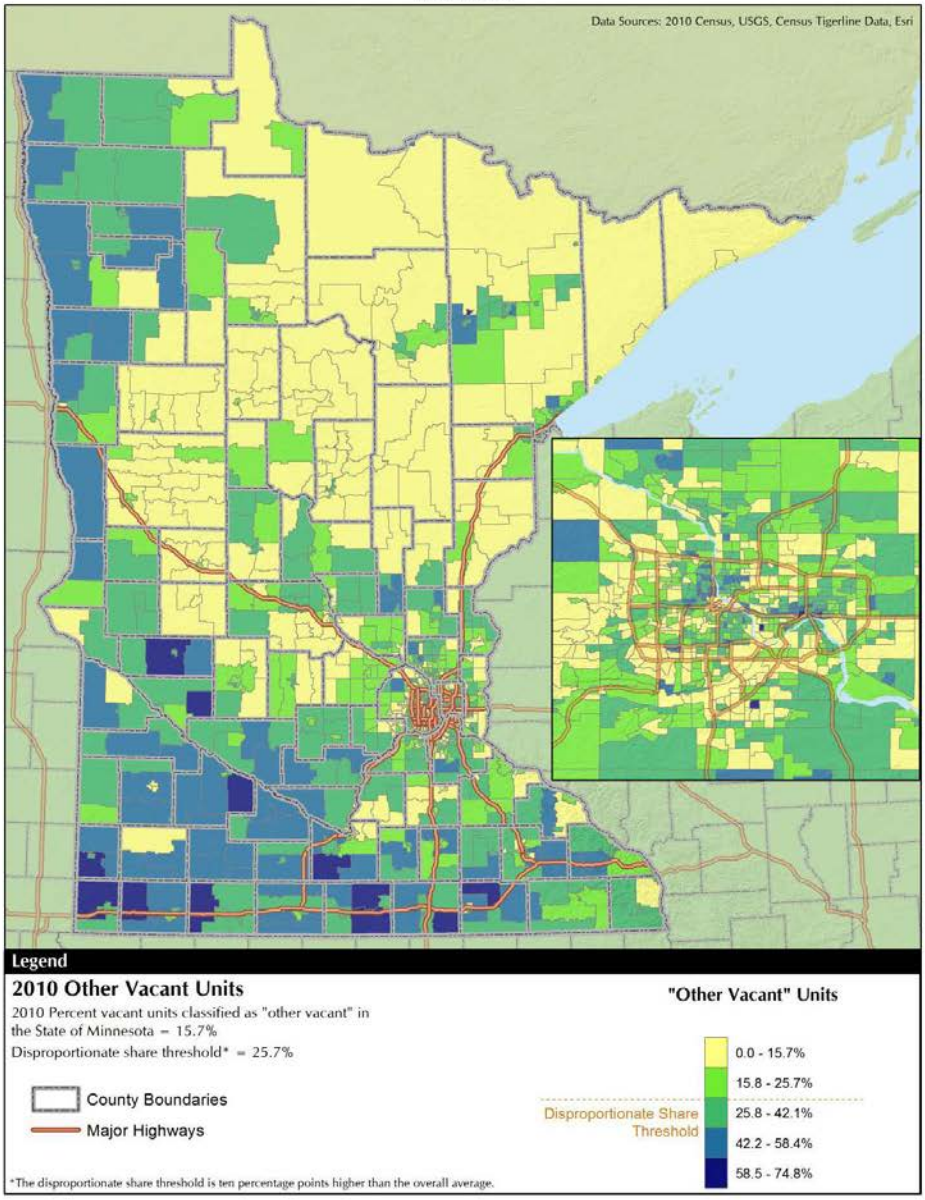
Minneapolis-St. Paul. Vacant units tended to represent considerably smaller shares of the housing stock in Census tracts throughout the southern part of the state.

By contrast, Census tracts in which a majority of those vacant units were classified as "other vacant" were generally concentrated in the southern part of the state, as shown in Map III.7, though well over half of vacant units were classified as "other vacant" near Hibbing in the north. Those tracts in which "other vacant" units accounted for roughly 40 to 58 percent extended into rural areas in the central, western, and northwestern parts of the state, as well as urban areas including Duluth and Minneapolis-St. Paul.

Map III.6
Vacant Housing by Census Tract, 2010
The State of Minnesota
2010 Census



Map III.7
"Other Vacant" Housing by Census Tract, 2010
The State of Minnesota
2010 Census



Need for Owner and Rental Rehabilitation

As shown the 2016 Housing and Community Development survey indicated a moderate need for rental rehabilitation. The survey indicated that over 15 percent of funds should be used for rehabilitation of rental housing, as well as almost 14 percent for owner-occupied rehabilitation, statewide.

Table III.12
How would allocate housing funds among these areas?
State of Minnesota
2016 Housing and Community Development Survey

Area	Percentage Allocated
Development of rental housing	22.75%
Rental assistance	20.73%
Development of single family housing	15.39%
Rehabilitation of rental housing	15.15%
Owner occupied homeowner rehabilitation	13.98%
Down payment assistance	11.99%
Total	**100.0%**

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Nearly one million households throughout the state were at an increased risk of lead paint exposure, as shown in Table III.13. Fortunately, most of those households had no children under the age of six, for whom lead paint is a particular risk. However, over 136,000 of those households that were at risk of lead-based paint exposure did include young children. A majority of these were owner-occupied housing units.

A majority of owner-occupied households throughout the state were built prior to 1980, as shown in Table III.13. Generally speaking, a higher percentage of low-, very low-, and extremely low-income homeowner households lived in older housing than moderate- to middle-income households. A majority of owner-occupied households with young children lived in housing units built after 1980, though there were still nearly 115,000 households with children living in older units. Units built prior to 1980 are more likely to contain lead-based paint than units built after that year, and children age six and under are at an increased risk of lead exposure.

Table III.13
Vintage of Owner-Occupied Households by Income and Presence of Young Children
State of Minnesota
2008–2012 HUD CHAS Data

Income	One or more children age 6 or younger	No children age 6 or younger	Total
Built 1939 or Earlier			
30% HAMFI or less	1,640	18,690	20,330
30.1-50% HAMFI	2,700	24,675	27,375
50.1-80% HAMFI	7,130	39,240	46,370
80.1% HAMFI or more	5,735	28,575	34,310
100.1% HAMFI and above	20,540	119,105	139,645
Total	37,745	230,285	268,030
Built 1940 to 1979			
30% HAMFI or less	3,565	36,715	40,280
30.1-50% HAMFI	5,980	53,090	59,070
50.1-80% HAMFI	13,130	86,745	99,875
80.1% HAMFI or more	11,310	64,740	76,050
100.1% HAMFI and above	43,030	294,030	337,060
Total	77,015	535,320	612,335
Built 1980 or Later			
30% HAMFI or less	3,170	23,585	26,755
30.1-50% HAMFI	5,930	35,790	41,720
50.1-80% HAMFI	14,105	63,450	77,555
80.1% HAMFI or more	13,545	54,015	67,560
100.1% HAMFI and above	86,060	354,700	440,760
Total	122,810	531,540	654,350
Total			
30% HAMFI or less	8,375	78,990	87,365
30.1-50% HAMFI	14,610	113,555	128,165
50.1-80% HAMFI	34,365	189,435	223,800
80.1% HAMFI or more	30,590	147,330	177,920
100.1% HAMFI and above	149,630	767,835	917,465
Total	**237,570**	**1,297,145**	**1,534,715**

Unlike homeowners with young children, renters with young children were more likely to live in homes built before 1980 than after. As shown in Table III.14, around 17,500 households with children lived in households built before 1940, and some 45,000 lived in households built from 1940 through 1980. All told, over 60 percent of rental households with young children lived in these older housing units. Table III.15 presents the age of housing units for renter- and owner-occupied housing units together.

Table III.14
Vintage of Renter-Occupied Households by Income and Presence of Young Children

State of Minnesota
2008–2012 HUD CHAS Data

Income	One or more children age 6 or younger	No children age 6 or younger	Total
Built 1939 or Earlier			
30% HAMFI or less	6,805	23,335	30,140
30.1-50% HAMFI	4,110	16,545	20,655
50.1-80% HAMFI	3,080	17,465	20,545
80.1% HAMFI or more	1,345	8,610	9,955
100.1% HAMFI and above	2,190	16,930	19,120
Total	17,530	82,885	100,415
Built 1940 to 1979			
30% HAMFI or less	15,325	64,425	79,750
30.1-50% HAMFI	11,170	42,470	53,640
50.1-80% HAMFI	8,930	43,370	52,300
80.1% HAMFI or more	4,465	20,605	25,070
100.1% HAMFI and above	5,320	37,995	43,315
Total	45,210	208,865	254,075
Built 1980 or Later			
30% HAMFI or less	11,450	45,735	57,185
30.1-50% HAMFI	8,225	34,755	42,980
50.1-80% HAMFI	8,375	34,895	43,270
80.1% HAMFI or more	3,615	17,835	21,450
100.1% HAMFI and above	6,840	40,955	47,795
Total	38,505	174,175	212,680
Total			
30% HAMFI or less	33,580	133,495	167,075
30.1-50% HAMFI	23,505	93,770	117,275
50.1-80% HAMFI	20,385	95,730	116,115
80.1% HAMFI or more	9,425	47,050	56,475
100.1% HAMFI and above	14,350	95,880	110,230
Total	**101,245**	**465,925**	**567,170**

Table III.15
Vintage of Households by Income and Presence of Young Children
State of Minnesota
2008–2012 HUD CHAS Data

Income	One or more children age 6 or younger	No children age 6 or younger	Total
Built 1939 or Earlier			
30% HAMFI or less	8,445	42,025	50,470
30.1-50% HAMFI	6,810	41,220	48,030
50.1-80% HAMFI	10,210	56,705	66,915
80.1% HAMFI or more	7,080	37,185	44,265
100.1% HAMFI and above	22,730	136,035	158,765
Total	55,275	313,170	368,445
Built 1940 to 1979			
30% HAMFI or less	18,890	101,140	120,030
30.1-50% HAMFI	17,150	95,560	112,710
50.1-80% HAMFI	22,060	130,115	152,175
80.1% HAMFI or more	15,775	85,345	101,120
100.1% HAMFI and above	48,350	332,025	380,375
Total	122,225	744,185	866,410
Built 1980 or Later			
30% HAMFI or less	14,620	69,320	83,940
30.1-50% HAMFI	14,155	70,545	84,700
50.1-80% HAMFI	22,480	98,345	120,825
80.1% HAMFI or more	17,160	71,850	89,010
100.1% HAMFI and above	92,900	395,655	488,555
Total	161,315	705,715	867,030
Total			
30% HAMFI or less	41,955	212,485	254,440
30.1-50% HAMFI	38,115	207,325	245,440
50.1-80% HAMFI	54,750	285,165	339,915
80.1% HAMFI or more	40,015	194,380	234,395
100.1% HAMFI and above	163,980	863,715	1,027,695
Total	**338,815**	**1,763,070**	**2,101,885**

Discussion:

As shown above, the housing stock in Minnesota has a variety of challenges including a large number of units with risks of lead based paint exposure to children, as well as a need for unit rehabilitation.

MA-25 Public and Assisted Housing – (Optional)

Introduction:

Not required section for statewide Consolidated Plan.

Totals Number of Units

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available			74						
# of accessible units									
***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**									

TABLE 40 – TOTAL NUMBER OF UNITS BY PROGRAM TYPE

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Discussion:

Refer to section NA-35.

