

# Hennepin County Consortium 2025 Annual Action Plan

August 14, 2025

[www.hennepin.us/housing-plans](http://www.hennepin.us/housing-plans)

## Consortium Members:

Hennepin County  
City of Bloomington  
City of Eden Prairie  
City of Plymouth



Website [www.hennepin.us/housing-plans](http://www.hennepin.us/housing-plans)



**AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)**

**Introduction**

Changing political structures and economic fluctuations make it difficult to predict the resources that will be available over the next five years to meet the needs of low- and moderate-income people. CDBG, HOME, and ESG have had budget cuts in recent years. The assumptions below assume that CDBG, HOME, and ESG funding remains stable. The actual funding may change, which will lead to a change in the target goals in this document.

Below is an estimate of expected resources based on the allocations and amounts approved by Congress and provided by HUD. If more or less CDBG is allocated than anticipated, HED will recalculate admin and public services based on the percent proposed below. Dependent on the reduction amount, Hennepin County will adjust remaining capital projects based on a feasibility analysis.

HED will put CDBG Program Income towards the homeowner rehabilitation program, so long as the amount is similar to the listed amount in anticipated resources below. If a substantial amount of additional program income is received, HED will seek out other capital projects to fund based on a feasibility analysis.

If HED receives more or less HOME than anticipated, admin and TBRA will be adjusted commensurately, and further adjustments will be made based on a feasibility analysis.

If HED receives more or less ESG than anticipated, the amount made available in HHS's request for proposals will be increased or decreased.

**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	\$2,993,886	\$325,000	\$0	\$3,243,886	\$12,975,544	Assumes annual allocation remains constant and \$250,000 per year of Program Income which would go to homeowner rehab.
HOME	Public-Federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$1,564,635	\$2,426,221.22	\$0	\$1,951,384	\$7,805,536	Assumes annual allocation remains constant, includes funds repaid from prior projects.
ESG	Public-Federal	Financial Assistance Rapid re-housing (rental assistance) Rental Assistance Services	\$256,527	\$0	\$0	\$256,527	\$1,026,108	Assumes annual allocation remains constant

Table 53 - 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**

Consolidated Plan

HENNEPIN COUNTY

Federal funds will be leveraged by funds from Minnesota Housing, multi-family housing revenue bonds, mortgage revenue bonds, project-based Section 8, low-income housing tax credits, McKinney-Vento Homeless Assistance programs, Hennepin County’s Affordable Housing Incentive Fund, Supportive Housing Strategy, and Homeownership Assistance Fund (local), developer capital, and philanthropic sources.

The following describes how required Consolidated Plan formula matches will be obtained:

- HOME funds are generally a small financial contribution to a much larger project total development cost and so the 25% match can be met through a variety of sources. HOME projects are awarded additional points based on the percent of match funding available for that project. Cumulatively, the Consortium has exceeded match requirements with approximately \$30 million in excess match.
- The 1:1 match for ESG will be obtained via the activities of the Hennepin County Rapid Rehousing Grant.

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

Hennepin County will consider the Consolidated Plan goals, along with other county priorities, when disposing of excess parcels remaining from transit projects or development projects. Hennepin County Housing and Economic Development regularly works with Land Information and Tax Services (LITS) on leveraging tax forfeit property for affordable housing. Hennepin County will continue to work with (LITS) and the cities to explore potential sites for future affordable housing projects.



## AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

### Goals Summary Information

The Goals and Objectives below encompass only the those being addressed by Projects funded for the 2025 Program Year.

	Goal Name	Start Year	End Year	Category	Description	Funding	Goal Outcome Indicator
<b>Need addressed: Increase and preserve affordable housing choice</b>							
<b>1</b>	Create or Preserve Affordable Rental Housing	2025	2029	Affordable Housing Public Housing	Provide low interest loans/grants to developers for property acquisition, multi-family rehab, new construction, and related site improvements to increase and preserve rental housing opportunities affordable to households at or below 60% of the area median income (AMI), with highest priority for units affordable to households at or below 30% AMI.	CDBG: \$297,481 HOME: \$898,074	Rental units constructed: <b>42</b>  Rental units rehabilitated: <b>308</b>
<b>2</b>	Tenant Based Rental Assistance and Rapid Rehousing	2025	2029	Affordable Housing Homeless Non-Homeless Special Needs	Tenant Based Rental Assistance preserves housing for households to move from homelessness into permanent housing. Rapid rehousing provides housing relocation and stabilization services, short- and medium-term rental assistance, to transition households living in shelters or inhabitable living conditions into permanent housing. The priority populations are households who are homeless, formerly homeless, or at imminent risk of homelessness with	HOME: \$308,172 ESG: \$256,527	Tenant-based rental assistance / rapid rehousing: <b>90 Households Assisted</b>

					initial income at or below 50% AMI with the highest priority for below 30% AMI.			
3	Create Affordable Homeownership Opportunities	2025	2029	Affordable Housing	Provide homeownership opportunities for low to moderate income households at or below 80%, with the highest priority for households below 60% AMI. These opportunities are provided through: <ul style="list-style-type: none"><li>Loans to developers for the acquisition of single-family properties for rehabilitation and resale designed to stabilize neighborhoods and preserve existing housing stock, and</li><li>Direct homebuyer assistance to income eligible households, bridging the gap between the mortgage and household affordability, based on the home purchase price.</li></ul>	CDBG: \$441,500 HOME: \$500,000	Homeowner Housing Added: <b>11 Household Housing Units</b> Direct Financial Assistance to Homebuyers: <b>11 Households Assisted</b>	
4	Homeowner Rehabilitation Assistance	2025	2029	Affordable Housing Non-Homeless Special Needs	Provide loans to low to moderate income homeowners for necessary home improvements or emergency repairs. Program Income is often recycled in this goal.	CDBG: \$977,804	Homeowner Housing Rehabilitated: <b>40 Household Housing Units</b>	
Need addressed: Prevent homelessness and increase housing stability								
5	Emergency Assistance and Homeless Prevention	2025	2029	Non-Housing Community Development	Provide emergency financial assistance for basic needs to households and housing and supportive services to prevent homelessness. Highest priority is households below 30% AMI, but up to 80% AMI is eligible to receive assistance.	CDBG: \$333,100	Public service activities other than Low/Moderate Income Housing Benefit: <b>202 households assisted</b>	

