

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE CITY OF MINNEAPOLIS

In the Matter of the Designation of a
Community Action Agency by and for the
City of Minneapolis

**FINDINGS OF FACT, CONCLUSIONS
OF LAW AND RECOMMENDATION
REGARDING DESIGNATION OF
COMMUNITY ACTION AGENCY**

This matter arose from a request by the Minneapolis City Council that the Office of Administrative Hearings conduct the public hearing required by Minn. Stat. § 256E.31 (2014) and Minn. R. 9571.0030 (2015). The purpose of the public hearing was to allow the public to present their views on the preliminarily designated community action agency for the city of Minneapolis (City).

Chief Administrative Law Judge Tammy L. Pust conducted the public hearing at 6:00 p.m. on January 27, 2016, at the Minneapolis Central Library, 300 Nicollet Mall, Minneapolis, Minnesota 55401. Following a 20-day public comment period, the hearing record closed at 4:30 p.m. on February 16, 2016.

STATEMENT OF THE ISSUE

1. Whether the city of Minneapolis should formally designate Community Action Program of Hennepin County (CAPSH) as the City's next community action agency.

SUMMARY OF RECOMMENDATION

Based on the evidence in the hearing record and review of the applicable law, the Chief Administrative Law Judge recommends that the Minneapolis City Council designate Community Action Partnership of Suburban Hennepin as the approved community action agency for the service area represented by the City.

FINDINGS OF FACT

Background

1. Pursuant to federal and state law, the Minnesota Department of Human Services (DHS) distributes and monitors grants of public funds to designated "community action agencies" for the purpose of assisting in the reduction of poverty,

revitalizing low-income communities, and empowering low-income families to become financially self-sufficient.¹

2. Prior to 1994, a City department served as the designated community action agency for Minneapolis.²

3. In 1994, the City designated a nonprofit corporation, Community Action of Minneapolis, Inc. (CAM) to operate as the community action agency for the City pursuant to Minn. Stat. §§ 256E.30-.32 (2014).³

4. In 2013, the Minnesota Department of Human Services (DHS) commenced an audit of CAM's administration of identified federal and state funding sources.⁴

5. On August 12, 2014, DHS issued a final Audit Report documenting deficiencies related to CAM's board oversight, inadequate allocation of costs, and unacceptable levels of documented program outcomes. DHS requested that CAM submit a corrective action plan by a specified date.⁵

6. CAM submitted a corrective action plan, which DHS found to be insufficient in that it did not adequately address the deficiencies noted in the Audit Report.⁶

7. On September 26, 2014, DHS issued to CAM a Notice of Termination for Cause whereby the state agency sought to terminate CAM's designation as the community action agency for the City and also terminate all related federal and state grants.⁷

8. CAM appealed the state agency's action,⁸ but withdrew its appeal effective on May 11, 2015.⁹

¹ 42 U.S.C. § 9901(1); Minn. Stat. § 256E.30 (2014).

² City of Minneapolis presentation titled *Community Action Agency Designation* (City Presentation), presented at January 27, 2016 hearing, at slide 7.

³ Filing Notice of Intent to Designate a Successor Community Action Agency (Notice of Intent to Designate).

⁴ Order Regarding Motion to Dismiss and Motion to Stay, IN THE MATTER OF COMMUNITY ACTION OF MINNEAPOLIS, INC., OAH Docket No. 84-1800-31983, dated February 19, 2015, at 4-5, citing to Affidavit (Aff.) of Gary Johnson, at 1-2, ¶ 5, 6.

⁵ *Id.*, citing Aff. of G. Johnson, Ex. A, at 1.

⁶ *Id.*, citing Aff. of G. Johnson, Ex. C, at 1.

⁷ *Id.*, citing Aff. of Joelle Hoeft, at 2-3, ¶ 16.

⁸ *Id.*, citing Aff. of David M. Anderson, at 1, ¶ 6, Ex. B.

⁹ Order of Dismissal, IN THE MATTER OF COMMUNITY ACTION OF MINNEAPOLIS, INC., OAH Docket No. 84-1800-31983, dated May 11, 2015.

City's Preliminary Designation: Community Action Partnership of Hennepin County

9. The Council is lawfully allowed to designate an exclusive community action agency for its service area after providing proper notice and conducting a public hearing at which members of the public are allowed a fair opportunity to advise the City with respect to the designation.¹⁰

10. The City released a Request for Qualifications (RFQ) dated June 26, 2015 in which it sought proposals from entities interested in and eligible to serve as the City's next designated community action agency. Responsive proposals were due on or before August 11, 2015.¹¹

11. The City held a pre-submission conference on July 9, 2015, which all interested applicants were invited to attend.

12. On or before the due date of August 11, 2015, the City received four applications from entities seeking to be designated at the City's community action agency.¹²

13. Community Action Partnership of Suburban Hennepin (CAPSH), the state and federally designated community action agency serving suburban Hennepin County since 1986, timely submitted a proposal to the City in response to the RFQ.¹³

14. The City interviewed all four applicants on September 7 and 9, 2015.¹⁴

15. On November 20, 2015, the City preliminarily designated the Community Action Partnership of Suburban Hennepin as its community action agency and directed staff to arrange for the public hearing required by Minn. R. 9771.0030, subp. 3 (2015).¹⁵

16. On or about December 16, 2015, the City arranged with the Office of Administrative Hearings to serve as the convener of the public hearing to be held on January 27, 2016.

