

**-DRAFT-**

**2020-24 CONSOLIDATED PLAN  
2020-21 ANNUAL ACTION PLAN**

Program Year 2020: June 1, 2020 – May 31, 2021

**CITY OF SAINT PAUL**

1400 CITY HALL ANNEX  
425 W FOURTH STREET  
SAINT PAUL, MN 55102



Building community  
wealth through  
business, housing, jobs,  
planning, financial and  
cultural assets.

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# Executive Summary

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

### 1. Introduction

This document is the 2020-2024 Consolidated Plan for the City of Saint Paul, Minnesota, to be submitted to the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan describes the City's housing market conditions, identifies the need for affordable housing and community development, and provides strategies to address these needs for a period of five years. The Plan coordinates the City's housing and economic development plans with other public, private and nonprofit community housing providers, and non-housing service agencies to identify priorities that align and focus funding from the HUD formula block grant programs: Community Development Block Grant (CDBG) Program, HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) Program.

The one-year Annual Action Plan (AAP) for 2020 program year is also included in this document. The AAP includes the City's application for 2020 CDBG funding, which the City uses to invest in housing, public improvements, economic development, public services, and job creation activities. Saint Paul also receives HOME funds to assist in the provision of long-term, safe and affordable housing, as well as ESG funding, which supports programs that assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness.

Saint Paul is considered an entitlement community by HUD. Eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. HUD determines the amount of each entitlement grantee's annual funding allocation formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas. The City anticipates receiving \$6,892,568 of CDBG funding, \$1,895,972 of HOME funding, and \$594,358 of ESG funding from HUD in 2020. In addition, the City estimates using about \$507,432 in CDBG program income and approximately \$1,100,758 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments).

This document will be submitted to HUD by April 15, 2020, which is forty-five days before the City's June 1, 2020 program year begins.

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

Through the needs assessment and market analysis, citizen participation process, and agency consultation during the development of this Plan, the City of Saint Paul has identified priority needs in the Strategic Plan. These priorities include:

1. Preservation of existing affordable housing;
2. Development of new affordable housing;
3. Support stable, affordable, safe, homeownership;
4. Affordable housing for special needs populations;
5. Homeless prevention, rapid rehousing, and supportive services to help keep households housed;
6. Emergency shelters and transitional housing;
7. Fair housing and housing anti-discrimination efforts;
8. Tenant and landlord education
9. Public service needs;
10. Public facilities and infrastructure;
11. Economic development and job growth;
12. Community planning needs;
13. Lead-based paint abatement plan implementation;
14. Acquisition, demolition, and clearance of property; and
15. Community outreach to underserved populations.

### **3. Evaluation of past performance**

Affordable housing preservation and development, housing rehabilitation assistance, non-housing community development, and fair housing and housing anti-discrimination efforts were listed as high priorities in the 2015-2019 Saint Paul Consolidated Plan. The strategies identified in the housing section of the City's new 2040 Comprehensive Plan included preserving and constructing affordable housing by encouraging reinvestment and rehabilitation in existing residential properties and the use of energy-efficient construction methods.

Historically, the City has expended most of its funding from the Department of Housing & Urban Development (HUD) on housing activities (primarily for rehabilitation), and it continued to do so in the last program year. During the 2017-18 program year, the vast majority of CDBG project funds were used for activities that benefited low- to moderate-income persons. A total of 99 housing units were rehabilitated, 7 new rental units were constructed, 1 new homeowner housing unit was constructed, 3 businesses were assisted, and 13 jobs were created. The housing total fell short of the proposed 155 total housing units goal identified in the 2015-2019 Consolidated Plan, primarily due to a shortfall to the shortage of construction industry labor and suitable building sites.

During the 2017-18 program year, the City and its partners provided housing assistance to 31 extremely-low income (30% of AMI) households, 30 very-low income (50% of AMI) households, and 49 low-income (80% of AMI) households. Of the households served, 32 were Asian, 18

Black, 48 White, and 1 reported Other race. Four of the households were Hispanic and 38 were female-headed households.

Housing programs administered by the City were available citywide to income-eligible households. The City provided funding to sub-recipients, whose programs were available to income eligible residents residing in the sub-recipient service area. These areas included Districts 1 through 8, 11, and 17.

The City's HOME program produced 7 rental units during the program year 2017-18. Of those units, 2 units were leased to households at or below 50% AMI and 5 units to households at or below 60% AMI. The households reported as follows: 1 Black/African American, 4 Asian, 2 Other, and 2 households identified as Hispanic.

The City's ESG program funded eligible activities for homelessness prevention, emergency shelter operations, street outreach, rapid re-housing services, data collection, and ESG program administration. During FY 2017-18 the City's ESG program served 4,713 households comprised of 6,083 persons.

#### **4. Summary of citizen participation process and consultation process**

Throughout the development of the Consolidated Plan, interested individuals, local and regional organizations, and government agencies were encouraged to contribute information, ideas, opinions, and suggested priorities for improving community public facilities, increasing affordable housing, job, and business opportunities, and enhancing public services.

Many opportunities were available to residents to provide input for the Plan, including voting activities at the City-sponsored Safe Summer Night events held at different park locations through the City, two public meetings dedicated to collecting input on the Consolidated Plan, discussions at District Council Board of Director and Committee meetings, consultation with the City's Capital Improvement Budget Committee, and an online survey for residents.