<b>6</b>	Services for Housing Stability	2025	2029	Non-Housing Community Development	Participate in collaborative efforts to provide housing stability to low-income households through various supportive services. The highest priority for these services are households with incomes below 30% AMI, although incomes with up to 80% AMI are still eligible.	CDBG: \$106,900	Public service activities other than Low/Moderate Income Housing Benefit: <b>2,850 households assisted</b>
<b>Need addressed: Improve community infrastructure</b>							
<b>7</b>	Build/Improve Public Facilities or Infrastructure	2025	2029	Non-Housing Community Development	Provide financing for public facility new construction, rehabilitation, infrastructure and streetscape improvements.	CDBG: \$638,018	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: <b>9330 Persons Assisted</b>
<b>Need addressed: Administration</b>							
<b>8</b>	Administration	2025	2029	Administration	Fifteen percent of CDBG program funds will be used to help defray the costs incurred by Hennepin County for general program administration costs (planning, general management, oversight, coordination, evaluation and reporting) and Fair Housing (to further fair housing as identified in the Analysis of Impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions).	CDBG: \$449,083  HOME: \$195,138	

<b>9</b>	CHDO Operating	2025	2029	CHDO	Operating support to foster and maintain our Community Housing Development Organization as required by the HOME statute.	HOME: \$50,000	Other: <b>1 Other</b>
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**Table 54 – Goals Summary**

### Goal Descriptions

<b>1</b>	<b>Goal Name</b>	Create or Preserve Affordable Rental Housing					
	<b>Goal Description</b>	Assist in the creation of new rental housing opportunities and the preservation of safe rental housing opportunities affordable to households with incomes below 60% AMI, with highest priority for units affordable to households with incomes below 30% AMI.					
<b>2</b>	<b>Goal Name</b>	Tenant Based Rental Assistance and Rapid Rehousing					
	<b>Goal Description</b>	Provide Tenant Based Rental Assistance (TBRA) to low-income households to preserve their housing or to move from homelessness into permanent housing that evolves into self-sufficient living. The priority populations are households who are homeless, formerly homeless, or at imminent risk of homelessness with initial income at or below 50 percent Area Median Income (AMI) with the highest priority/preference for 30 percent AMI. Provide housing relocation and stabilization services, short- and medium-term rental assistance, to transition households living in shelters or inhabitable living conditions into permanent housing and achieve sustainable living/stability.					
<b>3</b>	<b>Goal Name</b>	Create or Preserve Affordable Homeownership Opportunities					
	<b>Goal Description</b>	Assist in the creation and preservation of affordable homeownership opportunities affordable for low to moderate-income households through: <ul style="list-style-type: none"> <li>The acquisition of single-family properties for rehabilitation and resale designed to stabilize neighborhoods and preserve existing housing stock, with the highest priority for households with incomes at or below 60% AMI.</li> </ul>					

		<ul style="list-style-type: none"> <li>Providing financial assistance to income eligible households, bridging the gap between the mortgage and household affordability, based on the home purchase price. 60% AMI as highest priority. Still eligible for up to 80%.</li> </ul>
<b>4</b>	<b>Goal Name</b>	Homeowner Rehabilitation Assistance
	<b>Goal Description</b>	Provide loans to low to moderate income homeowners for necessary home improvements or emergency repairs. (Note that Program Income is often recycled in this goal.)
<b>5</b>	<b>Goal Name</b>	Emergency Assistance and Homeless Prevention
	<b>Goal Description</b>	Provide emergency financial assistance to low-income household for basic needs and provide housing and supportive services to prevent homelessness. Highest priority for households with incomes below 30% AMI, incomes up to 80% AMI still eligible.
<b>6</b>	<b>Goal Name</b>	Services to Increase Housing Stability
	<b>Goal Description</b>	<p>Participate in collaborative efforts to provide housing stability to low-income households through various supportive services. The highest priority for these services are households with incomes below 30% AMI, although incomes with up to 80% AMI are still eligible. Services can include:</p> <ul style="list-style-type: none"> <li>Providing assistance to agencies that provide legal advice to renters regarding tenant law.</li> <li>Collaborating with supportive service agencies to assist seniors with chore services to remain independent in their homes as long as possible, and cope with stress and adjustments correlated with retirement and aging.</li> <li>Providing assistance in funding for youth programming with a focus on providing a healthy and positive atmosphere and offering youth counseling interventions for at-risk teens to address or prevent serious issues.</li> <li>Providing support to domestic abuse victims to receive a variety of ongoing support/information and access to advocacy services to help navigate the court system as they pursue criminal charges against an assailant, and create a safe environment, improving their quality of life. The response effort is coordinated among law enforcement, the legal system, and social service agencies.</li> </ul>
<b>7</b>	<b>Goal Name</b>	Build/Improve Public Facilities or Infrastructure

	<b>Goal Description</b>	Provide financing for public facility new construction, rehabilitation, infrastructure and streetscape improvements.
<b>8</b>	<b>Goal Name</b>	Administration
	<b>Goal Description</b>	General Program Administration. Twelve percent of Urban Hennepin County CDBG Program funds and ten percent of HOME Consortium funds will be used to help defray the costs incurred by Hennepin County for general program administration costs (planning, general management, oversight, coordination, evaluation and reporting).
<b>9</b>	<b>Goal Name</b>	CHDO Operating
	<b>Goal Description</b>	Operating support to foster and maintain Community Housing Development Organizations as required by the HOME Statute.
<b>10</b>	<b>Goal Name</b>	Fair Housing Activities
	<b>Goal Description</b>	The jurisdiction will use one percent of available administration dollars for fair housing activities as identified in the Analysis of Impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions. Persons assisted are not reported since fair housing activities are considered general administration expenses.

## AP-35 Projects - 91.420, 91.220(d)

### Introduction

Projects to be funded for the 2025 Program Year

#	Project Name
1	Rental property rehabilitation
2	Affordable rental housing development
3	STABLE HOME
4	Homeowner rehabilitation
5	Affordable homeownership development
6	Homebuyer assistance
7	Rapid rehousing
8	Emergency assistance
9	Homeless prevention
10	Housing stability services for seniors
11	Housing stability services for tenants
12	Public facility improvements
13	Program Administration
14	CHDO Operating

Table 55 – Project Information

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

Allocation priorities follow the needs identified in the community engagement, consultations, and data analysis for the 2025-2029 Consolidated Plan. They support the development and preservation of affordable housing, the prevention of homelessness and an increase in housing stability, improvements made to community infrastructure, and the furthering of Fair Housing activities, CHDOs, and grant administration. Throughout, efforts were made to prioritize activities impacting residents with lowest incomes.