17. On December 23, 2015, the City provided notice of the preliminary designation and the public hearing to the Hennepin County Board of Commissioners.¹⁶

18. On January 7, 2016, the Hennepin County Board of Commissioners notified the City that it would not file any substantive comments in response to the

¹⁰ Minn. Stat. § 256E.31, subd. 2.

¹¹ Designation of the Community Action Agency for the City of Minneapolis: Request for Qualifications.

¹² City Presentation, slide 15.

¹³ Community Action Partnership of Suburban Hennepin Application, dated August 11, 2015.

¹⁴ City Presentation, slide 15.

¹⁵ Resolution No. 2015R-457 adopted November 20, 2015.

¹⁶ December 23, 2015 notice letter to Hennepin County Board of Commissioners.

designation but would work toward a smooth transition with the entity finally designated as the City's next community action agency.¹⁷

19. On and after January 7, 2016, DHS provided notice of the public hearing to recipients of community action agency services formerly provided by CAM.¹⁸

20. On January 16, 2015, the City published notice of the hearing to the general public.¹⁹

21. The notice was published in English, Spanish, Hmong and Somali.²⁰

Public Hearing

22. At the commencement of the public hearing on January 27, 2016, the Chief Administrative Law Judge requested that all individuals present sign in on the provided form and indicate if they intended to speak at the hearing. The Chief Administrative Law Judge explained that Spanish-to-English and Hmong-to-English interpreters were available to assist speakers upon request. She further explained that the public hearing was being recorded by a court reporter and asked speakers to identify themselves by name at the beginning of their comments and to spell their names for the record. The Chief Administrative Law Judge then provided the public with a brief overview of the hearing's purpose and logistics.²¹

Comments from City and Applicant

23. Gene Ranieri, Director, city of Minneapolis, Intergovernmental Relations, spoke at the hearing on behalf of the City.²² Mr. Ranieri reviewed the history and purpose of community action agencies in Minnesota,²³ which were established to "assist low-income persons in households to acquire skills and knowledge and to achieve self-sufficiency."²⁴ Community action agencies receive both state and federal funding "distributed by a formula which includes the rate of poverty, people in poverty, and some other factors."²⁵ In addition to operating programs, community action agencies seek to leverage funds with other service organizations to ensure that community needs are efficiently and effectively met. Mr. Ranieri briefly described the accountability measures in place to help ensure that all provided funding is appropriately used."²⁶

24. Mr. Ranieri explained the process through which the City had preliminarily designated CAPSH as the next community action agency for Minneapolis. City staff met

¹⁷ January 7, 2016 correspondence from Chair Callison, Hennepin County Board of Commissioners.

¹⁸ January 7, 2016 notice template sent to community action agency service recipients.

¹⁹ Finance & Commerce notice of publication dated January 16, 2015.

²⁰ Translated notice letters, submitted by City.

²¹ Transcript of Public Hearing January 27, 2016 (T.), at 4-10.

²² T. at 10.

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.* at 11.

²⁶ *Id.* at 12.

with DHS, requested applications, and interviewed all four applicant agencies before recommending CAPSH.²⁷ The recommendation was based on CAPSH's current provision of services to Minneapolis residents, in place since 2014; its office locations; its ability to work with multicultural, multilingual, and racially diverse communities; the diversity of its staff; and its ability to leverage funds by working in partnership with other organizations. CAPSH generates approximately \$3.44 in other financial resources for each \$1 it receives directly.²⁸ CAPSH has effectively worked with the City on housing and other issues, and is especially effective in addressing mobility between the City and surrounding suburban communities.²⁹ The agency's financial audits have been satisfactory.³⁰ Mr. Ranieri further explained that, if officially designated, CAPSH will need to amend its bylaws, restructure its board, complete a needs assessment specific to the City's residents, develop an action plan, and ensure that the Minneapolis monetary allocation is spent within the City.³¹

25. Scott Zemke, CAPSH's Executive Director, also spoke at the hearing.³² Mr. Zemke explained that CAPSH was incorporated in 1986 and is "the state- and federally-certified Community Action Agency serving the other 44 cities in Hennepin County, with the exception of Minneapolis."³³ CAPSH's "current mission is to improve the quality of life in Suburban Hennepin County by creating and supporting links between individuals and communities through services, education, and collaboration."³⁴ If finally designated, CAPSH intends to modify its mission statement by removing the word "Suburban."³⁵ CAPSH currently operates the Energy Assistance Program; does SNAP (Supplemental Nutrition Assistance Program) outreach; offers legal services clinics, financial literacy workshops, and MNsure application assistance; is a VITA (Volunteer Income Tax Assistance) free tax assistance deliverer and a health and counseling agency approved by HUD (U.S. Housing and Urban Development Department); and works closely with Hennepin County on its programs designed to prevent homelessness, including those directed toward homeless veterans.³⁶ In 2016, CAPSH is doing this work with a budget of approximately \$4.5 million.³⁷

26. In 2015, CAPSH served 32,283 households and helped return \$1,263,300 to the community in refunds related to income and property tax payments. CAPSH provided Energy Assistance Program services to 24,552 households and transportation services for 572 individuals. The agency helped 205 individuals apply for health care

²⁷ *Id.* at 14-15.