MA-30 Homeless Facilities – 91.310(b)

Introduction

The primary source of information on Homeless Facilities and Services is the annual HUD Housing Inventory Count (HIC), which is referenced below. According to the 2015 HIC, approximately 43 percent of the 3938 year-round emergency shelter beds reported were targeted to households with children. Approximately 48 percent of beds were for single adults, and 9 percent were targeted toward unaccompanied youth. For the percentage of beds targeted to families with children is even greater, with 62 percent of the 3,591 beds targeted to this demographic group.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	1,691	264	2,224	9,117	0
Households with Only Adults	1,877	292	868	6,651	0
Chronically Homeless Households	0	0	0	3,353	0
Veterans	7	0	122	668	0
Unaccompanied Youth	363	0	377	445	0

Table 41 - Facilities Targeted to Homeless Persons

Alternate Data Source Name:
2015 CoC Housing Inventory Data
Data Source Comments:

Table III.16

Homeless Service Organizations

State of Minnesota

2015 MN Housing Inventory Charts (HUD)

Type & Number of Providers/Facilities *	Families With Children	Single Adults	Chronically Homeless	Veterans	Unaccompanied Youth
Seven-County Metro Area					
Emergency Shelters	21	19	0	0	5
Transitional Housing	29	25	0	6	14
Rapid Re-Housing	11	6	0	1	6
Permanent Supportive Housing	73	104	96	8	16
Greater Minnesota					
Emergency Shelters	39	33	0	2	6
Transitional Housing	40	28	0	4	11
Rapid Re-Housing	14	9	0	1	0
Permanent Supportive Housing	51	44	43	9	4

Table III.16

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Health, mental health and employment services are critical to the success of homeless service providers in meeting the needs of homeless individuals and families. In some cases, homeless providers are able to directly access mainstream funding streams such as Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T), Projects for Assistance in Transition from Homelessness (PATH), or Medicaid-reimbursement for certain health-related supports they may provide in settings such as permanent supportive housing. However, targeting of mainstream resources for homeless persons most often occurs through partnerships between mainstream providers and homeless-serving agencies, needs of homeless persons are met. Examples include but are not limited to on-site mental health providers, faith-based nurses or drop-in health care services, shelter or drop-in centers offering employment or job search assistance through SNAP or WIA-funded Employment Agencies.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Minnesota has an extensive network of services and facilities to meet the needs of homeless families with children, the chronically homeless, veterans and unaccompanied youth. However, the number and capacity of such providers varies greatly from one region of the state to the next. In some parts of the state, unaccompanied youth and chronic homeless persons may have to travel a significant distance in order to access targeted services or facilities. Because it is impossible to succinctly list all homeless services and facilities in the state, Table III.16 shows the approximate number and type of homeless service organizations in the State of Minnesota, as reported to HUD in the 2015 Housing Inventory Count (HIC). Each of these organizations provide a variety of services, ranging from housing placement, job training, assistance with benefits, and many others. Some organizations provide more than one type of homeless assistance, and may serve one or more of the special needs homeless population types.

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

The following section describes the special needs facilities available in the State.

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	0
PH in facilities	0
STRMU	156
ST or TH facilities	0
PH placement	0

Table 42 – HOPWA Assistance Baseline

Alternate Data Source Name:
Data Source: 2015 HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Elderly and Frail Elderly Persons

In Minnesota, support for the elderly population is provided by the State's Aging and Adult Services Division, within the Department of Human Services. The Division provides a variety of services, including health services, protective care, nutrition programs and other essential care for the elderly.

People with Disabilities (Mental, Physical, Developmental)

The Minnesota Department of Human Services also provides services for the Disabled. In addition to economic assistance and health care, additional services, such as personal care assistance, relocation services and home care services are provided.

The Group Residential Housing (GRH) program pays for room and board for seniors and adults with disabilities who have low incomes. The program aims to reduce and prevent people from

living in institutions or becoming homeless. There are more than 5,765 licensed or registered settings that qualify as group residential housing. About 4,260 of those are adult foster care homes. Others include board and lodging facilities, supervised living facilities, noncertified boarding care homes, housing with additional services establishments and other assisted living settings.

In addition, the State continues to grow the ,the housing with supports for adults with serious mental illness grant program (HSASMI), to provide supportive services for persons with serious mental illness (SMI) who are homeless, long term homeless, or exiting institutions who have complex needs and face high barriers to obtaining and maintaining housing.

People with Alcohol or other Drug Addictions

The Alcohol and Drug Abuse Division works with partners and providers to ensure that detoxification services and treatment services for addiction are available throughout the state. Treatment programs include outpatient and residential services, which vary in length and intensity. Detoxification services are available for those individuals suffering from acute intoxication and/or withdrawal symptoms.

People with Alcohol or other Drug Addictions

The Alcohol and Drug Abuse Division works with partners and providers to ensure that detoxification services and treatment services for addiction are available throughout the state. Treatment programs include outpatient and residential services, which vary in length and intensity. Detoxification services are available for those individuals suffering from acute intoxication and/or withdrawal symptoms. In Minnesota, persons with alcohol or drug addictions may qualify for Group Residential Housing (described above) or other state funding for disabled populations, such as General Assistance.

Victims of Domestic Violence

In Minnesota, victims of domestic violence are primarily served through a network of domestic violence service providers, including but not limited to shelters, transitional housing, legal advocacy, and services funded through State and Federal crime victims services funding. The Department of Public Safety, Office of Justice Programs administers most State and Federal domestic violence and crime victims services funding and implementation, including portions of the Violence Against Women Act (VAWA). Emergency Shelter and crisis services for victims of domestic violence and sexual assault is coordinated through the State's Day One hotline and website.

People with HIV/AIDS and Their Families

A combination of private non-profit providers and the Minnesota Department of Health provide HIV/AIDS services in Minnesota. The Departments HIV/AIDS Program links people to services for

disease prevention and control, including healthcare services for HIV. HIV testing and services are provided by numerous public health clinics throughout the state.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Discharge planning for persons residing in mental and physical health 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.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

As noted in SP-45 Goal 5, the State plans to provide services for 1,100 individuals through the Housing Opportunities for Persons with AIDS (HOPWA) program. The State's Group Residential Program is also focused on providing housing and supplemental services to persons with special needs and this population is identified as a funding priority for HOME, NHTF, CDBG and HOPWA funds that are allocated throughout the upcoming program year.

The State of Minnesota is also in the process of implementing its Olmstead Plan in response to the landmark Olmstead ruling by the Supreme Court. As part of this plan, the State's housing programs are implementing a comprehensive strategy to ensure people with disabilities have choices about where they live, with whom, and in what type of housing. They can choose to have a lease or own their own home and live in integrated settings appropriate for their needs. Supports and services will allow flexibility to support individuals' choices on where they live and how they live in their communities. These principles are in the process of being integrated in the State's housing programs which serve many persons with disabilities to the maximum extent possible, with a focus on trauma-informed care and positive supports and practices.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Not Applicable.

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

In the 2016 Housing and Community Development Survey, respondents were then asked if they knew of any barriers to the development or preservation of housing in their communities. As shown in Table III.17, respondents most commonly identified community opposition, or a "not in my backyard" mentality, as a barrier to the development or preservation of housing. Cost was also a commonly perceived impediment, with more than half of respondents identifying the costs of land, materials, or labor as barriers to the development or preservation of housing. Those who provided additional narrative commentary in response to this question tended to highlight these same concerns, with many calling for outreach and education to address NIMBYism and a range of strategies designed to decrease the costs of providing affordable housing, including redevelopment, updates to zoning codes, and additional funding.

Table III.17
Do any of the following acts as barriers to the development or preservation of housing?
State of Minnesota
2016 Housing and Community Development Survey

Barrier	Number of Mentions
Not In My Back Yard (NIMBY) mentality	276
Cost of land or lot	223
Cost of materials	220
Cost of labor	210
Lack of Affordable housing development policies	168
Construction fees	118
Permitting process	101
Permitting fees	97
Lack of available land	89
Density or other zoning requirements	89
Lack of qualified contractors or builders	77
Building codes	72
Impact fees	66
Lack of other infrastructure	55
ADA codes	40
Lot size	38
Lack of sewer system	26
Lack of water system	21
Lack of water	10
Other Barriers	44

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

The following section describes the non-housing community development assets in the State of Minnesota.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	16,866	16,910	2	3	1
Arts, Entertainment, Accommodations	86,107	65,182	10	11	1
Construction	43,017	33,162	5	5	0
Education and Health Care Services	173,376	126,554	21	21	0
Finance, Insurance, and Real Estate	50,027	28,610	6	5	-1
Information	15,746	9,799	2	2	0
Manufacturing	154,873	126,436	19	21	2
Other Services	33,674	25,839	4	4	0
Professional, Scientific, Management Services	55,707	25,630	7	4	-3
Public Administration	0	0	0	0	0
Retail Trade	124,802	98,043	15	16	1
Transportation and Warehousing	27,821	20,006	3	3	0
Wholesale Trade	53,173	35,683	6	6	0
Total	835,189	611,854	--	--	--

Table 43- Business Activity

Data Source: 2008-2012 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Table III.18
Employment by Industry
State of Minnesota
BEA Data: Select Years 2000-2014

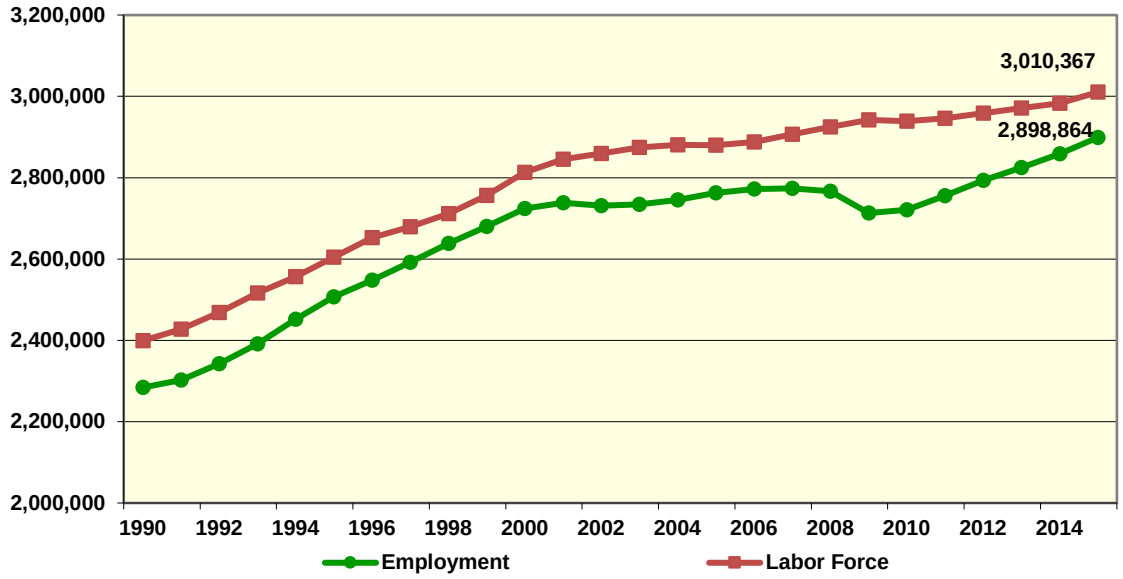
NAICS Categories	2000	2007	2008	2009	2010	2011	2012	2013	2014	% Change 13-14
Farm employment	100,675	83,616	81,178	85,833	85,343	82,191	81,572	80,611	78,724	-2.3%
Forestry, fishing, related activities, and other	11,430	12,626	13,196	13,171	13,160	13,340	13,619	13,813	14,071	1.9%
Mining	8,662	7,896	9,078	7,913	9,728	9,595	12,085	11,841	12,454	5.2%
Utilities	13,057	12,711	13,370	13,406	13,390	13,351	13,273	13,573	13,483	-0.7%
Construction	175,290	192,666	181,123	157,823	146,846	150,443	154,606	160,855	169,027	5.1%
Manufacturing	407,602	354,740	347,778	314,225	305,380	315,559	320,085	322,935	329,080	1.9%
Wholesale trade	138,866	143,937	143,516	136,542	133,585	136,837	138,875	140,695	142,164	1.0%
Retail trade	374,696	374,977	363,607	348,753	340,959	346,461	347,094	352,389	355,296	0.8%
Transportation and warehousing	109,298	109,933	108,520	104,655	103,044	107,645	108,638	110,552	114,541	3.6%
Information	76,558	68,202	67,417	63,990	62,243	62,011	61,944	61,841	61,243	-1.0%
Finance and insurance	174,531	191,830	198,353	205,720	203,142	215,223	212,086	214,999	212,372	-1.2%
Real estate and rental and leasing	86,388	123,670	119,539	117,757	120,131	122,543	123,483	125,465	125,410	0.0%
Professional and technical services	182,927	207,178	208,567	201,624	200,731	204,839	206,699	212,755	218,833	2.9%
Management of companies and enterprises	64,088	68,612	73,531	72,139	72,742	74,669	76,907	78,971	80,738	2.2%
Administrative and waste services	156,354	173,669	168,083	155,994	163,150	170,465	171,484	172,986	174,429	0.8%
Educational services	55,371	76,417	79,448	82,589	86,379	86,672	86,922	89,417	90,954	1.7%
Health care and social assistance	341,564	418,600	430,739	439,324	441,196	444,948	453,765	463,888	472,245	1.8%
Arts, entertainment, and recreation	64,273	77,283	79,104	78,580	78,143	80,096	82,126	81,969	83,567	1.9%
Accommodation and food services	197,314	222,036	220,427	213,298	210,750	215,319	218,942	223,104	226,506	1.5%
Other services, except public administration	181,179	195,973	195,794	191,005	185,379	190,094	189,511	190,473	196,152	3.0%
Government and government enterprises	406,664	419,502	420,054	418,456	420,953	415,182	416,806	417,591	420,073	0.6%
Total	**3,326,787**	**3,536,074**	**3,522,422**	**3,422,797**	**3,396,374**	**3,457,483**	**3,490,522**	**3,540,723**	**3,591,362**	**1.4%**

Employment

The Bureau of Labor Statistics collects data on labor force participation and employment, and this represents a count of people either working or seeking work. These data are collected through the Current Employment Statistics program, which surveys about 144,000 businesses and government agencies each month.