## AP-38 Project Summary

### Project Summary Information

Need addressed: Increase and preserve affordable housing choice		
1	<b>Project Name</b>	Rental property rehabilitation
	<b>Target Area</b>	
	<b>Goals Supported</b>	Create or preserve affordable rental housing
	<b>Funding</b>	CDBG: \$297,481
	<b>Description</b>	Provide \$297,481 in CDBG funds to improve the living conditions in affordable rental housing properties within suburban Hennepin County.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	199 Households at or below 80% AMI.
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Rehabilitation at affordable rental housing properties.
2	<b>Project Name</b>	Affordable rental housing development
	<b>Target Area</b>	
	<b>Goals Supported</b>	Create or preserve affordable rental housing
	<b>Funding</b>	HOME: \$898,074
	<b>Description</b>	Development and preservation of affordable multifamily housing projects: \$898,074 to create or preserve 151 units of affordable housing.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	When complete, the projects will create or preserve a total of 151 units affordable to households <60% AMI
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Construction of affordable multifamily housing projects in suburban Hennepin County. Includes \$348,074 from Program Income.
	<b>Planned Activities</b>	Construction of affordable multifamily housing projects in suburban Hennepin County. Includes \$348,074 from Program Income.
3	<b>Project Name</b>	Stable HOME
	<b>Target Area</b>	
	<b>Goals Supported</b>	Tenant based rental assistance & rapid rehousing



	<b>Funding</b>	HOME: \$308,172
	<b>Description</b>	Tenant Based Rental Assistance
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	35 households at or below 50% AMI.
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Rental Assistance.
4	<b>Project Name</b>	Homeowner Rehabilitation
	<b>Target Area</b>	
	<b>Goals Supported</b>	Repair homes for lower-income owners
	<b>Funding</b>	CDBG: \$977,804
	<b>Description</b>	Provide loans to low to moderate income homeowners for necessary home improvements or emergency repairs. (Note that the estimated Program Income (\$325,000) is included in this, as it is typically recycled in this project.)
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	40 low income and moderate-income households
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Homeowner rehabilitation – includes Program Income and Rehab administration
5	<b>Project Name</b>	Affordable homeownership development
	<b>Target Area</b>	
	<b>Goals Supported</b>	Acquire and rehabilitate homes, or build new homes, for homeownership
	<b>Funding</b>	CDBG: \$205,000 HOME: \$500,000
	<b>Description</b>	Funding to assist with the acquisition of land or the construction and/or rehabilitation to create homeownership opportunities in a suburban Hennepin County.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	11 households at or below 80% AMI

	<b>Location Description</b>	CDBG: Suburban Hennepin County HOME: Suburban Hennepin County
	<b>Planned Activities</b>	Acquisition and rehabilitation and/or new construction of properties to create homeownership opportunities.
6	<b>Project Name</b>	Homebuyer assistance
	<b>Target Area</b>	
	<b>Goals Supported</b>	Direct homebuyer assistance
	<b>Funding</b>	CDBG: \$236,500
	<b>Description</b>	Homebuyer Assistance
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	11 households at or below 80% AMI
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Buyer Assistance to homebuyers
7	<b>Project Name</b>	Rapid rehousing
	<b>Target Area</b>	
	<b>Goals Supported</b>	Tenant based rental assistance & rapid rehousing
	<b>Funding</b>	ESG: \$256,527
	<b>Description</b>	Rapid rehousing is Tenant Based Rental Assistance and supportive services to help people exit homelessness. In the last couple of years of pandemic and tight rental market, the need for a longer period of support has grown. To accommodate that need, the County will serve slightly fewer households than in the past.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	55 households <30% AMI experiencing homelessness.
	<b>Location Description</b>	TBD - scattered site units for rapid rehousing
	<b>Planned Activities</b>	Rapid rehousing and HMIS
<b>Need addressed: Prevent homelessness and increase housing stability</b>		
8	<b>Project Name</b>	Emergency assistance
	<b>Target Area</b>	

	<b>Goals Supported</b>	Emergency assistance & homeless prevention
	<b>Funding</b>	CDBG: \$288,100
	<b>Description</b>	Emergency assistance programs provide one-to-three months of emergency rent assistance prevent eviction. Providing emergency rental assistance enables neighbors to get back on track and continue living in their current homes.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	157 low income and moderate-income households
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Emergency rental assistance
<b>9</b>	<b>Project Name</b>	Homeless prevention
	<b>Target Area</b>	
	<b>Goals Supported</b>	Emergency assistance & homeless prevention
	<b>Funding</b>	CDBG: \$45,000
	<b>Description</b>	Supports shelter/transitional housing with intensive support services for youth ages 16 to 21 who are experiencing homelessness.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	45 low income or moderate-income youth experiencing homelessness
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Emergency shelter for youth, services, and transitional housing
<b>10</b>	<b>Project Name</b>	Housing stability services for seniors
	<b>Target Area</b>	
	<b>Goals Supported</b>	Services for housing stability
	<b>Funding</b>	CDBG: \$40,000
	<b>Description</b>	Provide housing support to low-income older adults to assist with aging in place.
	<b>Target Date</b>	6/30/2026

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	350 low income and moderate-income seniors
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Supportive services for low-income seniors
11	<b>Project Name</b>	Housing stability services for tenants
	<b>Target Area</b>	
	<b>Goals Supported</b>	Services for housing stability
	<b>Funding</b>	CDBG: \$66,900
	<b>Description</b>	Provide housing support to low- to moderate-income tenants These services prevent problems ranging from homelessness to illness from unsafe living conditions, and result in reducing the use of city emergency resources.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	2,500 low income and moderate-income tenants
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Provide supportive housing stability services to low/moderate-income tenants
<b>Need addressed: Improve community infrastructure</b>		
12	<b>Project Name</b>	Public facility improvements
	<b>Target Area</b>	
	<b>Goals Supported</b>	Build/Improve public facilities or infrastructure
	<b>Funding</b>	CDBG: \$638,018
	<b>Description</b>	Funds to assist with capital improvement projects for public facilities or public infrastructure located in Suburban Hennepin County.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	9330 Persons Assisted
	<b>Location Description</b>	Suburban Hennepin County
	<b>Planned Activities</b>	Improvements at public facilities/public infrastructure sites
<b>Need addressed: Administration</b>		