²⁸ *Id.* at 15.

²⁹ *Id.* at 16.

³⁰ *Id.*

³¹ *Id.*

³² *Id.* at 18.

³³ *Id.* at 20.

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.* at 21.

³⁷ *Id.* at 23.

coverage and provided rental assistance to 409 individuals.³⁸ The clients served by CAPSH are diverse in terms of race and age, and are primarily members of households living below 100 percent of the federal poverty guidelines.³⁹

27. As required by law,⁴⁰ CAPSH has a tripartite board made up of directors representing the public sector, the private sector, and the community sector.⁴¹ Its public sector directors currently include three Hennepin County Commissioners and three locally-elected public officials from suburban communities in Hennepin County.⁴² CAPSH has proposed a restructuring of its board of directors to increase its directors from 18 to 21 equally split between the three sectors; retaining the three Hennepin County Commissioners; adding two directors representing the city of Minneapolis; and reducing the three locally-elected members to a total of two.⁴³ In addition, CAPSH is working on a transition plan and has prepared to amend its articles of incorporation and bylaws.⁴⁴ If finally designated, CAPSH will conduct a community needs assessment specifically for Minneapolis and will work to broadly incorporate the views of community members in that effort.⁴⁵

28. In summary, Mr. Zemke noted three specific reasons that CAPSH should be officially and finally designated as the community action agency for the city of Minneapolis, as follows: (1) CAPSH currently serves nearly 12,000 households in the City; (2) Minneapolis residents are Hennepin County residents, and so CAPSH has experience addressing the needs of this population; and (3) CAPSH does not compete with other organizations but rather partners with them to effectively serve the needs of the entire community.⁴⁶

Comments from the Public

29. Approximately 30 members of the public (not including staff of the City or DHS) attended the hearing. Eighteen of those individuals gave oral testimony during the hearing. Following the hearing, additional individuals and organizations provided written or electronically-submitted comments. All submitted comments are discussed in detail below.

30. J.D. Haas, a local attorney, volunteers with CAPSH by providing legal services to underrepresented populations, primarily immigrants to the United States.⁴⁷

³⁸ *Id.*; CAPSH presentation titled *CITY OF MINNEAPOLIS PUBLIC HEARING: Designation of the Community Action Agency for the City of Minneapolis* (CAPSH Presentation), presented at January 27, 2016 hearing, at slides 4.

³⁹ *Id.* at slides 7, 8.

⁴⁰ Minn. Stat. § 256E.31.

⁴¹ *Id.* at 22.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.* at 24.

⁴⁵ *Id.* at 24-26.

⁴⁶ *Id.* at 27.

⁴⁷ T. at 30.

Mr. Haas supports CAPSH's designation because the agency gives him a platform to represent people who may otherwise be underrepresented in the community.⁴⁸

31. Ruby Streety supports CAPSH's designation because she considers herself "one of their success stories."⁴⁹ Ms. Streety was previously homeless, and CAPSH helped her find housing.⁵⁰ She said that she would "be still homeless without the program."⁵¹ She now hopes to volunteer with CAPSH to help other homeless people.⁵²

32. Shirlie Straub stated that CAPSH helped her find housing and has assisted with her electricity bills.⁵³ Ms. Straub further indicated that whenever she calls CAPSH with a problem, "[t]hey solve the problem."⁵⁴

33. Rudy Alvarez stated that CAPSH taught him about education, health, and exercise.⁵⁵ He now hopes to share this information with the Hispanic community.⁵⁶

34. Mel and Sharon Thelen support CAPSH's designation because the program helps people who are "going through a hard time."⁵⁷ Mr. Thelen indicated that CAPSH has helped them with food stamps and energy assistance.⁵⁸ In addition, Mr. and Mrs. Thelen stated that CAPSH helps the disabled by trying to expand access to bikes and buses.⁵⁹

35. Antonio Smith is the community liaison for the city of Brooklyn Park.⁶⁰ Mr. Smith supports CAPSH's designation for several reasons.⁶¹ First, CAPSH recently provided a six-week workshop series to help community organizations and residents file for nonprofit status.⁶² This workshop "helped the City of Brooklyn Park help its residents and community organizations to form organizations to then help other residents."⁶³ For instance, one organization helps veterans, another provides out-of-school programming for disabled youth, and a third serves as a fraternity for young

⁴⁸ *Id.* at 30-31.

⁴⁹ *Id.* at 31.

⁵⁰ *Id.* at 32.

⁵¹ *Id.* at 33.

⁵² *Id.*

⁵³ *Id.* at 34.

⁵⁴ *Id.*

⁵⁵ *Id.* at 35.

⁵⁶ *Id.*

⁵⁷ *Id.* at 37.