The labor force, which includes all who are working or looking for work, grew steadily and rapidly through the 1990s, adding around 38,500 workers per year on average through 2000 and topping 2.8 million in that year. That growth slowed after 2000, as shown in Diagram III.2; however, the state continued to add around 13,000 workers per year. The number of employed workers also grew steadily through the nineties; however, that growth slackened considerably after 2000. In 2008 the number of employed began to decline, falling by over 60,000 the following year and bottoming out at around 2.7 million in 2009. Since that time, the state has enjoyed considerable job growth, narrowing the gap between the number of those who are working and the total number of workers in the labor force.

Diagram III.2
Employment and Labor Force
State of Minnesota



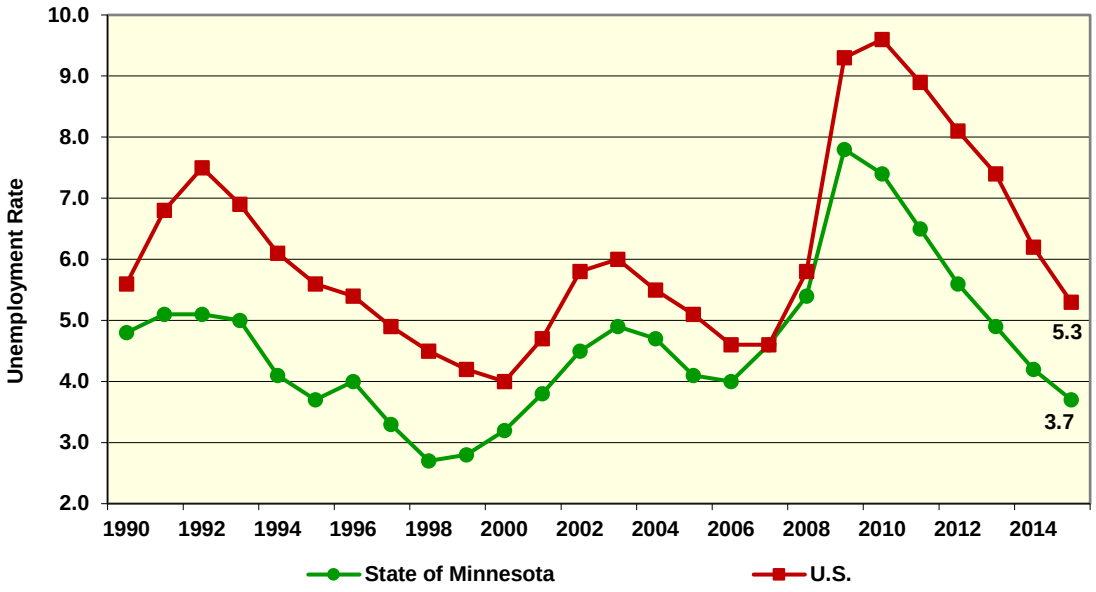
1990-20

15 BLS Data

That gap represents the number of persons who are looking for work but cannot find any; i.e., those who are officially unemployed. Nearly a decade of steady growth in the number of employed brought the unemployment rate (i.e., the percentage of workers who could not find a job) down from 4.8 percent in 1990 to below three percent by 1999. However, though growth in the labor force began to slow after 2000, it also began to outpace growth in the number of employed, which slowed even more substantially than labor force growth. As shown in Diagram III.3, the result was an increase in the unemployment rate, which rose to just below 5 percent in 2003. The next few years brought renewed, albeit modest, growth in employment and a reduction

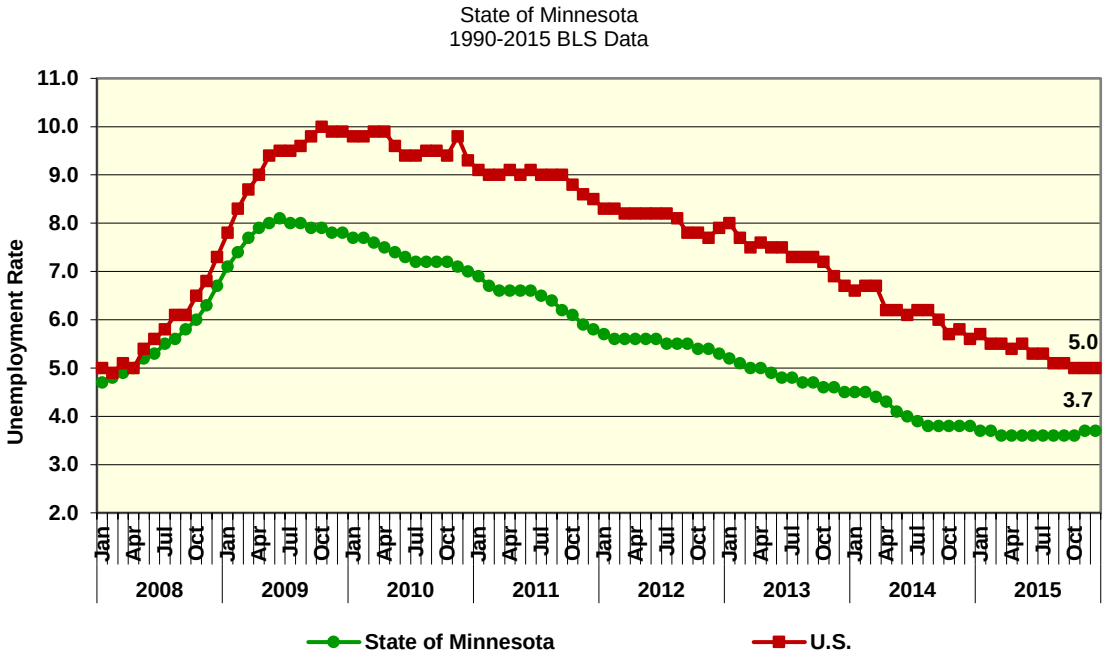
in the unemployment rate. However, this period of growth was short-lived and the dramatic decline in the number of employed in the late 2000s contributed to a spike in the unemployment rate, which reached 7.8 percent in 2009. Strong employment has since brought the unemployment rate down to 3.7 percent.

Diagram III.3
Unemployment Rate
State of Minnesota
1990-2015 BLS Data



Monthly unemployment data suggest that this steady drop in the unemployment rate began around the middle of 2009, when 8 percent of the labor force was unable to find work. As shown in Diagram III.4, the unemployment rate has declined steadily since that time.

Diagram III.4
Monthly Unemployment Rate



Labor Force

Total Population in the Civilian Labor Force	1,175,127
Civilian Employed Population 16 years and over	1,100,919
Unemployment Rate	6.31
Unemployment Rate for Ages 16-24	18.21
Unemployment Rate for Ages 25-65	4.41

Table 44 - Labor Force

Data Source: 2008-2012 ACS

Occupations by Sector	Number of People
Management, business and financial	229,120
Farming, fisheries and forestry occupations	36,469
Service	124,363
Sales and office	250,700
Construction, extraction, maintenance and repair	120,213
Production, transportation and material moving	81,954

Table 45 – Occupations by Sector

Data Source: 2008-2012 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	718,224	71%
30-59 Minutes	229,704	23%
60 or More Minutes	69,745	7%
Total	***1,017,673***	***100%***

Table 46 - Travel Time

Data Source: 2008-2012 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		
	Civilian Employed	Unemployed	Not in Labor Force
Less than high school graduate	43,664	6,522	20,596
High school graduate (includes equivalency)	267,586	18,948	65,121
Some college or Associate's degree	355,093	18,328	58,989
Bachelor's degree or higher	237,250	6,065	31,107

Table 47 - Educational Attainment by Employment Status

Data Source: 2008-2012 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	2,310	4,087	4,581	9,405	39,275
9th to 12th grade, no diploma	25,394	14,521	11,531	26,662	30,877
High school graduate, GED, or alternative	56,930	65,447	73,349	213,002	140,519
Some college, no degree	66,531	62,851	72,968	149,456	55,408

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Associate's degree	13,919	41,681	39,402	66,604	11,736
Bachelor's degree	11,664	52,034	57,939	90,639	29,980
Graduate or professional degree	405	12,113	21,284	40,600	17,698

Table 48 - Educational Attainment by Age

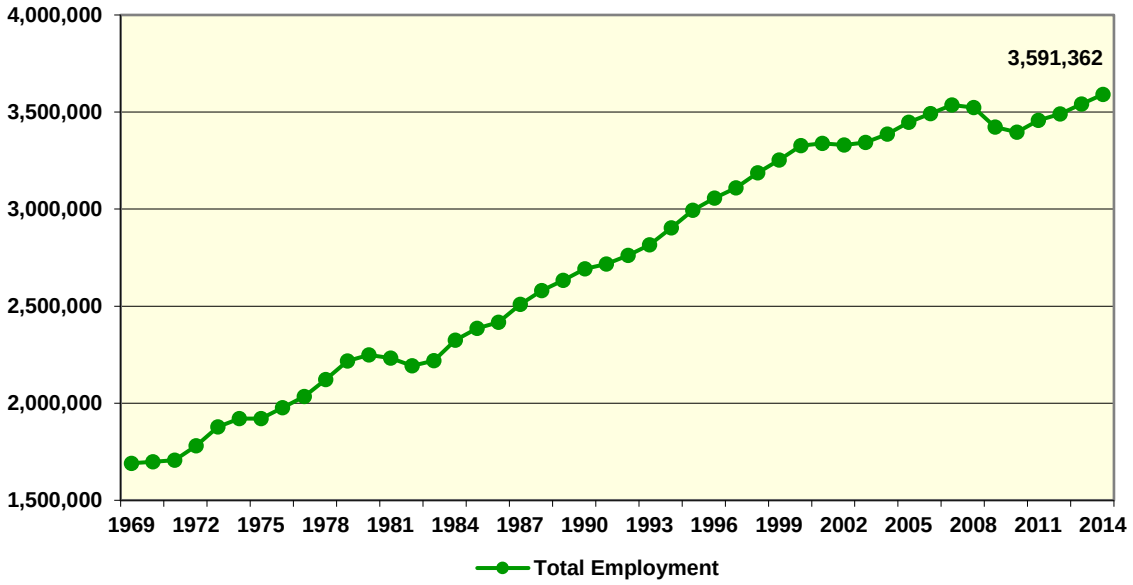
Data Source: 2008-2012 ACS

Employment and Compensation

The Bureau of Economic Analysis (BEA) defines "total employment" as a count of jobs rather than workers, so workers can be counted twice in these data, e.g., those who work two or more part-time jobs.

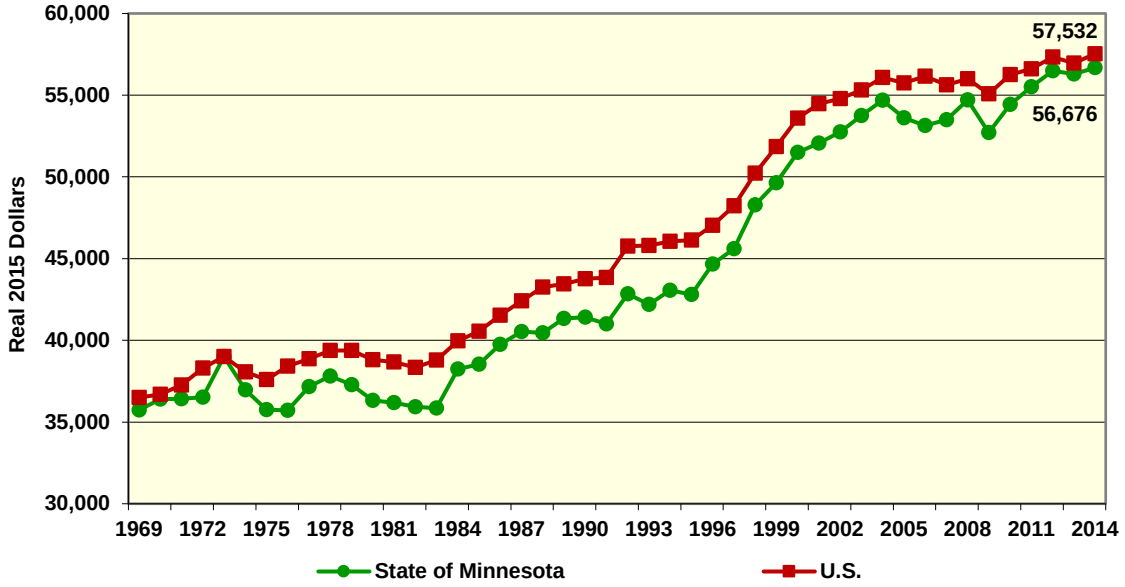
The slowdown in labor force growth after 2000, discussed previously, was reflected in slackening growth in the number of jobs in the state, as shown in Diagram III.5. The 63,400 jobs that state business were adding every year between 1990 and 2000 slowed to around 5,500 through 2003, after which new job creation continued at a pace of around 48,000 per year through 2007, a year in which the total number of full and part-time jobs in the state topped 3.5 million. However, job growth came to a halt in 2008 as the nation entered into a period of economic recession, and by 2010 the number of jobs had fallen by nearly 140,000. Since that time, relatively strong growth has brought the number of jobs back above pre-recession levels, to around 3.6 million in 2014.