13	<b>Project Name</b>	Program administration
	<b>Target Area</b>	
	<b>Goals Supported</b>	CDBG and HOME General Administration
	<b>Funding</b>	CDBG: \$449,083 HOME: \$195,138
	<b>Description</b>	Fifteen percent of Urban Hennepin County CDBG program funds, and ten percent of HOME entitlement and program income, will be used to help defray the costs incurred by Hennepin County for general program administration costs (planning, general management, oversight, coordination, evaluation and reporting). CDBG funds will also be used to support the ongoing Fair Housing activities of the Hennepin County Consortium.
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	
	<b>Planned Activities</b>	General administration and Fair Housing for the CDBG and HOME programs.
14	<b>Project Name</b>	CHDO Operating
	<b>Target Area</b>	
	<b>Goals Supported</b>	CHDO Operating
	<b>Funding</b>	HOME: \$50,000
	<b>Description</b>	CHDO Operating
	<b>Target Date</b>	6/30/2026
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	n/a
	<b>Location Description</b>	
	<b>Planned Activities</b>	CHDO Operating

**AP-50 Geographic Distribution - 91.420, 91.220(f)**

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

Assistance is directed to all cities in suburban Hennepin County. The City of Woodland opted not to participate in these programs. The cities of Bloomington, Eden Prairie, Minneapolis and Plymouth are entitlement jurisdictions which receive CDBG directly from HUD. Hennepin County Housing and Economic Development distributes its CDBG allocation through public services, direct allocations, and a consolidated pool.

- **Public Services:** The County sets aside the maximum allowed amount of CDBG for public services (15%, or est. \$440,000), and offers these funds throughout the balance of suburban communities
- **Direct allocation cities:** The County currently offers a proportional direct allocation of CDBG to cities with over 3.5% of the need using HUD’s allocation formula (population, poverty levels (double weighted), and overcrowding), and which have not opted into the consolidated pool. Using this year's allocation and this calculation, the following will cities receive direct allocations of funding: Brooklyn Park: \$438,018; Maple Grove: \$155,345; Richfield: \$171,865; St. Louis Park: \$169,216
- **Consolidated pool:** The remaining est. \$1,600,000 was offered in an RFP for projects serving the remaining 33 participating suburban communities.

The cities of Brooklyn Park, Brooklyn Center, and Eden Prairie have concentrated census tracts (Eden Prairie is a CDBG entitlement city and has a separate Action Plan attached to this document).

HOME funds are allocated in response to a request for proposals. Homeownership and rental construction projects are located throughout suburban Hennepin County.

ESG funds are available throughout suburban Hennepin County.

**Geographic Distribution**

Target Area	Percentage of Funds

Table 56 - Geographic Distribution

**Rationale for the priorities for allocating investments geographically**

Most of the CDBG allocation investment mirrors HUD’s allocation to entitlement cities. HUD measures community need using poverty, population, and housing overcrowding indicators. As such, assistance is directed proportionally to the areas of greatest need.

**Discussion**

N/A

## AP-55 Affordable Housing - 91.420, 91.220(g)

### Introduction

The Consortium ranks affordable housing as a high priority. This is evidenced, in part, by the resources dedicated to affordable housing. More than \$5 million of anticipated allocation and program income will be used in suburban Hennepin County, together with program income from HOME, to assist in the development of new affordable units, rehabilitating existing affordable single and multifamily housing units, rental assistance and rapid rehousing.

One Year Goals for the Number of Households to be Supported	
Homeless	90
Non-Homeless	412
Special-Needs	0
Total	502

Table 57 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	90
The Production of New Units	151
Rehab of Existing Units	239
Acquisition of Existing Units	22
Total	502

Table 58 - One Year Goals for Affordable Housing by Support Type

### Discussion

Homeless and Rental Assistance goals above include the estimated number of households served by ESG rapid rehousing (55) and by the HOME tenant based rental assistance program (Stable Home) (35). Hennepin County will continue to fund activities that have been effective such as homeowner rehabilitation and the creation of new homeownership opportunities through affordable housing land trusts, while at the same time working to increase investment in activities that support households with lowest incomes.

## **AP-60 Public Housing - 91.420, 91.220(h)**

### **Introduction**

The county maintains strong relationships with the six Housing Agencies/Public Housing (PHAs)/Housing Redevelopment Agencies (HRAs) that have public housing units and who administer Housing Choice Vouchers in suburban Hennepin County.

### **Actions planned during the next year to address the needs of public housing**

The capital needs of the PHAs will be addressed through funding sources outside of CDBG and HOME, including formula-allocated Capital Improvement grants from HUD and state allocation rehab funds from the Minnesota Housing Finance Agency.

The needs of public housing residents as identified by the PHAs are addressed, in part, through the public service contracts made possible by CDBG grants. While these services are not specifically targeted at public housing residents, residents may make use of CDBG-funded emergency assistance programs.

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

While fostering public housing resident involvement is primarily the responsibility of the respective PHA, Hennepin County will continue to support local PHAs in their efforts and offer programs that positively impact the health and welfare of residents. Resident involvement plans vary based on the size and capacity of the local PHA, the details of which can be found in the most recent five-year plan each agency has submitted to HUD.

Several PHAs and HRA's have relationships with West Hennepin Affordable Housing Land Trust (WHAHLT) which provides homeownership opportunities for low-income families. WHAHLT is funded by HOME and CDBG, in conjunction with other Hennepin County and State funds.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

There are no PHAs in suburban Hennepin County that are designated as troubled.

### **Discussion**

N/A



## **AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)**

### **Introduction**

Hennepin County has a shelter-all policy for families with children. As noted in AP-10, the number of families using Hennepin County shelter decreased significantly from 2014 to 2022. These reductions are attributed to four primary causes:

- Increased investment in homeless prevention measures including new programs to prevent evictions and to problem-solve in advance of shelter entry
- Integration with employment services to support families to increase their income
- Increased capacity and better targeting of homeless designated housing programs through the Coordinated Entry System that was implemented during this period.
- The eviction moratorium and Federal Emergency Rental Assistance in 2020-2021.