⁵⁸ *Id.* at 38.

⁵⁹ Correspondence from Mel and Sharon Thelen (Feb. 1, 2016).

⁶⁰ T. at 39.

⁶¹ *Id.* at 39-40.

⁶² *Id.* at 39.

⁶³ *Id.* at 40.

people.⁶⁴ In addition, CAPSH is helping the city of Brooklyn Park in its endeavor to end homelessness within the city.⁶⁵

36. Patrick Vaughn supports CAPSH's designation because CAPSH helped with his electricity bill and because CAPSH does not compete with smaller nonprofits that are helping people become self-sufficient.⁶⁶

37. Dennis English is the self-proclaimed "poster boy for CAPSH."⁶⁷ Mr. English was homeless and contemplating suicide when CAPSH intervened.⁶⁸ He is now a sous chef at a local restaurant and serves on CAPSH's board of directors.⁶⁹ Mr. English stated: "[CAPSH is] not just an organization that is helping people with housing, not just an organization that's helping people with electric bills, not just an organization that's helping people get clothes. They are an organization that helps people live again."⁷⁰

38. Suzanne Pontinen is the executive director of Volunteer Lawyers Network, a private nonprofit that provides civil legal services to low-income individuals.⁷¹ Volunteer Lawyers Network partnered with CAPSH in 2010 in an attempt to deliver "holistic" legal services with a special focus on immigration.⁷² Ms. Pontinen stated that, during the past five years, CAPSH has been "a reliable, responsible, helpful, collaborative partner."⁷³

39. Jeff Gessell, who has worked with CAPSH for 14 years in several different capacities, supports CAPSH's designation.⁷⁴ He stated that CAPSH's staff is "compassionate, professional, and dedicated."⁷⁵

40. Gary Holcomb stated that, because of student loan payments, CAPSH pays his electric bill, and it "has been a great help."⁷⁶ He further indicated that the signage at CAPSH's headquarters is "terrible."⁷⁷

41. Vic Rosenthal, the executive director of Jewish Community Action, believes that CAPSH is "ideal" for this designation.⁷⁸ Mr. Rosenthal stated that several years ago, Jewish Community Action partnered with CAPSH to "educate and involve

⁶⁴ *Id.*

⁶⁵ *Id.* at 39.

⁶⁶ *Id.* at 41-42.

⁶⁷ *Id.* at 43.

⁶⁸ *Id.*

⁶⁹ *Id.* at 44.

⁷⁰ *Id.* at 45-46.

⁷¹ *Id.* at 46.

⁷² *Id.*

⁷³ *Id.* at 47.

⁷⁴ *Id.*

⁷⁵ *Id.*

⁷⁶ *Id.* at 48.

⁷⁷ *Id.* at 49.

⁷⁸ *Id.* at 49, 51.

people in the community and provide services to people who were facing foreclosure.”⁷⁹ Recently, Jewish Community Action began working with CAPSH to address poverty issues in suburban communities, “specifically working with a network of human service organizations to try to identify issues that cause people to remain in poverty, and then to work with them to seek ways for people to find affordable housing.”⁸⁰ This network now includes “upwards of 20 human services organizations that are working with landlords, elected officials, and others to look at ways of trying to sustain and increase the supply of affordable housing in the western suburban communities.”⁸¹ In addition, Jewish Community Action has also worked to provide training for over 50 CAPSH staff regarding issues of race and diversity, and “found their staff to be incredibly interested in figuring out how to be better at doing the kind of outreach that not only is helpful in suburban communities, where the community is changing, but will be extremely helpful in Minneapolis to the diverse communities that are living in Minneapolis.”⁸²

42. Maria Olivarez is a single mother of three, who was at the meeting to represent her children.⁸³ She is primarily concerned with the lack of medical assistance available to Hispanics in the community.⁸⁴ At the time of the meeting, Ms. Olivarez had been sick for three months, but did not have medical assistance, and therefore had not received medical care.⁸⁵ The Chief Administrative Law Judge suggested that Ms. Olivarez speak with CAPSH case workers who were present at the meeting.⁸⁶

43. Abdullahi Sheikh supports CAPSH’s designation for two reasons.⁸⁷ First, he came to the United States years ago and spoke very little English.⁸⁸ CAPSH provided him with energy assistance.⁸⁹ Now, Mr. Sheikh serves as an advocate and community organizer in the Cedar Riverside neighborhood.⁹⁰ He believes that access to CAPSH’s services will help Minneapolis residents get out of poverty.⁹¹

44. Marcallina James, a U.S. Navy Desert Storm war veteran, supports CAPSH’s application on both a personal and professional level.⁹² CAPSH assisted Ms. James with rent payments so that she could pay her college tuition and have her transcript released.⁹³ Because of that financial assistance, Ms. James was able to get a job at Minneapolis Community and Technical College as an advisor for the Veterans

⁷⁹ *Id.* at 50.

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² *Id.* at 50-51.

⁸³ *Id.* at 51.

⁸⁴ *Id.*

⁸⁵ *Id.* at 51-52.

⁸⁶ *Id.* at 52.