Diagram III.5
Full- and Part-Time Employment
State of Minnesota
1969–2014 BEA Data



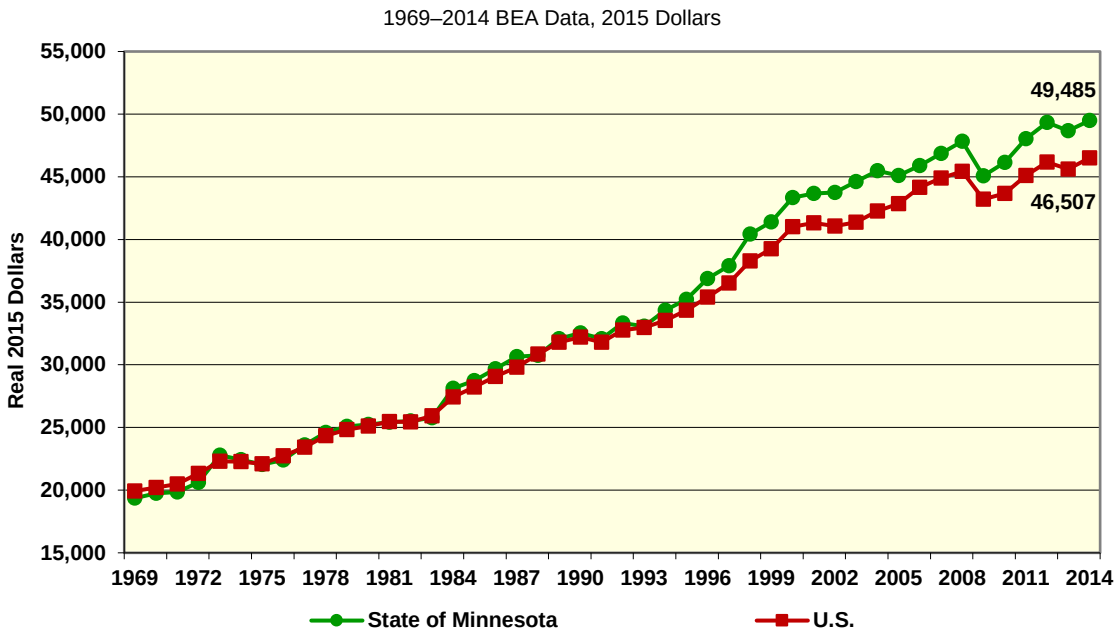
Along with strong growth in the number of jobs in the state came considerable growth in the amount that the average worker earned at his or her job, particularly after 1995. As shown in Diagram III.6, this growth largely continued through 2004, after which time "real", or inflation-adjusted, earnings fell, fluctuating between $50,000 and $55,000 over the following six years. However, growth has generally been positive since 2009, and inflation-adjusted earnings rose above $55,000 for the first time in 2011. In 2014, the average worker earned $56,676 at his or her job.

Diagram III.6
Real Average Earnings Per Job
State of Minnesota
1969–2014 BEA Data, 2015 Dollars



Though real earnings in Minnesota have been consistently above the U.S. average, real per capita income has generally been below. As shown in Diagram III.7, growth which continued through 2008. Real per capita income fell by around $2,800 in 2009, but has since shown relatively strong growth. Real PCI stood at $49,485 throughout the state in 2014.

Diagram III.7
Real Per Capita Income
State of Minnesota


1969–2014 BEA Data, 2015 Dollars
Real 2015 Dollars
55,000
50,000
45,000
40,000
35,000
30,000
25,000
20,000
15,000
1969
1972
1975
1978
1981
1984
1987
1990
1993
1996
1999
2002
2005
2008
2011
2014
49,485
46,507
State of Minnesota
U.S.

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	0
High school graduate (includes equivalency)	0
Some college or Associate's degree	0
Bachelor's degree	0
Graduate or professional degree	0

Table 49 – Median Earnings in the Past 12 Months

Data Source: 2008-2012 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

According to the information above in Table III.18, health care and social assistance, government and governmental enterprise and retail trade held the highest number of employment in 2014. In addition, mining, construction, and transportations and warehousing had the highest rate of growth between 2013 and 2014.

Describe the workforce and infrastructure needs of business in the state.

As found in the 2016 Housing and Community Development Survey, shown in Table III.19, the business and economic development activities with the highest need are to foster business with higher paying jobs, retention of existing businesses, and provision of job training.

Table III.19
Please rate the need for the following Business and Economic Development activities.
State of Minnesota
2016 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Foster businesses with higher paying jobs	5	35	133	289	191	653
Retention of existing businesses	2	27	156	284	184	653
Provision of job training	4	34	168	253	194	653
Rehabilitation of commercial properties of downtown areas of Greater Minnesota	26	54	151	217	205	653
Attraction of new businesses	6	46	205	211	185	653
Expansion of existing businesses	4	64	186	207	192	653
Provision of job re-training, such as after plant or other closures	14	107	157	185	190	653
Enhancement of businesses infrastructure	7	92	229	128	197	653
Provision of technical assistance for businesses	8	128	203	113	201	653
Development of business parks	23	133	185	105	207	653
Investment as equity partners	21	131	190	103	208	653
Provision of venture capital	19	129	202	93	210	653
Other business activities	14	1	12	48	578	653

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The Workforce Investment Act (WIA) of 1998 is a federal law that provides the framework for a workforce preparation and employment system to help businesses and job seekers in the U.S.

With WIA as the overarching plan, DEED coordinates a joint planning process that includes public and private entities, and members of the general public, to develop a state unified plan that meets WIA requirements while focusing on Minnesota-specific needs and goals. Local workforce investment boards (WIBs) in Minnesota in turn submit unified plans that describe how the local workforce investment systems under their guidance, via Workforce Service Area (WSA) providers, will respond to the needs of regional labor markets.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

According to Minnesota's Combined State Plan for Workforce Innovation and Opportunity Act Plans, Employers also report high levels of competition for employees and often find that they are competing with other firms on the basis of wages and benefits. Companies located outside of the Metropolitan area find this issue to be especially acute in not only experiencing relatively small additions to the local labor market but also pressure to raise wages in fiercely competitive markets. Often, workers are applying for jobs without the requisite skill sets required forcing employers to make difficult choices of either going without needed workers or hiring individuals and providing significant levels of on-the-job training. The strength of the growing economy has pushed the conversation past a "skills gap" to a "body gap."

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

The Workforce Innovation and Opportunity Act (WIOA) is the foundation of our workforce development initiatives and job-training programs for adults and youth.

WIOA gives government, nonprofit, education, and industry partners greater flexibility to work together. The result is career training programs that give workers the skills they need to get good jobs at family-sustaining wages and give employers the qualified workers they need to stay competitive.

Describe any other state efforts to support economic growth.

The State plans to utilize CDBG funds for economic development. Refer to the goals laid out in the Strategic Plan to see allocation and outcome measures.

Discussion

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Housing problems (incomplete kitchen facilities, incomplete plumbing facilities, overcrowding, or cost burden greater than 30%) percent) tend to be concentrated in areas with high rates of poverty. As shown previously, some 78 percent of households at or below 30 percent MFI have housing problems. Refer to the following question for areas with high concentrations of poverty. Concentration is defined as having a disproportionate share or ten percentage points higher. The following section describes disproportionate share.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Geographic analysis of racial distribution was conducted by calculating the percentage share of total population within each census tract of the particular sub-population; i.e., racial or ethnic group. That share was then plotted on a geographic map. The goal of this analysis was to identify areas with disproportionate concentrations of each sub-population. HUD defines a population as having a disproportionate share when a portion of a population is more than 10 percentage points higher than the jurisdiction average.

The Black population of Minnesota is largely concentrated in the Twin Cities Metropolitan area in 2010. As shown in Map III.8, residents identifying as Black accounted for between half and two-thirds of the population in Census tracts to the northwest and south of the Minneapolis city center, as well as a couple of tracts to the immediate west of the Saint Paul city center.

The Asian population also tended to be concentrated in the Twin Cities Metropolitan area, notably in and around the St. Paul city center. Residents identifying as Asian accounted for more than 40 percent of the population in several Census tracts in that area.

Native American households were largely concentrated in and adjacent to Tribal Reservation lands. In many of these areas, the Native American population compromises a majority of residents.

Those that identify as having Hispanic Ethnicity accounted for a larger share of the population in Minneapolis-St. Paul than they did in the state as a whole. Around 24 percent of the state's Hispanic population lived with the city limits of either Minneapolis or St. Paul in 2010, and were most highly concentrated in in Census tracts in, and to the south of, both city centers. Beyond the Twin Cities area, Hispanic residents accounted for relatively large shares of the population in small urban and large rural areas in the south of the state, including St. James, Worthington, as well as in Long Prairie to the north.

Though Census tracts with above-average poverty rates were widespread in rural areas of the state, the highest concentrations of households living in poverty are more likely to be located in and around urban areas. As shown in Map IIII.12, roughly half to three-quarters of the population were living in poverty in Census tracts near the centers of Minneapolis and St. Paul in 2010-2014.

What are the characteristics of the market in these areas/neighborhoods?

The characteristics of the markets in these areas vary across the State. Those areas that have high rates of poverty are also very likely to have high rates of cost burdens and households with housing problems.

Are there any community assets in these areas/neighborhoods?

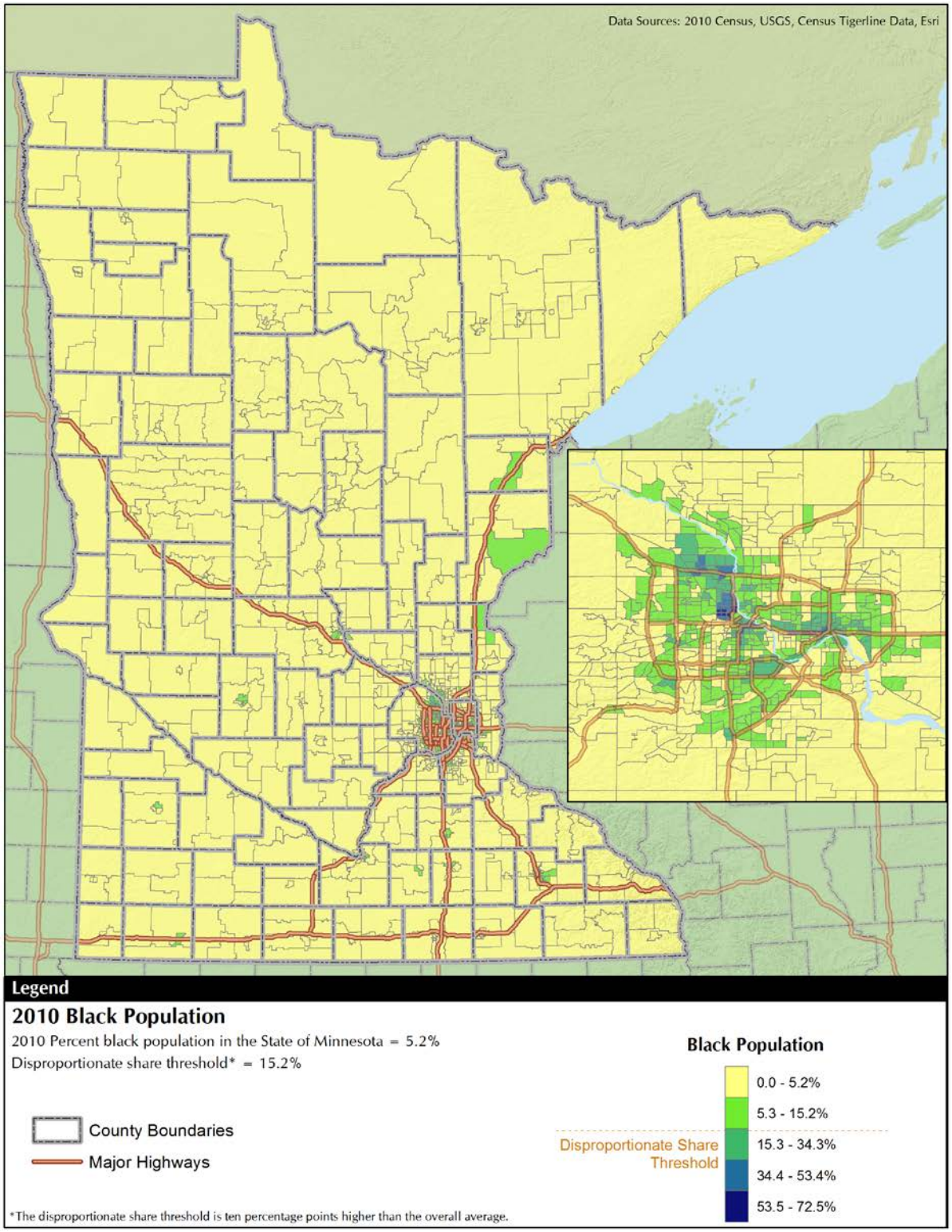
Each area and community contains a variety of assets, which vary across the state.