At the end of those emergency pandemic measures, a surge in demand occurred. This was compounded when, starting November 2022, an increasing number of families newly arrived to Minnesota who lacked the supports and infrastructure to move quickly into stable housing. These challenges have required significant use of overflow sites to shelter up to 490 families at any one time (410% of regular capacity).

Pre-pandemic, single adult homelessness increased by 11% (from 1,620 in the 2014 PIT Count to 1,794 in the 2020 PIT Count). This has driven an increase in unsheltered homelessness that is predominantly experienced by single adults. Contrary to the trajectory with families, unsheltered homelessness subsequently decreased 27% from 2020 to 2023 and single adult homelessness decreased by 11% over the same period.

The below sections outline recent and planned actions – and progress - to strategically address this increase.

### **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**

Hennepin County will continue to coordinate its robust street outreach services to house the unsheltered homeless populations. These activities are operated by County staff and nonprofit organizations, including extensive specialist youth outreach connected to Sexually Exploited Youth programming and other youth specific services. Outreach is provided at locations where people experiencing homelessness are known to congregate, including encampments, free meal sites, the downtown library, and drop-in centers, parks, overpasses, abandoned structures, public transit, and other places not meant for human habitation. Through outreach efforts, professionals are able to develop relationships with individuals, understand their service and housing preferences, utilize best practices in engagement, assess individuals for the Coordinated Entry System and support them through housing placement.

Hennepin County will continue to support two daytime Opportunity Centers, which serve as one-stop shop service centers for single adults and youth. The Opportunity Centers are a key component to engage people into the shelter and Coordinated Entry system and host Healthcare for the Homeless clinics.

The County will continue to operate its housing focused case management team. Since launching in November 2021, the team has moved more than 750 people into permanent housing, over half of those formerly experiencing unsheltered homelessness.

A new system planner and a 2-year encampment response project aims to create infrastructure within the homeless response system to quickly engage with an encampment, identify occupants' needs and housing barriers, and swiftly connect them with services and housing options to organically close down encampments due to housing all occupants. The team began operations in late 2022 and has since moved 217 people to permanent housing and more than 150 to shelter or other temporary indoor options.

Hennepin County will continue to support outreach and housing options relevant to Native American households, including four 'Kola' housing programs offering a total of 72 units of supportive housing for people coming directly from the streets with chemical dependency issues and desiring culturally specific services, and a year-round, 24/7 50-bed shelter.

The combined impact of these measures has been to accelerate housing outcomes across the whole system reduce unsheltered homelessness, a 27% reduction from 2020 (642 individuals unsheltered) to 2023 (469 individuals unsheltered).

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Hennepin County is the primary funder of single adult, family, and youth-specific shelters in the community. At present the community provides 115 consistent family shelter rooms, with overflow provided as needed for the shelter-all commitment (i.e. 490 families in shelter in early 2024), ~900 shelter beds for single adults (mostly congregate and mostly 24/7), and ~80 youth-specific shelter beds. The Adult Shelter Connect bed reservation system and shared HMIS allow efficient resource allocation and reduces the level of daily trauma and stress experienced by people experiencing homelessness.

In response to the increases in single adult and unsheltered homelessness, Hennepin County increased the ongoing single adult shelter budget. This funded new case management services in the larger shelter, converted shelters to accommodate couples together, provided more systematic training, and established a new small-scale women-only shelter. The County then invested federal pandemic response in the single adult homeless response system in order to better meet the needs of shelter guests, to quickly connect people to housing resources and to create best practices such as 24/7 shelter, access to storage, housing focused case management and new culturally specific and low barrier shelters for Indigenous individuals. The county will continue these services as long as funding allows, always focusing on housing as the tool to end homelessness.

The expansion of quantity, quality and variety of services in single adult shelter – and the expansion of family shelter to meet demand – has seen the annual cost to the County go from less than \$15m to more than \$40m per year for shelter and related services.

Hennepin has retained some Transitional Housing, particularly for youth or households experiencing domestic violence, while others have been reshaped into Rapid Rehousing opportunities in line with HUD’s overall direction on transitional 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**

The Coordinated Entry System (CES) identifies people most appropriate for permanent supportive housing and those who can benefit from rapid rehousing or transitional. The CES prioritizes veterans, chronically homeless persons and families, people with disabilities and those who have the longest histories of homelessness and medical fragilities. The process also assesses household preferences, including preferences for culturally specific services, to support the best match between person and program.

The family shelter system offers additional supports, and uses a case conferencing model, for families not eligible for housing interventions from CES and to families in shelter past 45 days. System planners are working with community providers to implement better HMIS workflows for both sheltered and unsheltered settings to more accurately capture chronic data. Inflow and outflow are tracked monthly.

Hennepin County makes extensive use of by-name lists and case conferencing to problem solve for difficult households. Using this approach, almost 1,500 veterans have been stably housed since 2015, and over 1,600 chronically homeless individuals have been housed since June 2017 (with a 93% housing retention rate). Today, there are 120 homeless Veterans in the county actively engaged on the Homeless Registry in the Hennepin CoC.

Finally, Hennepin continues to leverage State and Federal funding to expand housing programs, including five consecutive years of being awarded bonus programs through HUD Continuum of Care (CoC) funding and the reallocations of upwards of ~\$2.5m in annually renewable CoC funds towards new housing programs for people experiencing chronic homelessness and families.

**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.**

Hennepin County works across departments and with local providers and foundations to coordinate homeless prevention programs and move homeless prevention assistance upstream to the point before an eviction is filed in civil court. This collaboration supports a Tenant Resource Center which offers phone- and web-based coordinated financial assistance, mediation, legal aid and homelessness prevention services such as the County's Emergency Assistance and Emergency General Assistance as well as homeless prevention dollars from Minnesota (Family Homeless Prevention and Assistance Program).

The County successfully allocated significant resources to eviction prevention during the pandemic and has operationalized many of these resources. From 2020-2022, Hennepin County allocated and distributed its first round of CDBG-CV and \$16.2 million of CARES Act CRF to emergency rental assistance, then distributed \$58 million in Emergency Rental Assistance allocations. These funds were successfully distributed to households at highest risk of housing instability and of COVID-19 impacts. This support, together with the state's emergency eviction moratorium, led to cutting the number of families using shelter in half. In 2022, a partnership between Hennepin County Adult Representation Services and Human Services ensured that 100% of low-income tenants facing eviction in Housing Court receive free legal representation and human service support. Of the clients represented in court, the majority have had a favorable outcome which often includes a settlement that expunges the filing from the client's record to remove barriers for future rentals. Clients with representation have consistently improved outcomes. The county will continue these services as long as funding allows.