⁸⁷ *Id.* at 53.

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ *Id.*

⁹¹ *Id.* at 54.

⁹² *Id.* at 55.

⁹³ *Id.* at 55-56.

Upward Bound program.⁹⁴ In that capacity, she often works with homeless veterans, who are “in dire need of the services” that CAPSH provides.⁹⁵

45. Carmen Ford works for the Hennepin County Sheriff’s Office and is part of the Community Engagement Team.⁹⁶ She supports CAPSH’s application because they provide needed and numerous services across cultures.⁹⁷

46. Silvia Garcia is a CAPSH volunteer and a paralegal.⁹⁸ She intends to go to law school after completing her bachelor’s degree.⁹⁹ She supports CAPSH’s designation because CAPSH provided her with a “platform to help people in the community that don’t have the money and the resources to pay for a private attorney.”¹⁰⁰ She believes that if CAPSH is designated as the City’s community action agency, “their services would reach more people.”¹⁰¹

47. Said Ahmed, a network engineer who came to the United States 15 years ago, supports CAPSH’s designation.¹⁰² CAPSH provided him with training and helped him buy a house.¹⁰³ In addition, CAPSH helped Mr. Ahmed weatherize his house and assisted with unexpected expenses after his basement flooded.¹⁰⁴ Mr. Ahmed served as a CAPSH board member for five years and now volunteers for the agency.¹⁰⁵

48. Gregory J. Marita, Deputy Director of Mid-Minnesota Legal Aid, submitted a letter supporting CAPSH’s designation.¹⁰⁶ Mr. Marita stated that Legal Aid often refers clients to CAPSH “with confidence that the person will be treated with respect and given appropriate assistance.”¹⁰⁷ Following the recent mortgage foreclosure crisis, Legal Aid attorneys developed a close relationship with CAPSH housing counselors.¹⁰⁸ According to Mr. Marita, “[t]hat relationship allowed for the efficient referral of clients and exchange of substantive expertise between the two programs. As a result, clients who were in very stressful and complicated legal situations, often facing the loss of their homes and the financial security homeownership provides in our society, could be effectively served.”¹⁰⁹ Legal Aid was also grateful last year when CAPSH was able to provide needed energy assistance to Minneapolis residents.¹¹⁰

⁹⁴ *Id.*

⁹⁵ *Id.* at 56-57.

⁹⁶ *Id.* at 57.

⁹⁷ *Id.* at 58.

⁹⁸ *Id.* at 59.

⁹⁹ *Id.*

¹⁰⁰ *Id.*

¹⁰¹ *Id.*

¹⁰² *Id.* at 60; Correspondence from Said Ahmed (Feb. 3, 2016).

¹⁰³ *T.* at 60.

¹⁰⁴ Correspondence from Said Ahmed.

¹⁰⁵ *Id.*

¹⁰⁶ Correspondence from Gregory J. Marita (Feb. 15, 2016).

¹⁰⁷ *Id.*

¹⁰⁸ *Id.*

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

49. Minnesota Community Action Partnership, the statewide association of Minnesota's 25 private nonprofit community action agencies, submitted a letter supporting CAPSH's designation.¹¹¹ Minnesota Community Action Partnership referenced CAPSH's legal service clinics as representative of CAPSH's great work in the community.¹¹²

50. Marney Olson, Assistant Housing Supervisor for St. Louis Park, submitted a letter supporting CAPSH's designation.¹¹³ She stated: "CAPSH provides services to St. Louis Park residents that are beneficial to the stabilization of the lives of our low income residents. These services include legal services, energy assistance, financial services, home stretch home buyer workshops, tax assistance and rental support services."¹¹⁴ In addition, St. Louis Park partners with CAPSH for the St. Louis Park Community Link Day, which brings together services for low income residents, and the emergency repair program, which provides St. Louis Park residents with up to \$4,000 in grant funds for emergency repairs such as furnaces, roofs, plumbing, or electrical work.¹¹⁵ CAPSH also serves as a member of the St. Louis Park Family Services Collaborative, whose mission is to improve the lives and develop the well-being of at-risk children and families in St. Louis Park.¹¹⁶

51. Mustafa Hassan, Executive Director of African Immigrants Community Services (AICS), submitted a letter supporting CAPSH's designation.¹¹⁷ AICS partners with CAPSH to help clients with energy assistance, financial services, homeless prevention services, and SNAP and MNsure applications.¹¹⁸ This partnership has allowed AICS and CAPSH to utilize resources to better serve the community.¹¹⁹

52. Manyi Tambe, Executive Director of Lincoln International High School, submitted a letter supporting CAPSH's designation.¹²⁰ Lincoln International High School and CAPSH have partnered together to benefit the community.¹²¹ According to Mr. Tambi, CAPSH "provides extra ordinary services to our community. These services have reduced the financial burden clients go through in terms of paying for electricity, heat and food."¹²²

53. Mohamud Noor, Executive Director of the Confederation of Somali Community in Minnesota, submitted a letter supporting CAPSH's designation.¹²³ The

¹¹¹ Correspondence from Minnesota Community Action Partnership (Jan. 27, 2016).