Are there other strategic opportunities in any of these areas?

Not required.

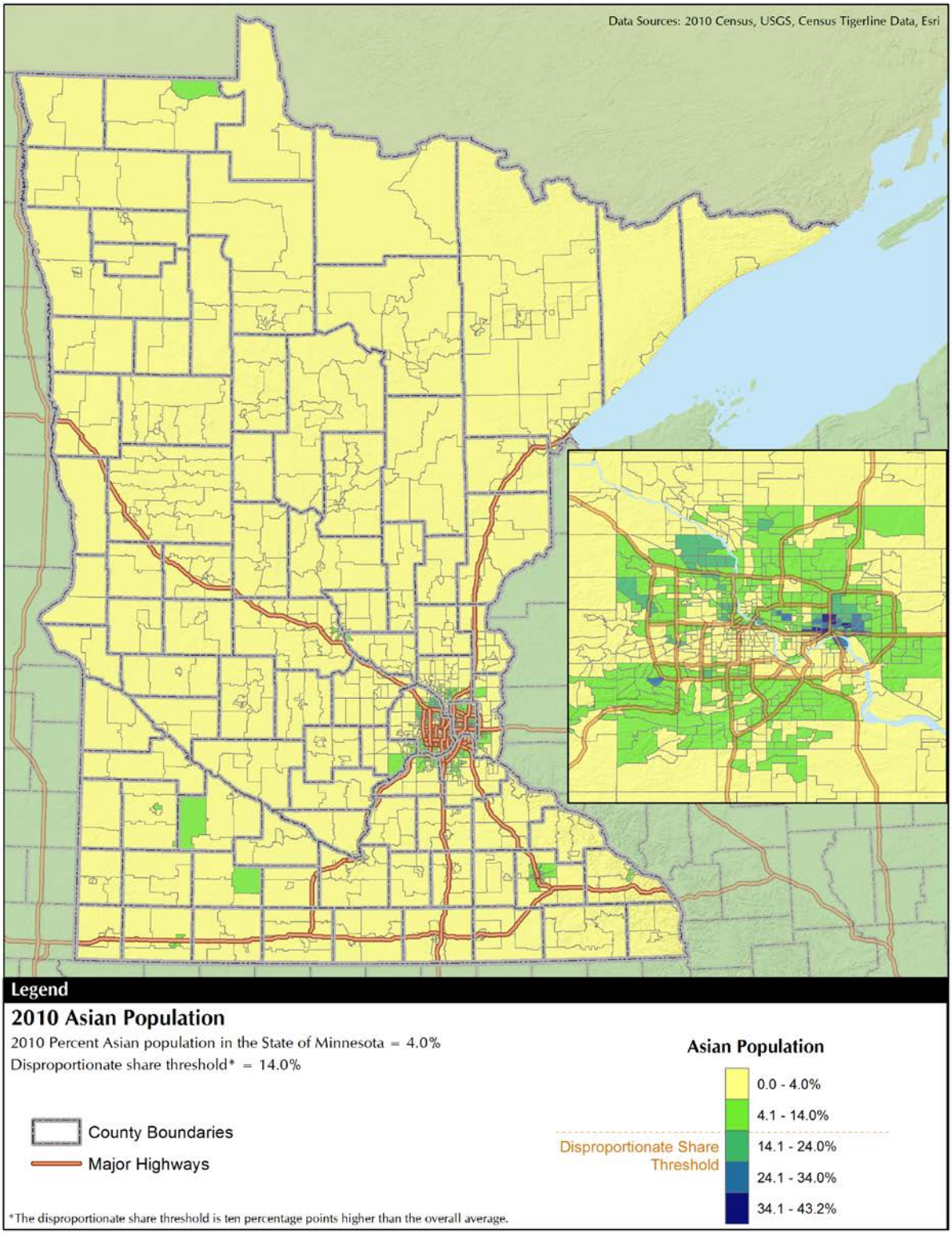
Map III.8

Black Population by Census Tract, 2010
The State of Minnesota
2010 Census



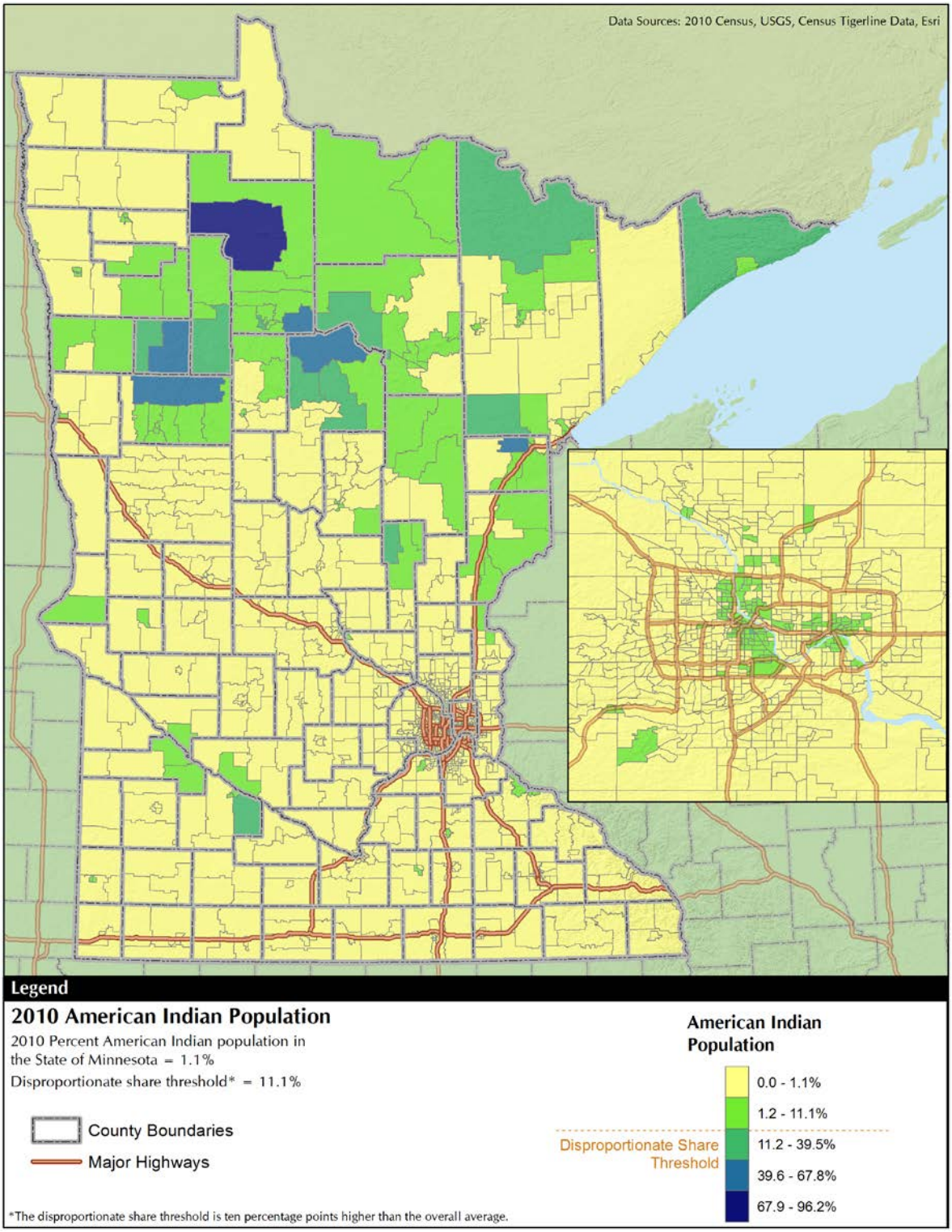
Map III.9

Asian Population by Census Tract, 2010
The State of Minnesota
2010 Census

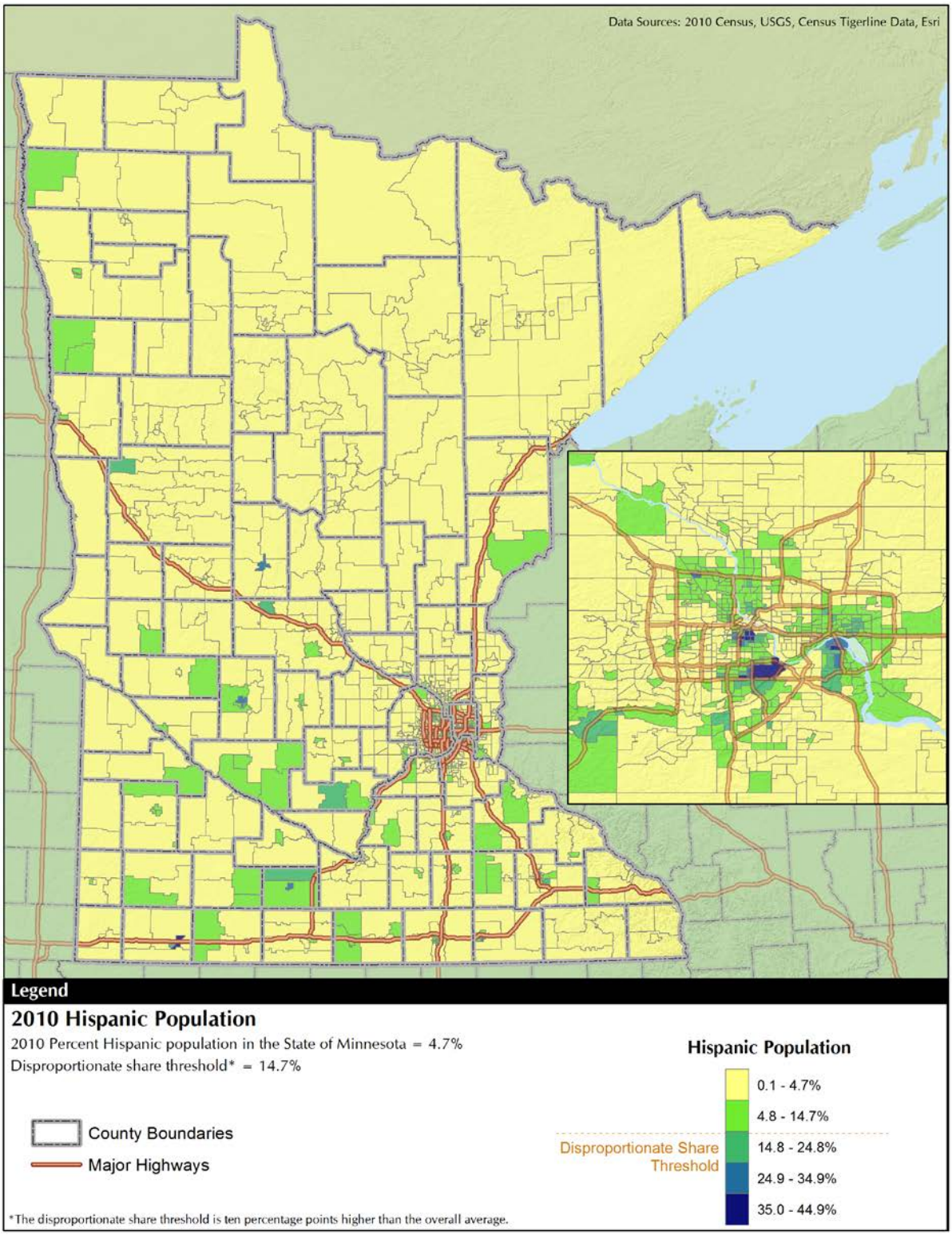


Map III.10

American Indian Population by Census Tract, 2010
The State of Minnesota
2010 Census