Many people exiting institutions meet the definition of long-term and often also chronic homelessness. The Corrections Department includes stable housing as part of the discharge planning from jail for those with serious behavioral health needs and connects people with serious mental illness in jail with mental health in-reach prior to release. Hennepin County's Healthcare for the Homeless team has developed expertise and capacity to work on preventing discharges from the Hennepin County Medical Center to homelessness and launched a 30-bed respite shelter program for people experiencing homelessness in partnership with a local shelter provider and funding from Hennepin County in June of 2022.

## **Discussion**

Our priority goals over the coming years are:

- Building off lessons learned through the pandemic to continue strengthening homeless prevention efforts.
- Lowering barriers and increasing capacity for overlooked populations in the shelter system, continuing to target the most vulnerable and longest-term homeless residents as a priority for housing interventions, and developing more culturally specific programming in response to the disproportionate impact of homelessness on communities of color.
- Investing not only in 'places for people to go' but also in the 'people to help them get there' to

increase outflow from homelessness into permanent housing.

- Leveraging all available funds, including CDBG, HOME, and ESG, to increasing the quantity, quality, and variety of housing programs to assist more people in exiting homelessness and avoiding returns to homelessness.
- Working with the State and other funders to offset a potential fiscal cliff in 2025 when pandemic recovery funds end.

## **AP-75 Barriers to affordable housing - 91.420, 91.220(j)**

### **Introduction**

In the 2025 program year, the Consortium will assist in the development of new affordable units, rehabilitating existing affordable single and multi-family housing units, and rapid rehousing in suburban Hennepin County.

**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**

### **Funding affordable housing**

Hennepin County launched a program in 2024 to provide assistance to non-profit affordable housing owner-developers to stabilize their portfolios in order to create capacity to develop more affordable housing. The program received more than \$100 million in funding requests and provided \$17.3 million in targeted assistance.

To address deepest and most disproportionate needs, the Consortium prioritizes rental projects with units affordable to households with incomes <30% AMI, and homeownership projects affordable to households with incomes <60% AMI. In addition, the ESG Program will assist homeless households to relocate to permanent affordable housing in non-concentrated areas and to overcome barriers that may impede their housing stability, and the Stable HOME project will offer tenant-based rental assistance to households who are homeless or unstably housed.

### **Zoning, regulations, and transportation**

Although Hennepin County does not have authority over land use or rental licenses, it does work with partner cities to develop housing strategies. For the Southwest LRT and Bottineau Corridors, for example, plans include goals for the development and preservation of affordable housing, as well as to modify regulatory tools to support housing development and preservation (i.e. mixed income zoning, corridor-wide TIF, fiscal variance sharing, affordability targets).

In addition, the Metropolitan Council requires cities to have comprehensive plans that address affordable housing targets and offers grants in accordance with the Livable Communities Act to encourage development of affordable housing (among other goals). Finally, Hennepin County also Completed a created Single Room Occupancy Task Force Report to develop recommendations to incent and facilitate the development of SRO housing. The recommendations included options to modify City zoning and ordinances to make room for SROs, as well as design methodologies to meet existing policies.

### **Tenant screening practices**

The Consortium continues to fund activities recommended by the regional Analysis of Impediments (AI), including providing tenant advocacy, housing discrimination testing and enforcement, and fair

housing counseling. In addition, since 2020 Hennepin County has prioritized affordable housing finance dollars for projects which demonstrate fair tenant screening criteria.

### **Fair Housing**

Funding to further fair housing comes from the Fair Housing Implementation Council (FHIC), a metro wide collaboration of HUD entitlement jurisdictions working together to expand housing choice, which Hennepin County will fund from its General Administration project. The FHIC and Hennepin County will direct fair housing funding toward overcoming these barriers identified in the 2020 Analysis of Impediments for Fair Housing.

### **Discussion**

Staff from the Hennepin County Housing and Economic Development and Health and Human Services will continue to coordinate activities at the county and regional levels. This work includes sharing information and best practices, coordinating production goals and funding, and aligning policies affecting homeless families and individuals across jurisdictional boundaries.

## **AP-85 Other Actions - 91.420, 91.220(k)**

### **Introduction**

#### **Actions planned to address obstacles to meeting underserved needs**

Hennepin County aims to reduce discrepancies and address obstacles at each level across the housing continuum. In recent years, the Housing and Redevelopment Authority (HRA) and Housing and Economic Development department (HED) has advanced three new housing focus areas to meet specific needs:

- Launched a strategy to create 1,000 units of deeply affordable supportive housing over 10 years by committing \$50M in capital and almost as much for services and operating costs
- Created single single-room occupancy housing affordable to working adults with who have minimal income but and lacking housing options affordable at their income level
- Introduced a new capital fund specifically for addressing the homeownership rate gap between certain populations

Similarly, Hennepin County's Continuum of Care committees review data from shelter, housing programs, the Coordinated Entry System, and other community sources to assess unmet needs and where programs fall short of performance outcomes. Using that information, Hennepin County shifts resources to meet those unmet needs:

- Using data demonstrating that people experiencing chronic homelessness are the biggest user of shelter, and major users of other expensive systems, the County shifted resources to focus on housing this group as a priority through our Coordinated Entry System in 2017.
- In 2019 Hennepin County re-visioned our homeless response system, identifying the need for more culturally specific emergency services (shelter, outreach) given the disproportionate impact of unsheltered homelessness on our native American community members. This strategy provided a roadmap that was implemented when pandemic recovery funds were made available.
- In early 2020, Hennepin County became the first community in the State of Minnesota to move away from using the VI-SPDAT for prioritization in the Coordinated Entry System. This followed a study by C4 that found the VI-SPDAT did not allocate resources fairly or constructively toward ending chronic homelessness. The County has worked with C4 to iterate a bespoke assessment – centering input from people with lived experience of homelessness – and most recently added a medical fragility prioritization in partnership with our Public Health department.
- In 2021, Committees identified that people at imminent risk of homelessness had deeper needs than the services offered by homeless prevention providers typically allowed for. In response, Hennepin County relaxed rules to create greater access while increasing expectations for service intensity.