¹¹² *Id.*

¹¹³ Correspondence from Marney Olson (Feb. 11, 2016).

¹¹⁴ *Id.*

¹¹⁵ *Id.*

¹¹⁶ *Id.*

¹¹⁷ Correspondence from Mustafa Hassan (Feb. 8, 2016).

¹¹⁸ *Id.*

¹¹⁹ *Id.*

¹²⁰ Correspondence from Manyi Tambe (Feb. 12, 2016).

¹²¹ *Id.*

¹²² *Id.*

¹²³ Correspondence from Mohamud Noor (Feb. 12, 2016).

Confederation of Somali Community in Minnesota has partnered with CAPSH for the past two years.¹²⁴ Their “work together has resulted in expanding services available to clients and being able to meet more needs.”¹²⁵

54. Mohamed M. Maie, Executive Director of the Global Village Cooperative, Inc., submitted a letter supporting CAPSH’s designation.¹²⁶ According to Mr. Maie, CAPSH has helped Global Village Cooperative’s members overcome barriers in accessing employment and education.¹²⁷ Global Village Cooperative looks forward to further partnership with CAPSH.¹²⁸

55. Judy Halper, Chief Executive Officer of Jewish Family and Children’s Service (JFCS) of Minneapolis, submitted a letter supporting CAPSH’s designation.¹²⁹ Several years ago, “CAPSH received a stimulus grant from the federal government and sub-vetted some of the grant to JFCS. As a result, hundreds of thousands of dollars in emergency assistance was provided to Hennepin County residents keeping them from homelessness or without proper utilities.”¹³⁰ Ms. Halper stated that the partnership between CAPSH and JFCS “has been consistently high quality, easily accessible for clients, and intentionally people-centered in order to achieve the best possible outcome for individuals and the community.”¹³¹ In addition, CAPSH has “demonstrated its ability to serve residents of suburban Hennepin County ethically and with dignity.”¹³²

56. Peg Keenan, Executive Director of ICA Food Shelf, submitted a letter supporting CAPSH’s designation.¹³³ According to Ms. Keenan, CAPSH was “instrumental in the development and creation of The Suburban Hennepin Housing Coalition,” which works to increase safe, affordable, and sustainable housing options in suburban Hennepin County.¹³⁴ In addition, Ms. Keenan noted that CAPSH offers energy, financial, and tax assistance.¹³⁵ Lastly, Ms. Keenan stated, “ICA values its collaboration with CAPSH, for together we can better help our neighbors in need.”¹³⁶

57. Timothy S. Clark, Chief Executive Officer of Urban Ventures, submitted a letter supporting CAPSH’s designation.¹³⁷ Urban Ventures has partnered with CAPSH to provide legal services, energy assistance services, financial services, and emergency services.¹³⁸ Mr. Clark stated that “[t]he wide range of services and programs provided

¹²⁴ *Id.*

¹²⁵ *Id.*

¹²⁶ Correspondence from Mohamed M. Maie (Feb. 9, 2016).

¹²⁷ *Id.*

¹²⁸ *Id.*

¹²⁹ Correspondence from Judy Halper (Feb. 16, 2016).

¹³⁰ *Id.*

¹³¹ *Id.*

¹³² *Id.*

¹³³ Correspondence from Peg Keenan (Feb. 1, 2016).

¹³⁴ *Id.*

¹³⁵ *Id.*

¹³⁶ *Id.*

¹³⁷ Correspondence from Timothy S. Clark (Feb. 1, 2016).

¹³⁸ *Id.*

by CAPSH are a big need in our South Minneapolis area and makes it an excellent choice to serve the urban community.”¹³⁹

58. John T. Kinara, a Housing and Economic Development Specialist for Brooklyn Park, submitted a letter supporting CAPSH’s designation.¹⁴⁰ Mr. Kinara stated that Brooklyn Park’s partnership with CAPSH “has developed into a very effective relationship anchored around the shared goals and strategic objectives of fostering socio economic activity in our communities.”¹⁴¹ According to Mr. Kinara, “CAPSH plays an integral role in helping local governments tackle serious challenges facing their communities. . . . CAPSH development activities support economic development projects, installation of public facilities, community centers, housing rehabilitation, public services, microenterprise assistance, code enforcement, homeowner assistance and affordable energy needs. CAPSH has an efficient community based organization that has a clear well defined mission, experience, excellent leadership team and staff as well as an effective network of partnerships to execute the functions of a community action designation for the City of Minneapolis.”¹⁴²

59. Eric Otterness, a Mortgage Loan Officer for Lake Area Mortgage, submitted a letter supporting CAPSH’s designation.¹⁴³ Mr. Otterness has served as a guest speaker for CAPSH’s Homestretch Homebuyer Workshops for many years and believes that they “run a professional class, without bias or favorites, and completely cover the required curriculum.”¹⁴⁴ Mr. Otterness also indicated that CAPSH’s housing counselors “give solid, non-biased advice.”¹⁴⁵

60. Shannon K. Melloy, who works for Counselor Realty, submitted a letter supporting CAPSH’s designation.¹⁴⁶ Ms. Melloy has been a guest speaker at CAPSH’s Homestretch workshops since 2011.¹⁴⁷ She believes the CAPSH staff is “professional and trustworthy.”¹⁴⁸ In addition, she stated that “CAPSH has a pivotal role as a hub for a network of resources for local residents and current and prospective homeowners as well as foreclosure counseling for those homeowners struggling to stay in their homes. The work of CAPSH is central to the continued vitality and growth of our communities.”¹⁴⁹

61. Rae Blaylark, Board Chair for Sickle Cell Disease Advocates of MN (SCDAM), submitted a letter supporting CAPSH’s designation.¹⁵⁰ During a recent

¹³⁹ *Id.*

¹⁴⁰ Correspondence from John T. Kinara (Jan. 26, 2016).