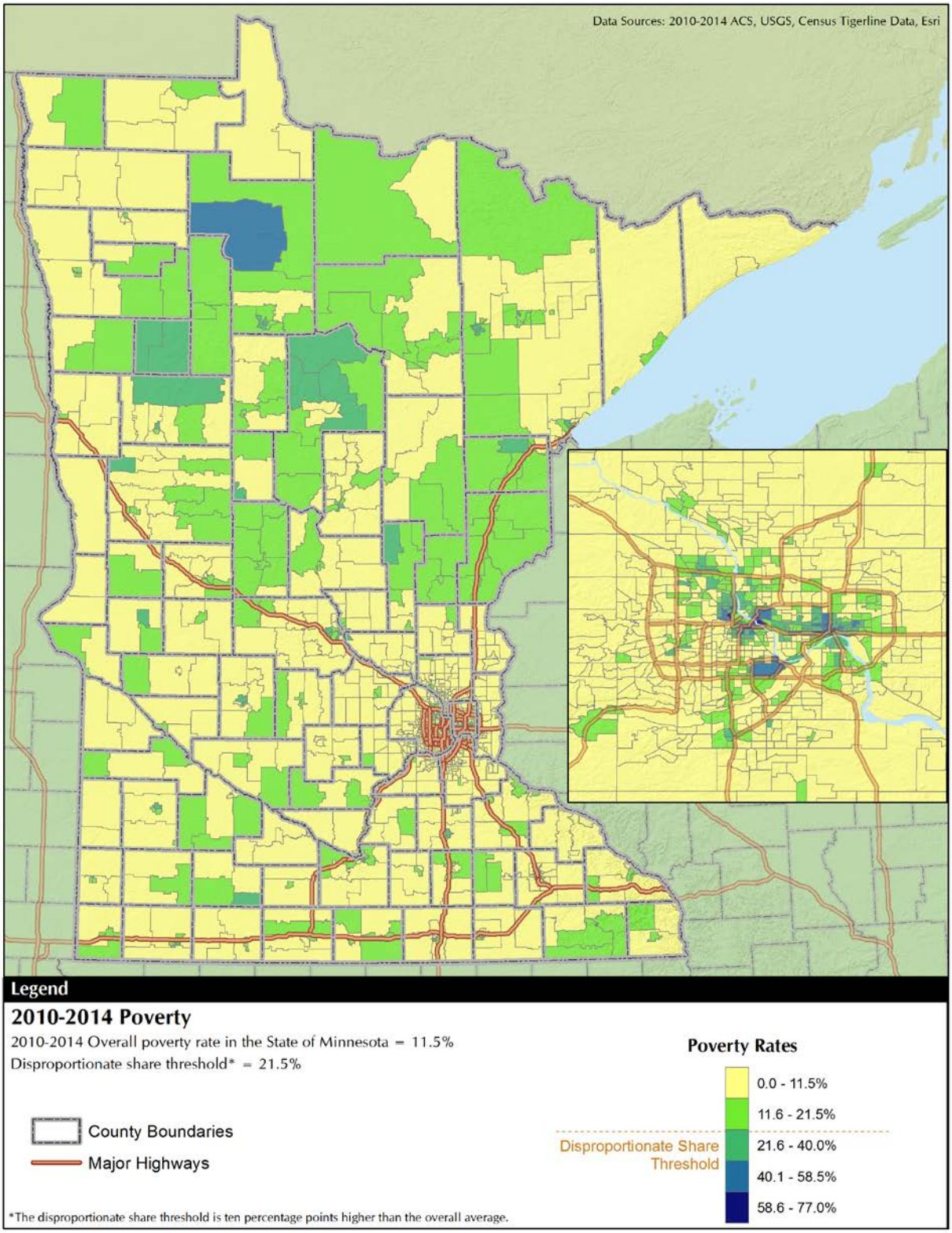


Map III.11
Hispanic Population by Census Tract, 2010
The State of Minnesota
2010 Census



Map III.12

Poverty Rate by Census Tract, 2010-2014
The State of Minnesota
2010-2014 Five-Year ACS



IV. Strategic Plan

SP-05 Overview

Strategic Plan Overview

The 2017-2021 Consolidated Plan has the following goals for the 5 year planning period. 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 rental and homeowner households, including renovation and new construction

- 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 and Infrastructure Needs - DEED

Address community needs through improvements to public facilities and infrastructure

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 50 - Geographic Priority Areas

1	**Area Name:**	Non-Entitlement
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	
2	**Area Name:**	Statewide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	
	Other Revital Description:	
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	

	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

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. 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. Minnesota's experience with these programs shows that these resources are indeed distributed throughout the state. Properties throughout the state will be eligible to apply for HOME and NHTF, non-entitlement areas will be served by CDBG, and HOPWA funds are available outside the metropolitan area, as required by HOPWA regulations.

The NHTF funds will be part of a deferred pool of resources, through Minnesota Housing, which are targeted to address specific and critical needs in rental housing markets, including multiple geographic priority areas: transit oriented development, areas with strong job markets or job growth, economic integration areas with higher incomes, and tribal areas...

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, priority is given to applications from non-ESG entitlement areas of the state.

Distributions of all State homeless programs dollars (within and outside non-entitlement area) is guided by an analysis of economic and housing needs, including but not limited to unemployment, rent-burdened households, recipients of public assistance and other variables. In addition, applicants for competitive funding provide detailed information on the level and types of needs in their services areas.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 51 – Priority Needs Summary

1	**Priority Need Name**	Homelessness
	Priority Level	High
	Population	Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	Statewide
	Associated Goals	Facilitate Housing and Service for the Homeless
	Description	Homelessness continues to be a high priority throughout the State
	Basis for Relative Priority	This priority was established using the Needs Assessment, survey, public and stakeholder input.
2	**Priority Need Name**	Low-Moderate Income Renter/ and Owner Households
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents
	Geographic Areas Affected	Non-Entitlement

	Associated Goals	Provide Decent Affordable housing-DEED
	Description	Fund housing rehabilitation activities for Low-Moderate income renter and owner households are a high priority in the state due to the level of cost burdens and other housing needs for these households. DEED.
	Basis for Relative Priority	This priority needs was established through the Needs Assessment, survey, public and stakeholder input.
3	**Priority Need Name**	Economic Opportunities
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	Statewide
	Associated Goals	Promote Economic Development
	Description	Economic Opportunities continue to be a high priority for the State to encourage continued economic growth.
	Basis for Relative Priority	This priority was established using the Market Analysis, surveys, public and stakeholder input.
4	**Priority Need Name**	Public Facilities and Infrastructure
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	Statewide
	Associated Goals	Address Public Facility- and Infrastructure Needs-DEED
	Description	There are many community needs throughout the State that can be met through public facilities and infrastructure. This continues to be a high level need for the State.
	Basis for Relative Priority	This priority was established through the Needs Assessment, Market Analysis, surveys, and public and stakeholder input.

5	**Priority Need Name**	Human Services
	Priority Level	High
	Population	Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	Statewide
	Associated Goals	Provide Funds for Special-Needs Housing & Services
	Description	Special Needs populations continue to have a variety of unmet needs. Human services continue to be a high priority in the State.
	Basis for Relative Priority	This priority was established through the Needs Assessment, surveys, and public and stakeholder input.
6	Priority Need Name	Low-Moderate Income Renter and Owner Households
	Priority Level	High
	Population	Extremely Low Low Moderate Middle
	Geographic Areas Affected	Statewide
	Associated Goals	Enhance Affordable Housing Opportunities-MH
	Description	Low-Moderate income renter and owner households are a high priority in the state due to the level of cost burdens and other housing needs for these households. Fund housing activities for low to moderate income rental and homeowner households, including renovation and new construction. MHFA

	Basis for Relative Priority	This priority needs was established through the Needs Assessment, survey, public and stakeholder input.

Narrative (Optional)

#2 need is to be used for DEED priorities. #6 is to be used for MHFA priorities.

Affirmatively Furthering Fair Housing

The State of Minnesota continues to operate under an Analysis of Impediments to Fair Housing (AI) framework, and will transition to the Assessment of Fair Housing (AFH) framework in the next consolidated planning cycle as required. However, in anticipation of the AFH and to better align with the regulatory requirements associated with an AFH, the state is in the process of conducting a new AI more aligned with the new framework. The process, including substantial community engagement and analysis, will result in a new AI out for public comment in fall of 2017, and goals for the remaining four years of this consolidated planning cycle will reflect the contributing factors and actions finalized in this plan.

Meanwhile, for FY 17, the state continues to work on a series of actions associated with the AI developed in conjunction with the AI developed in 2012 and will report on these actions in the 2017 CAPER, as has been done in the CAPER's associated with the 2012-2016 Consolidated Plan. These actions correspond directly to the following impediments:

Private Sector impediments with identified actions and measurable objectives

1. Lack of understanding of fair housing and affirmatively furthering fair housing
2. Discriminatory terms and conditions in rental markets
3. Failure to make reasonable accommodation or modification
4. Discriminatory refusal to rent
5. Failure to comply with federal and state accessibility standards
6. Steering in the home purchase and rental markets
7. Denial of home purchase loans
8. Predatory-style lending activities

Public Sector impediments with identified actions and measurable objectives

9. Insufficient fair housing outreach and education efforts
10. Lack of sufficient fair housing testing and enforcement activities
11. NIMBYism (Not in My Backyard) tendencies and planning and zoning decisions affect housing availability

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	As shown by the pervious sections, the demand for rental has increased and is expected to continue to increase throughout the course of this Plan. This state expects to see the need for TBRA to continue as the number of cost-burdened families continues to grow.
TBRA for Non-Homeless Special Needs	The Non-Homeless Special Needs populations within the state have a variety of housing needs throughout the state. The increase in demand for rentals and the increase in the price of rentals will place a high need for special need populations within the state. These increases make rentals unaffordable to many special needs populations.
New Unit Production	As shown by this Market Analysis section, housing production has not been keeping pace with demand, resulting in an increase in price. New unit production will increase the number of affordable units available to Minnesota households. The 2016 Housing and Community Development Survey results indicated a high level of need for new unit production, especially for rental.
Rehabilitation	The state of Minnesota has seen a growth in the need for housing, and an increase in cost burdens. This combination calls for rehabilitation of existing units in order to meet the needs of households throughout the state. The results of the 2016 Housing and Community Development Survey also indicated a high level of need for unit rehabilitation.
Acquisition, including preservation	As shown previously in this Plan, there are a number of subsidized units at risk of expiring. As the demand for affordable rental units continues to increase, the loss of these units will place additional households in need. This, in addition to survey results, has indicated a high level of need for preservation of affordable units.

Table 52 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The following section describes the annual allocation the State of Minnesota expects to receive for program years 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	16,713,811	150,000	7,000,000	23,863,811	60,000,000	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	5,850,342	1,000,000	4,344,453	11,194,795	20,000,000	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	175,184	0	0	175,184	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	2,060,135	0	2,064,352	4,124,487	0	MN Dept. of Human Services(DHS)
Other	Public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab	3,118,428	0	0	3,118,428	0	Through MH

Table 53 - Anticipated Resources

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, initiatives, local banks, owner equity.

ESG match requirements are met two ways depending on the funded activity. For 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 Affordable Rental preservation program (HOME) leverages other agency, private, and low-income housing tax credit investment.

CDBG prior year resources include the 15% set-aside for the federal Minnesota Investment Fund program from the previous allocation, which is roughly $2.5 million. The additional funds include reverted grant funds from other small cities grant awards.

If appropriate, describe publically owned land or property located within the state 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

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
MN DEED	Government	Ownership Planning	State
MN DEED	Government	Economic Development Non-homeless special needs Ownership Public Housing Rental neighborhood improvements public facilities Non-homeless Special Needs	State
DEPT OF HUMAN SERVICES	Government	Non-homeless special needs public services	State

Table 54 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

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.

While the Department of Human Services operates many of its programs through a county-administered social services system, many areas of the Community Supports and Children and Family Services administrations also utilize a network of homeless and special needs nonprofit providers to deliver locally-designed services. Coordination and partnerships between these entities is a strength in many communities across Minnesota, but areas for improvement still exist. To address these gaps, the State will continue to address gaps in the institutional deliver system through its funding applications, support for regional Coordinated Entry systems and other regional planning processes, and interagency collaboration on grant making and evaluation.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	
Utilities Assistance	X	X	
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X		
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X	X	
Other			

Table 55 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

There is a large array of services available to the persons with HIV and the homeless throughout the State. These include health, employment and life skills services, along with others. Services are targeted to homeless households through the coordinated efforts of service providers throughout the state and the utilization of HMIS. Many programs integrate services into coordinated programs to ensure access and availability.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Service provider coordination and networks of care work to ensure that every person in need of assistance can receive care. Through the coordination of local service providers, and a statewide strategy, efforts to address needs are done in a strategic way to help address both individual and system wide needs. The State will continue to fund efforts throughout the state to meet the needs of special needs populations and the homeless. These efforts are constrained by the amount of need and the lack of funds available.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

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 eleven 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 also hosts the Olmstead Implementation Office which coordinates and monitors the activities under the court approved Olmstead plan.