And finally, the most prevalent housing need in Hennepin County is the lack of affordability and availability. We will target HOME, CDBG, ESG, and local resources to people with the highest needs by prioritizing projects that set aside units for county clients and people experiencing homelessness and providing rapid rehousing and rental assistance to homeless households.



## **Actions planned to foster and maintain affordable housing**

In addition to programs and projects funded by CDBG, HOME, and ESG, Hennepin County has a variety of programs which foster and maintain affordable housing. For example:

- Hennepin County's Housing and Redevelopment Authority (HCHRA) annually awards \$5 million for rental housing, and – starting in 2022 - \$1.245 million for homeownership projects.
- HCHRA's Supportive Housing Strategy awards \$5 million in capital funding annually to create supportive housing. The goal of this strategy is to develop 1,000 units of supportive housing for our lowest income and most vulnerable residents.
- HCHRA invested \$2M in a "first loss" position in Greater Minnesota Housing Fund's Phase II fund to preserve naturally occurring affordable housing. Phase I preserved over 700 units of affordable housing, 560 of which are located in Hennepin County.
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## **Actions planned to reduce lead-based paint hazards**

Hennepin County has two departments that address lead-based paint issues. The Hennepin County Human Services and Public Health Department case manage elevated blood-lead referrals from the Minnesota Department of Health (except in Bloomington and Richfield). All blood lead tests in the state must be reported to the Minnesota Department of Health who in turn informs the jurisdiction responsible for investigating cases where children have been poisoned. When a child's blood lead level is over 5 µg/dl the Minnesota Department of Health preforms a lead risk inspection and, where needed, corrective orders are issued to fix lead-based paint hazards. Hennepin Public Health then monitors the case to ensure completion of the work.

Hennepin County Housing and Economic Development Department continues to use funds from the Centers for Disease Control to augment our efforts to reduce childhood lead poisoning. With those funds, Hennepin County now offers additional risk assessments to families with children testing between 3.5-5 µg/dl and above as well as product and spice testing to help identify non-paint sources of lead exposure. The funds also support contracts with community-based partners that help us reach high risk populations to provide education for families and encourage blood lead testing. When a family is income eligible, that family is referred to the Housing and Economic Development Department for grant assistance with the lead orders.

In addition to the public health response, Housing and Economic Development actively engages in primary prevention of childhood lead poisoning through a multifaceted approach that includes community outreach and education, lead-based paint inspection/risk assessments, training for contractors, and lead hazard reduction. We continue to follow the lead-safe housing rule in all its federally funded activities. We address lead-based paint hazards when using federal and state funds toward housing activities including CDBG and HOME funded activities and through federally funded Lead Hazard Control Grants.

Hennepin County has been awarded multiple HUD Office of Lead Hazard Control and Healthy Homes Grants and two Healthy Homes Production Grants. As of January 2024, the lead grants have

completed over 5,330 lead-safe units for families in the jurisdictions joined in the grant applications, 3,930 in Hennepin County.

### **Actions planned to reduce the number of poverty-level families**

Hennepin County assists individuals and families to access resources that help them move into self-sufficiency. Hennepin County Human Services delivers a variety of services to individuals or families that assists with basic needs or encourages client change around specific objectives. Efforts include:

- social programs (safety net services such as food support, emergency shelter and cash assistance);
- help for people who are developmentally disabled;
- services for seniors;
- services for veterans;
- behavioral and chemical health services;
- protective services for children and adults;
- child support; and
- health care through Medical Assistance.

Hennepin County workforce development efforts help alleviate poverty by improving family and individual economic opportunities that lead to a sustainable living wage. The county works with private and non-profit sectors to train and match employees; and partners with colleges, universities and training programs to develop a strong future workforce. Initiatives include:

- Workforce Activities Alignment - Creation of workforce coordinator position
- Workforce Entry Program (WEP) - Meeting the demand for skilled trade persons while developing the county's economic resources by providing unemployed individuals the means to earn a better living.
- Hennepin Pathways programs -- training and paid internships for under-employed communities
- Workforce Investment Network - Partnerships to create workforce opportunities for targeted communities and reducing economic variances
- Step-Up Program - High school internships at the county
- Employment Pays Program - Employment supports for individuals with high behavioral health needs
- Training and employment partnerships -- with NorthPoint, Urban League, Summit OIC and others
- Employment and training services for people exiting homelessness – a dedicated pandemic recovery funded pilot that launched in 2022 offering training and paid work placements

through two training and employment agencies, including culturally specific options

### **Actions planned to develop institutional structure**

Hennepin County and Minneapolis' community effort to end homelessness, initially built on the 10-year plan to end homelessness, has been a collaborative effort driven by the efforts of the County, cities, and social service agencies who have provided services for those experiencing homelessness. Minneapolis and Hennepin County will continue to collaborate to identify needs, coordinate implementation of the ESG funding, refine the Coordinated Entry process, and bring together all aspects of the continuum of homeless services into a unified process.

Hennepin County's service delivery has met incredible outcomes through its coordination. Hennepin County's 2022 Point-In-Time Count was the lowest on record and included a 24% decrease in unsheltered homelessness. Those successes stemmed from strong community partnerships supporting shifts to prioritizing the most vulnerable residents. Due to partnerships across the County in developing the Supportive Housing Strategy, Hennepin is poised to create 1000 new units of supportive housing for the County's priority population of residents.

Hennepin County will continue to build on the strengths of the delivery system which include a varied and experienced base of housing, community development, and social service providers and organizations.

Coordination among the state, the county, and regional and local governments has resulted in significant new policy and funding.

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

Coordination among the state, the county, and regional and local governments has resulted in significant planning initiatives and working policy groups, such as the Hennepin County and City of Minneapolis Commission to End Homelessness, and the annual Coordinated Request for Proposals that includes funding from the county's Affordable Housing Incentive Fund, Supportive Housing Strategy, Transit Oriented Communities (TOC), and HOME funds. There is also purposeful coordination with staff who manage the Housing Support, and federal funding from the Continuum of Care program.

### **Discussion**

## AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

### Introduction

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(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	\$325,000
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
<b>Total Program Income</b>	<b>\$325,000</b>

#### 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.	95.00%

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.220(l)(2)**

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

The Consortium will only assist HUD approved forms of homeownership as defined in 24 CFR § 92.2. Homeownership means - as ownership in fee simple title, a 99-year leasehold interest, ownership in a cooperative or mutual housing unit, or an equivalent form of ownership approved by HUD, in a one-to-four-unit dwelling, a condominium unit, a manufactured unit, or a cooperative or mutual housing unit.