¹⁴¹ *Id.*

¹⁴² *Id.*

¹⁴³ Correspondence from Eric Otterness (Jan. 25, 2016).

¹⁴⁴ *Id.*

¹⁴⁵ *Id.*

¹⁴⁶ Correspondence from Shannon K. Melloy (Jan. 25, 2016).

¹⁴⁷ *Id.*

¹⁴⁸ *Id.*

¹⁴⁹ *Id.*

¹⁵⁰ Correspondence from Rae Blaylark (Jan. 22, 2016).

organizational restructuring, the Minnesota Department of Health referred SCDAM to CAPSH.¹⁵¹ According to Mr. Blaylark, “[t]he supporting services that CAPSH has been able to provide SCDAM during a very difficult time has allowed our organization to rebuild the infrastructure necessary to preserve our organization as a viable resource without the financial strains that can often be the demise of a small non-profit such as ours.”¹⁵² Mr. Blaylark believes CAPSH can help provide sustainable community resources to build “bigger, better, and brighter futures for everyone.”¹⁵³

62. Derrek Burrows Reise, Executive Director of the St. Louis Park Emergency Program (STEP), submitted a letter supporting CAPSH’s designation.¹⁵⁴ STEP has partnered with CAPSH for many years.¹⁵⁵ STEP is confident that when referring clients to CAPSHA “they will be attend[ed] to effectively and professionally. Our social workers have ongoing relationships with CAPSH personnel and find them easy to engage with when necessary.”¹⁵⁶

63. Kelly Thorsten, Coordinator for Brooklyn Center Community Corner, submitted a letter supporting CAPSH’s designation.¹⁵⁷ Community Corner has partnered with CAPSH for over 10 years to provide information and referrals for legal services, energy assistance, financial services, homeless support services, and MNsure.¹⁵⁸ This partnership has allowed families to connect with a conveniently-located organization that will assist them “through whatever situation they are dealing with.”¹⁵⁹

64. Mary Gillen Fenske, Paralegal Program Coordinator at North Hennepin Community College, submitted a letter supporting CAPSH’s designation.¹⁶⁰ For nearly three years, CAPSH and North Hennepin Community College’s paralegal program have partnered to provide legal services to low income individuals on campus and in neighboring communities.¹⁶¹ This partnership earned the 2014 Minnesota State College and Universities Innovative Partnering & Collaboration Award.¹⁶² According to Ms. Fenske, “the CAPSH administration and staff have consistently demonstrated excellence in communication, record-keeping, management, and sustainability. CAPSH seeks out and provides opportunities to communities that are innovative, collaborative, and reliable. The dedication that CAPSH has toward helping underserved populations is unquestionable.”¹⁶³

¹⁵¹ *Id.*

¹⁵² *Id.*

¹⁵³ *Id.*

¹⁵⁴ Correspondence from Derek Burrows Reise (Jan. 25, 2016).

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ Correspondence from Kelly Thorsten (Jan. 27, 2016).

¹⁵⁸ *Id.*

¹⁵⁹ *Id.*

¹⁶⁰ Correspondence from Mary Gillen Fenske (Jan. 22, 2016).

¹⁶¹ *Id.*

¹⁶² *Id.*

¹⁶³ *Id.*

65. Darryl Dahlheimer, Program Director at LSS Financial Counseling, submitted a letter supporting CAPSH's designation.¹⁶⁴ LSS Financial Counseling has partnered with CAPSH to provide "free budget and debt counseling, debt management plans, credit report review, and financial wellness coaching."¹⁶⁵ Mr. Dahlheimer stated that "CAPSH has been a stable, reliable, and innovative community organization, aware that poverty is a reality in both city and suburbs. They are committed to cultural competence and have many multilingual staff."¹⁶⁶

66. Patricia Fenrick, Community Services Coordinator for the city of Eden Prairie, submitted a letter supporting CAPSH's designation.¹⁶⁷ Eden Prairie has partnered with CAPSH for over 10 years to "provide subsidized car repair, low income tax filing services, tenant training and finance classes, energy assistance and legal services to the citizens of Eden Prairie."¹⁶⁸ This partnership has allowed Eden Prairie to "expand the services available to clients in one location, better utilize resources and meet more specialized needs."¹⁶⁹