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

SP-45 Goals Summary – 91.315(a)(4)

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-Housing - DEED	2017	2021	Affordable Housing	Non-Entitlement entitlement	Low-Moderate Income Renter/Owner Situations Low-Moderate Income Renter and Owner Households	CDBG: $47,812,500	Rental units rehabilitated: 500 Household Housing Unit Homeowner Housing Rehabilitated: 1500 Household Housing Unit
2	Enhance Affordable Housing Opportunities-MH – Minnesota Housing	2017	2021	Affordable Housing	Statewide	Low-Moderate Income Renter and Owner Households	HOME: $29,890,550 National Housing Trust Fund : $15,000,000	Rental units constructed: 995 Household Housing Units Rental units rehabilitated: 995 Household Housing Units Other: 60 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Promote Economic Development	2017	2021	Non-Housing Community Development	Non-Entitlement	Economic Opportunities	CDBG: $6,562,500	Facade treatment/business building rehabilitation: 375 Business Jobs created/retained: 150 Jobs Businesses assisted: 25 Businesses Assisted
4	Facilitate Housing and Service for the Homeless	2017	2021	Homeless	Statewide	Homelessness	ESG: $9,424,236	Tenant-based rental assistance / Rapid Rehousing: 2015 Households Assisted Homeless Person Overnight Shelter: 55760 Persons Assisted Homelessness Prevention: 215 Persons Assisted
5	Provide Funds for Special-Needs Housing & Services	2017	2021	Non-Homeless Special Needs	Non-Entitlement	Human Services	HOPWA: $855,358	Homelessness Prevention: 1100 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Address Public Facility- and Infrastructure Needs-DEED	2017	2021	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: $20,625,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2200 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 3500 Households Assisted

Table 56 – Goals Summary

Goal Descriptions

1	**Goal Name**	Provide Decent Affordable Housing-DEED
	Goal Description	*Fund housing rehabilitation activities for low to moderate income homeowner and rental households through CDBG funds, DEED.*
2	**Goal Name**	Enhance Affordable Housing Opportunities-MH
	Goal Description	*Fund housing activities for low-to-moderate income rental and homeowner households, including renovation and, new construction, and operating subsidy.*
3	**Goal Name**	Promote Economic Development
	Goal Description	*Encourage robust economic growth through the development and retention of businesses and jobs throughout the State*
4	**Goal Name**	Facilitate Housing and Service for the Homeless

	Goal Description	*Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota.*
5	**Goal Name**	Provide Funds for Special-Needs Housing & Services
	Goal Description	*Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS*
	Goal Name	Address Public Facility- and Infrastructure Needs-DEED
	Goal Description	*Address community needs through improvements to public facilities and infrastructure*

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

Minnesota Housing anticipates serving 1,910 households through rental housing rehabilitation or new construction. All National Housing Trust Fund activities must serve households who are extremely low income (ELI - 30% AMI), and all households assisted with HOME funds have incomes at or below 80% AMI. In addition, all households assisted with HOPWA funds must be at or below 80% AMI. Given past performance, Minnesota Housing anticipates that 85% of all activities will serve ELI households (1,624 households), with the remaining 15% units (286 households) serving low income households primarily households with incomes less than 50% AMI. DEED anticipates serving 1,500 households through housing rehabilitation. All of these households must have incomes no greater than 80 percent AMI. Based on historical data as submitted in the Consolidated Action Plan and Evaluation Report, DEED anticipates that about 1/3 of these households will fall into each of the following HUD Section 8 income categories: extra low income, very low income, and low income.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The state does not administer Public Housing funds.

Activities to Increase Resident Involvements

Not applicable.

Is the public housing agency designated as troubled under 24 CFR part 902?

N/A

Plan to remove the 'troubled' designation

Not applicable.

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

In the 2016 Housing and Community Development Survey, respondents were then asked if they knew of any barriers to the development or preservation of housing in their communities. As shown in Table III.17, respondents most commonly identified community opposition, or a not in my backyard mentality, as a barrier to the development or preservation of housing. Cost was also a commonly perceived impediment, with more than half of respondents identifying the costs of land, materials, or labor as barriers to the development or preservation of housing. Those who provided additional narrative commentary in response to this question tended to highlight these same concerns, with many calling for outreach and education to address NIMBYism and a range of strategies designed to decrease the costs of providing affordable housing, including redevelopment, updates to zoning codes, and additional funding.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

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.

SP-60 Homelessness Strategy – 91.315(d)

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. Many of these programs will provide outreach to the unsheltered homeless population. Unfortunately, the amount of resources available through these state and federal programs is not sufficient to meet the needs of all homeless persons in Minnesota. The State of Minnesota is working in collaboration with the Continuum of Care Committees to develop Coordinated Entry systems in all areas of the state which will serve as a focal point for assessing the individual needs of both unsheltered and sheltered persons.

Addressing the emergency and transitional housing needs of homeless persons

The Minnesota Department of Human Services is one of the primary funders of emergency shelter and transitional housing in the State and will use the maximum amount of ESG, state Emergency Services Program, and State Transitional Housing resources available to provide funding to shelters and transitional housing programs. According to the 2015 Wilder Homeless study, there were approximately 3,700 persons are staying in emergency shelters in Minnesota and approximately 3,800 persons are staying in transitional housing. Assuming no new resources become available, the State intends to continue supporting this current capacity of emergency shelter and transitional housing.

In implementing its emergency shelter and transitional housing programs, the State strives to help 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.

Since the creation of the Prevention and Rehousing component of the Emergency Solutions Grant Program in FFY 2011, the State of Minnesota has had another tool to assist homeless persons to move from homelessness to permanent housing. 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. The State has prioritized Chronic Homeless persons for additional state and federally funded assistance since the inception of the State's Plan to End Long-Term Homelessness in 2004. Since then, over 4,000 housing opportunities for the long-term and chronic homeless have been created by the State.

Because the State's Housing Trust Fund dollars, Infrastructure Bonds, and DHS-funded Long-Term Supportive Services dollars are focused on serving this population, and the length of stay limitations of ESG funding, the State has chosen not to prioritize ESG funds for this group.

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.

Since the creation of the Prevention and Rehousing component of the Emergency Solutions Grant Program in FFY 2011, the State of Minnesota has had another tool to assist homeless persons to move from homelessness to permanent housing. 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. The State has prioritized Chronic Homeless persons for additional state and federally funded assistance since the inception of the State's Plan to End Long-Term Homelessness in 2004. Since then, over 4,000 housing opportunities for the long-term and chronic homeless have been created by the State.

Because the State's Housing Trust Fund dollars, Infrastructure Bonds, and DHS-funded Long-Term Supportive Services dollars are focused on serving this population, and the length of stay limitations of ESG funding, the State has chosen not to prioritize ESG funds for this group.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

In Minnesota, the state legislature appropriates over $8.5 million dollars per year under the Family Homeless Prevention and Assistance Program which is used mostly for homelessness prevention activities. These funds are available in all 87 Minnesota counties. The Minnesota Department of Corrections hosts Transitional Fairs at all of the state run correctional facilities. CoC coordinators and state homeless program staff have been active in attending these resource fairs during which they provide information and referrals to inmates who are being released into the community.

The Department of corrections also has a small pilot program through which they are able to provide transitional housing to persons leaving state run correctional facilities. This program will assist approximately 200 persons leaving state run correctional facilities. In addition, the state's Housing Finance Agency recently developed a pilot rental assistance program designed to help persons who are formerly incarcerated to re-integrate into communities through rental assistance funding, the outcomes of which are still being evaluated.

At the Department of Human Services, the Child Safety Permanency Division is in the middle of a two-year planning grant from the Federal Health and Human Services Youth Services Bureau to curb the population of homeless Minnesota youth leaving the foster care system. In addition, the state provides Healthy Transitions for Homelessness Prevention (HTHP) funding and Homeless Youth Act funding to support unaccompanied youth leaving foster care to become stably housed and avoid homelessness.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP 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 1960 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 testing, 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.

How are the actions listed above integrated into housing policies and procedures?

The evaluation and reduction of lead-based paint hazards in federally funded programs is mandated by the Residential Lead-Based Paint Hazard Reduction Act.

Through Minnesota Department of Health's Environmental Health Division, these efforts have been fully implemented by the state.

The Minnesota Lead Poisoning Prevention Act was enacted to prevent and reduce lead exposure to children up to the age of 72 months and pregnant women from the adverse health effects caused by elevated blood levels. The Act authorizes the adoption of lead rules in order to:

- Set standards for the lead content of paint, dust, drinking water, and bare soil and establish methods for sampling and analyzing these components;
- Establish methods for lead hazard reduction;
- Establish licensing of persons who perform regulated lead work; and
- Establish permit requirements for training courses.

In addition, the Minnesota Legislature has directed that all contractors working in pre-1978 residences have the proper EPA certification before being issued a building permit. Also, the rights of tenants and landlords in regard to lead in housing are outlined on the Department of Health website.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing 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: to fight poverty and the effects of poverty 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.

Some of the programs delivered by the CAAs and tribal governments include:

Energy Assistance – financial assistance toward energy bills for low-income households;

Weatherization – 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 that 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 – 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 – assists households or individuals who are at risk of being homeless, currently homeless, or who were previously homeless and are receiving follow-up services;

Housing Construction, Rehabilitation, and Assistance – development of long-term, low-income housing;

Congregate Dining and Meals on Wheels – provides meals for senior citizens in congregate setting or meals that are home-delivered to senior citizens or disabled individuals;

Economic Development and Business Start-Up – subsidizes business ventures for low-income households; and

Transit and Transportation Alternatives – provides bus passes, tokens, or rides to low-income persons and vehicle donation and repair programs.

These agencies also lead and participate in local collaborative efforts involving health departments, education institutions, employment and training providers, child care centers, governmental agencies, faith-based organizations, and others.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

In Minnesota, the state Office of Economic Opportunity administers both Community Action anti-poverty funding, emergency food assistance funding, and numerous housing and homeless programs including the Emergency Solutions Grant (ESG) program. As a result, the affordable housing policies including in this affordable housing plan are closely coordinated with other anti-poverty programs, and the agencies delivering these programs have participated in shaping the Consolidated Plan and activities. When possible, funds are spent on activities that coordinate with other programs to maximize impact throughout the State.

SP-80 Monitoring – 91.330

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

CDBG- Monitoring of Small Cities grants

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.

- 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.

- 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).

CDBG -Monitoring of economic development projects uses the same process as those established through the state of Minnesota's CDBG competitive program. The annual report asks for a list of the companies receiving the assistance, the nature of the assistance provided and use of funds; the cost of the assistance, the outcome of that assistance including number of people employed and jobs created, information regarding any private financial assistance secured as part of the business start or expansion, and the DUNS number where applicable.

ESG - Bi-annually, 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.

HOME and NHTF– Minnesota Housing monitors HOME-assisted rental properties for compliance by requiring owners to submit tenant income and rent information for annual review for compliance with HOME regulations. Minnesota Housing Multifamily Division staff physically inspect each property at least as frequently as required by 24 CFR 92.504(d) for compliance with property standard, to verify the accuracy of information owners submitted regarding tenant income and rents and to verify continued eligibility of a HOME-eligible lease form.

Like HOME, NHTF requires monitoring and reporting during underwriting, construction and the affordability period. Minnesota Housing has a compliance monitoring system for tracking required submissions from owner, instances of non-compliance, and reporting whether compliance is achieved. The system is automated with pre-determined times for follow-up reminders to staff to complete identified tasks and jobs according to the required schedule, report to managers when internal standards for correcting non-compliance are not met, and send to automatic notices to owners and property managers when non-compliance is identified.

V. Annual Action Plan

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 years 2017-2021.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1		Expected Amount Available Remainder of ConPlan $			Narrative Description
Program	**Source of Funds**	**Uses of Funds**	**Expected Amount Available Year 1**					**Expected Amount Available Reminder 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	16,713,811	150,000	7,000,000	23,863,811	60,000,000	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
Program	**Source of Funds**	**Uses of Funds**	**Expected Amount Available Year 1**					**Expected Amount Available Reminder 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	5,850,342	1,000,000	4,344,453	11,194,795	20,000,000	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
Program	**Source of Funds**	**Uses of Funds**	**Expected Amount Available Year 1**					**Expected Amount Available Reminder 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	175,184	0	0	175,184	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
Program	**Source of Funds**	**Uses of Funds**	**Expected Amount Available Year 1**					**Expected Amount Available Reminder 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	2,060,135	0	2,064,352	4,124,487	0	MN Dept. of Human Services(DHS)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1		Expected Amount Available Remainder of ConPlan $			Narrative Description	
Program	**Source of Funds**	**Uses of Funds**	**Expected Amount Available Year 1**						**Expected Amount Available Reminder of ConPlan $**	**Narrative Description**
			Annual Allocation: $	**Program Income: $**	**Prior Year Resources: $**			**Total: $**		
Other	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab	3,118,428	0	0	3,118,428	0	Through MH		

Table 57 - 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 Affordable Rental preservation program (HOME) leverages other agency, private, and low-income housing tax credit investment.