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:

When funds are provided to West Hennepin Affordable Housing Land Trust (WHAHLT) and/or Twin Cities Habitat for Humanity (TCHFH) to assist with the acquisition of the land or the construction and/or rehabilitation of the improvements (thus indirectly assisting the homebuyer), a resale provision is required. Both entities are using the land trust model of ownership with HOME. The owner occupancy and resale requirements will be secured by a Declaration of Covenant that will be filed on the property for the required affordability period (up to 15 years, based on the amount of HOME funds provided). The Declaration is also attached to the Ground Lease as an addendum. For more information please, see the attached Resale Provisions.

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:

When funds are provided to West Hennepin Affordable Housing Land Trust (WHAHLT) and/or Twin Cities Habitat for Humanity (TCHFH) to assist with the acquisition of the land or the construction and/or rehabilitation of the improvements (thus indirectly assisting the homebuyer), a resale provision is required. Both entities are using the land trust model of ownership. The owner occupancy and resale requirements will be secured by a Declaration of Covenant that will be filed on the property for the required affordability period (up to 15 years, based on the amount of HOME funds provided). The Declaration is also attached to the Ground Lease as an addendum. For more information, please see the attached Resale Provisions.

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:

The Consortium does not plan to use HOME funds to refinance existing debt.

**Emergency Solutions Grant (ESG)  
Reference 91.220(l)(4)**

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

**Eligibility, Prioritization, and Referral:** Eligible households are Hennepin County residents who are literally homeless (Category 1) at program entry, whose gross household annual income is at or below 30% of the Area Median Income, who are prioritized for rapid rehousing based on the current version of the Hennepin County Coordinated Entry System Manual, and who are referred by a Coordinated Entry System Housing Referral Coordinator.

**Housing Stability / Identification Service Standards:** All households eligible for ESG-funded rapid rehousing services will receive housing identification and housing stability services.

- Services cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing.
- While the program participant is still experiencing homelessness, program will meet with the program participant weekly for first 2-3 months, and at least monthly thereafter.
- Housing identification services include recruiting landlords, addressing potential barriers to landlord participation, and completing rent reasonableness assessments and Fair Market Rent Determinations to assist households in identifying affordable.
- Housing stability services include negotiating lease agreements and rental assistance agreements, completing Habitability Assessments and lead-based paint reviews, creating a Housing Stability Plan/Case Plan, and referring to on-going resources
- Participation in services should not be required to receive rapid rehousing assistance.

**Direct Assistance Standards:**

- Households must contribute at least 30% of their total, gross income towards rent. Providers will pay full housing costs for households with no – or very low – income and provide only move-in costs for households with incomes higher than 30% AMI (but up to 200% FPG).
- Complete re-certifications of need for direct assistance and services at three months from the date the household was housed, and every three months thereafter. Work with households toward 0% subsidies at service end.

**Exit Criteria:**

Households may be exited for the following reasons:

- Stable and connected to community reasons
- Has received services for 30 days during the period the program participant is seeking permanent housing, or for 24 months during the period the program participant is living in permanent housing; or has received 24 months of direct assistance.
- Income exceeds 200% FPG at quarterly recertification, or exceeds 30% AMI at 12 month recertification or thereafter.
- No longer wish to be in the program, or cannot be located
- Endangering or threatening the safety of project staff

Projects must provide formal termination notice and have an appeal process. Providers may not

transfer households from one service intervention to another.

**Data:** Subrecipients that deliver ESG-funded rapid re-housing services will be required to ensure that data on all persons served and all activities assisted under ESG are entered in the Minnesota HMIS system. If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provide to an HMIS.

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

Hennepin County CoC's Coordinated Entry System (CES) is the process by which households experiencing literal homelessness access, are assessed, and are prioritized for homeless-dedicated supportive housing programs. Hennepin has separate but coordinated CES's for families and singles. Both CES's:

- Cover and serve all of the Hennepin County CoC; use mobile outreach services, partnerships with geographically and culturally focused agencies, and after-hours crisis lines to assure easy access by households; and are promoted widely.
- Follow policies to address needs of households fleeing domestic violence, including privacy and confidentiality, safety planning, emergency management, and appropriate referrals.
- Employ standardized access and assessment. Trained assessors follow written policies to assess households. Households prioritized for supportive housing also complete a standard supplemental assessment of housing preferences.
- Use a uniform referral process to refer households to participating projects, which include rapid rehousing (including ESG-funded projects), transitional housing, and permanent supportive housing. Housing Referral Coordinators employ a standard process which prioritizes households with the longest periods of homelessness and households who are chronically homeless.
- Offer referral denial protocol for both projects and households.
- Require housing providers to limit barriers to enrollment, such as income, disability status, substance use, and criminal history.

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-funded services will be provided by subrecipients that are selected via a Request for Proposals (RFP) process. Following a community needs assessment and prioritization process, the County distributes an RFP through public distribution lists. The County also hosts a pre-proposal meeting to clearly convey requirements and responsibilities as a subrecipient of ESG funds. Provider agencies can propose new or expanded re-housing services. The County convenes a review panel with representatives from homeless shelters, housing programs, and other community organizations, which rates proposals based upon the provider's qualifications and past performance, the perceived effectiveness and efficiency of the proposal, cost factors, prospects for successful outcome delivery, timeline for implementation, fit with community needs and priorities, and cultural competence. The County executes contract agreements with projects selected through the RFP process. Contracts contain a scope of work, applicable ESG

requirements, and performance standards.

Hennepin County provides a higher level of oversight to newer programs, including training, technical assistance and monitoring. The County completes on-site monitoring of each subrecipient annually, which includes technical assistance and individualized assistance.

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.

N/A

5. Describe performance standards for evaluating ESG.

Of households served by rapid rehousing programs:

- Participants will obtain housing in at average of 54 days from program start
- 41% of adult participants will increase or maintain income through employment from program entry to exit
- 53% of adult participants will increase or maintain non-employment income from program entry to exit
- 78% of adult participants will increase or maintain total income from program entry to exit
- 84% of all participants will exit to permanent destinations
- HMIS data will be entered in accordance with local HMIS data quality policies, per the community's Data Quality Plan.