67. Margy Herbert submitted an e-comment supporting CAPSH's designation on behalf of PARTNERS for Healthy Kids, which is the Family Services Collaborative for the Wayzata Public School District.¹⁷⁰ Ms. Herbert indicated that CAPSH has partnered with PARTNERS for Healthy Kids "to provide assistance to families in need of legal services, energy assistance, financial services, homeless support services, MNSure, and build capacity for families most at-risk in the community."¹⁷¹ She stated that their "work together has resulted in the collaboration to support the physical, mental, emotional, social, and economic health and well-being of kids and their families in the Wayzata School District."¹⁷²

68. Carolyn Brown submitted an e-comment supporting CAPSH's designation on behalf of FamiLink Resource Center, which is part of the Eden Prairie School District.¹⁷³ CAPSH has partnered with FamiLink Resource Center for over 12 years to assist clients with energy assistance, SNAP, and MNSure applications; car repairs; and tax preparation.¹⁷⁴ This partnership has resulted in better access to needed services for Eden Prairie residents, and has allowed FamiLink Resource Center to expand the services available to clients, meet client needs more efficiently, and "[s]erve the large and growing community of immigrants and refugees in Eden Prairie with bilingual and bicultural staff."¹⁷⁵

¹⁶⁴ Correspondence from Darryl Dahlheimer (Feb. 1, 2016).

¹⁶⁵ *Id.*

¹⁶⁶ *Id.*

¹⁶⁷ Correspondence from Patricia Fenrick (Jan. 26, 2016).

¹⁶⁸ *Id.*

¹⁶⁹ *Id.*

¹⁷⁰ E-comment from Margy Herbert (Feb. 8, 2016).

¹⁷¹ *Id.*

¹⁷² *Id.*

¹⁷³ E-comment from Carolyn Brown (Jan. 21, 2016).

¹⁷⁴ *Id.*

¹⁷⁵ *Id.*

69. Eric Hauge, Tenant Organizer for HOME Line, submitted an e-comment supporting CAPSH's designation.¹⁷⁶ Mr. Hauge indicated that CAPSH has partnered with HOME Line for over 20 years, "involving collaborative work on suburban housing issues, especially those relating to rental housing, renters' rights, and community development."¹⁷⁷ Although HOME Line has expanded to serve renters throughout the state, it "continue[s] to rely on the services that CAPSH provides to low-income families in suburban Hennepin County, frequently referring clients to various financial, energy assistance, and educational programs of CAPSH."¹⁷⁸ Recently, CAPSH and HOME Line have partnered "to provide legal services and education to renters, to ensure renters can access energy assistance, and to advocate for increased affordable housing resources in suburban communities."¹⁷⁹

Based on these Findings of Fact, the Chief Administrative Law Judge makes the following:

CONCLUSIONS OF LAW

1. The Chief Administrative Law Judge has jurisdiction under Minn. Stat. §§ 14.55, 256E.31 (2014) and Minn. R. 9571.0030.
2. The City complied with all substantive and procedural requirements of statute and rule.
3. The City preliminarily designated CAPSH as its next community action agency on November 20, 2015.
4. The City complied with the notice requirements related to the public hearing, all as set forth at Minn. R. 9571.0030, subp. 3.
5. A public hearing was conducted in the City at which the public was given the opportunity to speak and to submit written comments. The public was further invited to submit written or electronically-submitted comments for a period of 20 days following the public hearing through the Office of Administrative Hearings' website.
6. The public hearing was presided over by the Chief Administrative Law Judge, a person with no vested interest in the outcome of the proposed designation.
7. At the public hearing, all participants were treated fairly and impartially.
8. At the public hearing, representatives of the City and of CAPSH made affirmative presentations of facts as required by Minn. R. 9571.0030, subp. 5.

¹⁷⁶ E-comment from Eric Hauge (Feb. 16, 2016).

¹⁷⁷ *Id.*

¹⁷⁸ *Id.*

¹⁷⁹ *Id.*

9. The official record of the public hearing meets the requirements of Minn. R. 9571.0030, subp. 6.

10. The designation of CAPSH as the community action agency for the city of Minneapolis meets the requirements of applicable statute and rule and is overwhelmingly supported by the members of the community who appeared at the public hearing and/or submitted comments after the hearing.

Based upon these Findings of Fact and Conclusions of Law, the Chief Administrative Law Judge recommends that:

RECOMMENDATION

The Minneapolis City Council should take final action to designate Community Action Partnership of Suburban Hennepin as its community action agency in accordance with Minn. Stat. § 256E.31 and Minn. R. 7851.0030.

Dated: April 4, 2016



TAMMY L. PUST
Chief Administrative Law Judge

Reported: Transcript prepared by Kirby Kennedy & Associates

NOTICE

This report is a recommendation and not a final decision. The Minneapolis City Council will make the final decision after a review of the record and may adopt, reject or modify these Findings of Fact, Conclusions of Law and Recommended Decision. The parties should contact the City Clerk, Council Information Division, 350 South Fifth Street, Room 304, Minneapolis, Minnesota 55415-1382, telephone (612) 673-3136, to learn when the City Council will consider this matter and whether the Respondent will have an opportunity to present argument to the City Council concerning this recommended decision.