CDBG prior year resources include the 15% set-aside for the federal Minnesota Investment Fund program from the previous allocation, which is roughly $2.5 million. The additional funds include reverted grant funds from other small cities grant awards.

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

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	Affordable Housing	Non-Entitlements	Low-Moderate Income Renter and Owner Households	CDBG: $9,562,500	Rental units rehabilitated: 100 Household Housing Units Homeowner housing Rehabilitated: 300 Household Housing Units
2	Enhance Affordable Housing Opportunities-Minnesota Housing	2017	2021	Affordable Housing	Statewide	Low-Moderate Income Renter and Owner Households	HOME: $5,978,110 NHTF: $3,000,000	Rental units rehabilitated: 199 Household Housing Units Rental units constructed: 199 Household Housing Units
3	Promote Economic Development	2017	2021	Non-Housing Community Development	Non-Entitlement	Economic Opportunities	CDBG: $1,312,500	Jobs created/retained: 75 Jobs Businesses assisted: 10 Businesses Assisted Facade treatment/business building rehabilitation: 75 Business
4	Facilitate Housing and Service for the Homeless	2017	2021	Homeless	Statewide	Homelessness	ESG: $1,884,847	Tenant-based rental assistance / Rapid Rehousing: 403 Households Assisted Homeless Person Overnight Shelter: 11,152 Persons Assisted Homelessness Prevention: 43 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: $171,072	Homelessness Prevention: 220 Persons Assisted
6	Address Public Facility and Infrastructure Needs	2017	2021	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: $4,125,033	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 440 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 700 Households Assisted
6	Address Public Facility-Infrastructure Needs-DEED	2017	2021	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: $4,125,033	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 440 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 700 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Address Public Facility and Infrastructure Needs	2017	2021	Non-Housing Community Development	Non-Entitlement	Public Facilities and Infrastructure	CDBG: $4,125,033	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 440 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 700 Households Assisted

Table 58 – Goals Summary

Goal Descriptions

1	**Goal Name**	Provide Decent Affordable housing-DEED
	Goal Description	
2	**Goal Name**	Enhance Affordable Housing Opportunities-MH
	Goal Description	*Fund housing activities for low-to-moderate income rental and homeowner households, including renovation and new construction*
3	**Goal Name**	Promote Economic Development
	Goal Description	*Encourage robust economic growth through the development and retention of businesses and jobs throughout the State. $1,312,500 in CDBG funds and $2,483,306 in CDBG-ED funds will be used.*
4	**Goal Name**	Facilitate Housing and Service for the Homeless
	Goal Description	*Provide funds for service providers to meet the various housing and service needs of the homeless population in Minnesota*
5	**Goal Name**	Provide Funds for Special-Needs Housing & Services

	Goal Description	*Continue to fund programs that provide housing and services to special needs populations, including those with HIV/AIDS*
6	**Goal Name**	Address Public Facility- Infrastructure Needs-DEED
	Goal Description	*Address community needs through improvements to public facilities and infrastructure*

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The following section describes the allocation priorities for FY 2017.

Funding Allocation Priorities

	Create Decent and Affordable housing-DEED (%)Housing	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	64	0	9	0	0	27	100
HOME	0	100	0	0	0	0	**100**
HOPWA	0	0	0	0	100	0	**100**
ESG	0	0	0	92	8	0	**100**
Other NHTF	0	100	0	0	0	0	**100**

Table 59 – 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 and infrastructure.

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 HOME and ESG funds, and non-entitlement areas will be served by CDBG and HOPWA funds.

Distribution Methods

Table 60 - Distribution Methods by State Program

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

	Describe the state program addressed by the Method of Distribution.	Of the amount available for awards, DEED intends to provide SCDP funds in accordance to the following approximate allocations: 30 percent for Single Purpose Applications and 55 percent for Comprehensive Applications. The remaining 15 percent 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. 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 technical assistance to grantees. This includes presenting at workshops on how to apply for and implement CDBG-funded activities and/or onsite technical assistance by state staff to grant recipients on improving some aspect of grant implementation. The State then allocates the amount available for CDBG grants to three categories based on State Rules. That is; 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, as those funds by State Rules must be awarded and expended by 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. 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 ratio of Comprehensive funds to Single Purpose funds which is 64.7% to 35.3%. 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%, we seek approval from the DEED Commissioner for the lesser percentage. DEED allows a maximum of 15% of project costs to administer the grant payable to grantees. 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. The State reserves the right to determine what activities are appropriate uses of funds based on needs of the community.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Projects are evaluated based on an assessment of need, impact and the 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 evaluation of 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 information documenting an applicant's history in administering prior SCDP funds and/or other programs similar in nature, to determine whether the applicant has the ability to complete the proposed activity. Prior SCDP performance will be taken into consideration for future funding. **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, including consideration with, and use of, 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. 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.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	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, and application information is also available on the State of MN Department of Employment and Economic Development's website, www.mn.gov/deed.
	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)	Not applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not applicable.
	Describe how resources will be allocated among funding categories.	All funds must be used for economic development related activities undertaken by a Minnesota business.
	Describe threshold factors and grant size limits.	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.
	What are the outcome measures expected as a result of the method of distribution?	Number of LMI jobs created or retained and private leverage achieved.
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.
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)	017 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. For more detail, see "AP-30 ESG Methods of Distribution" attachment under AP-90 Attachments.
Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not Applicable.

	Describe how resources will be allocated among funding categories.	The State of Minnesota will use the maximum amount of funding allowable for shelter activities, which in FY2017 is 60 percent of the State's estimated allocation or $1,247,246. 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.
	Describe threshold factors and grant size limits.	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.
	What are the outcome measures expected as a result of the method of distribution?	For the upcoming program year, we anticipate that 9,400 homeless persons will receive adequate emergency shelter and that 490 households who are either at-risk of, or currently experiencing homelessness, will be moved to permanent housing. 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.
	State Program Name:	Minnesota Housing Nation Housing Trust Fund

3	**Funding Sources:**	NHTF
	Describe the state program addressed by the Method of Distribution.	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 pool of resources, through Minnesota Housing, which are targeted to address specific and critical needs in rental housing markets, including multiple geographic priority areas: transit oriented development, areas with strong job markets or job growth, economic integration areas with higher incomes, and tribal areas. 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.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Developers, owners, and the entire development team are required to meet the same eligibility criteria as for other agency programs, as specified in the Consolidated RFP. The needs of very low income renters, those with incomes below 50% of area median income (AMI), are a high priority for the State of Minnesota, with significant priority on extremely low income renters (below 30% AMI). Applications will be evaluated in accordance with need and scoring criteria that emphasizes other State priorities. For the 2016 consolidated RFP, these strategic priorities include: 1. Preservation of developments that contain existing federal assistance or other critical affordable units at risk of loss, 2. Address specific and critical rental housing needs, for example, TOD on fixed transit, economic integration, workforce housing, senior housing, 3. Planned community development, and 4. Prevent and end homelessness through permanent supportive housing. Among proposals that best satisfy 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. Selection priorities may be found in the "Multifamily Request for Proposal Guide." The 2016 Guide is located on the Minnesota Housing website, www.mnhousing.gov. Consistent with Affirmative Fair Housing Marketing regulations, Minnesota Housing requires that each housing provider carry out an affirmative marketing program to attract prospective buyers or tenants in the housing market area regardless of race, creed, color, religion, sex, national, origin, marital status, status with regard to public assistance, disability, sexual orientation, or familial status. The plan should detail how the housing provider intends to market and

		attract populations that are least likely to apply to the project, including persons with disabilities and households of color.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not Applicable.
	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)**	Not Applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not Applicable.
	Describe how resources will be allocated among funding categories.	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.

	Describe threshold factors and grant size limits.	The development must be receiving federal rental assistance, be nearing the end of its tax credit compliance period, or be in need of stabilization and have a stabilization plan approved by the Interagency Stabilization Group, at least one member of which had provided funding to the projects at least 15 years ago. There are no limits on assistance amounts other than those established in HOME regulations. 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 at MHFA's website www.mnhousing.gov.
	What are the outcome measures expected as a result of the method of distribution?	Numbers of rental units rehabilitated and preserved or constructed, or provided operating assistance.
4	**State Program Name:**	
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	HOME Affordable Rental Preservation (HARP) This is 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. 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.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	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. Properties without federal rental assistance or tax credit properties ending their compliance period must have the support of the Interagency Stabilization Group (ISG), a group of government and philanthropic organizations, at least one member of which has provided funds for the project at least 15 years ago. These "stabilization" projects are required to have a comprehensive stabilization plan approved by the ISG that stabilizes the property's operations and physical needs for the long term. HOME funds are primarily provided through the Minnesota Housing Consolidated RFP, which awards assistance from several different sources. Applicants are not required to identify a funding source, other than tax credits. 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, and CHDOs receive preference points. 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. 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.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not Applicable.

	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)**	Not Applicable.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Not Applicable.
	Describe how resources will be allocated among funding categories.	Ninety percent of the program funds will be directed towards programs. Up to 10 percent will be used for administration.
	Describe threshold factors and grant size limits.	HARP: The development must be receiving federal rental assistance, be nearing the end of its tax credit compliance period, or be in need of stabilization and have a stabilization plan approved by the Interagency Stabilization Group, at least one member of which had provided funding to the projects at least 15 years ago. There are no limits on assistance amounts other than those established in HOME regulations. 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 at MHFA's website www.mnhousing.gov.

	What are the outcome measures expected as a result of the method of distribution?	Numbers of rental units rehabilitated and preserved or constructed.
5	**State Program Name:**	Minnesota Housing-HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	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.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	With limited funding, renewal of existing grants is a priority.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Not Applicable.
	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)**	Not Applicable.

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	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.
	Describe how resources will be allocated among funding categories.	There is only one funding category and all resources are allocated to it.
	Describe threshold factors and grant size limits.	With limited funding, renewal of existing grants is a priority.
	What are the outcome measures expected as a result of the method of distribution?	Assisted households remain in their homes.

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 61 – Project Information

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

Not Applicable.

AP-38 Project Summary

Project Summary Information

Not Applicable.

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

Funds are available statewide to eligible entities. CDBG funds are available statewide to eligible non-entitlement entities

Geographic Distribution

Target Area	Percentage of Funds
Statewide	100
Non-Entitlement Entities	100

Table 62 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

No geographic distribution - statewide eligibility to non-entitlements for CDBG. HOME and NHTF funds are available statewide.

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

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

Introduction:

The term affordable housing that is used in 24 CFR 92.252 and 92.254 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 units.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	382
Special-Needs	0
Total	382

Table 63 - 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	0
Rehab of Existing Units	382
Acquisition of Existing Units	0
Total	382

Table 64 - One Year Goals for Affordable Housing by Support Type

Discussion:

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

In February 2015, MHFA awarded nearly $18,000,000 of state bond proceeds to make essential repairs and energy improvements to 35 public housing developments with 2,438 units. 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 is not a PHA.

Discussion:

See discussion above.

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

Introduction

During FY 2017, 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 2017 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.

Similar efforts are well underway among state, county and nonprofit providers seeking to end veteran homelessness as part of the State's Heading Home plan, including the creation of a statewide veteran registry. These efforts have shown results as the numbers of homeless veterans have decreased by 57 percent since 2010.

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	220
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	220

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 2017.

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

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 reduce the number of poverty-level families

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 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.

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

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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.

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.

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:

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

Introduction:

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	150,000
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:	**150,000**

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 guidance on required standards for prevention and rapid re-housing providers (evaluating eligibility, prioritizing assistance, determining type, amount and length of assistance) in the 2015 Application Package.

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 is in a different phase of planning and implementation of Coordinated Assessment, and it is therefore impossible to summarize the characteristics or status of each CoC. Two CoCs (West Central and Ramsey) have chosen to pilot a coordinated assessment system, and ESG sub-recipients in the area are actively participating in this system.

   In addition, with the recent release of CoC regulations, the MN Interagency Council on Homelessness (MICH) has convened a working group to advise and assist in the consistent and timely development of coordinated assessment systems throughout the State. ESG sub-recipients are participating in these planning session, and DHS has informed them that they are required to participate in any coordinated system developed for their CoC.

   The State continues to play an active role in ensuring these systems meet both the requirements and intent of the new HUD regulations, and will describe these assessment system(s) in future ESG Action Plans. 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 recently conducted an extensive semi-structured interview process with over 100 persons residing in emergency shelter to increase opportunities for input and learning from persons experiencing homelessness.

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 FY2017 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.

Discussion:

HOPWA Project Sponsor Selection

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. With limited funding, renewal of existing grants is a priority.

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.