In addition, the City consulted with a diverse array of public, non-profit and private sector organizations via phone, email, online survey, and face-to-face interviews. The following groups were invited to participate in the process:

- City of Saint Paul Departments
- City of Saint Paul Capital Improvement Budget Committee
- Saint Paul District Councils (17 independent non-profit organizations)
- Saint Paul Business Associations and Chambers of Commerce
- Saint Paul Community Development Corporations
- Saint Paul Public Housing Agency
- Ramsey County Community and Economic Development
- Ramsey County Continuum of Care
- Saint Paul-Ramsey County Public Health

- Area watershed districts
- National Park Service
- Local and regional social service organizations

These groups represent a range of interests including:

- Saint Paul residents (including cultural communities)
- affordable housing providers
- economic development organizations
- local government offices
- fair housing service providers
- victim services
- homeless shelters and providers
- providers for elimination of lead-based paint hazards
- health and human service providers, including those focusing on elderly, veterans, homelessness, persons with disabilities and mental illness
- organizations working to narrow the digital divide
- management of flood prone areas, public land, or water resources

The public comment period for this document is March 6 through April 5, 2020. Notification of the availability of the draft document was sent out through the City's Early Notification System (ENS) and a public notice was published in the *Pioneer Press*. The notice included information for persons needing special accommodations and assistance for non-English speaking residents. The document is made available for review at the Department of Planning and Economic Development, on its website, and at the Saint Paul Public Library Bookmobile. Posters requesting feedback are displayed, and written instruction for accessing an online copy were made available at all Saint Paul public library branches and the Bookmobile (14 sites in all). Saint Paul public libraries do not require a library card to access public library computers. The City has scheduled a public hearing to be held on March 18, 2020, at City Council. All comments will be included after the public comment period.

## **5. Summary of public comments**

All comments will be included after the public comment period.

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

The public comment period for this document is March 6 through April 5, 2020. All comments will be reviewed and accepted.



## 7. Summary

The Consolidated Plan describes the City's housing market conditions, identifies the need for affordable housing and community development, and provides strategies to address these needs for a period of five years. The plan coordinates the City's housing and economic development plans with other public, private and nonprofit community housing providers, and non-housing service agencies.

Developing the Consolidated Plan included gathering input and data from residents, local and regional organizations, and government agencies through a citizen participation and agency consultation process. Opportunities available to residents included voting activities at City-sponsored events, public meetings, discussions at District Council Board of Director and Committee meetings, and an online survey. In addition, the City consulted with a diverse array of public, non-profit and private sector organizations via phone, email, online survey, and face-to-face interviews.

Through the needs assessment, market analysis, and the citizen participation and consultation process during the development of this Plan, the City identified priority needs as well as strategies to address these needs. The resulting Consolidated Plan and subsequent Annual Action Plans provide a unified vision of services, activities, and initiatives designed to improve the quality of life for Saint Paul residents by providing affordable housing, public services, revitalized neighborhoods, support for homeless and special needs populations, elimination of blight on a spot basis, and the expansion of economic development opportunities for low- and moderate-income persons.

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# The Process

## PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

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

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

Agency Role	Name	Department/Agency
CDBG Administrator	ST. PAUL	Planning and Economic Development
HOME Administrator	ST. PAUL	Planning and Economic Development
ESG Administrator	ST. PAUL	Planning and Economic Development

**Table 1 – Responsible Agencies**

### Narrative

The Department of Planning and Economic Development (PED) of the City of Saint Paul was established in 1977, and is responsible for the planning, housing, and economic development activities throughout the city. PED’s mission is to build community wealth through business, housing, jobs, planning, financial and cultural assets. The Housing and Redevelopment Authority (HRA) of the City of Saint Paul is a legally distinct public entity which undertakes housing, commercial, and business development activities through property acquisition, housing development, real estate finance, business loans.

PED has 74.5 full-time employees that work on our four department teams – Administration & Finance, Economic Development, Housing, and Planning (which includes Heritage Preservation and Zoning).

PED has a budget of about \$10.9 million and the HRA budget is about \$61 million.

PED finances affordable housing development, offers home rehabilitation lending and mortgage foreclosure prevention programs to residents, emergency shelter grant programs, tax increment and bond financing, and manages a \$100 million public parking system downtown. The Economic Development division within PED implements economic development strategies including promoting commercial corridors, business retention and recruitment, and small business lending.

## Consolidated Plan Public Contact Information

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# **PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)**

## **1. Introduction**

The City of Saint Paul consulted with numerous organizations, local government agencies, and City departments throughout the Consolidated Plan process. The City held two community meetings and requested information via phone, e-mail, online survey, and face-to-face interviews with organizations.

A total of 36 targeted community organizations and agencies completed the online survey. Representing their organizations, respondents were asked to rate the level of importance of community needs on a scale of 1 (not important at all) to 5 (extremely important). Public Facilities/Infrastructure needs that received the highest ratings for level of importance include: homeless facilities, youth centers, public libraries, accessibility improvements at public facilities, and parks. Public Services needs that received the highest ratings for level of importance include: homeless prevention services, emergency shelter and transitional housing services, fair housing and housing anti-discrimination advocacy, domestic violence assistance services, mental health services, substance abuse services. Economic Development needs that received the highest ratings for level of importance include: energy efficient commercial or industrial building retrofits and technical training and assistance to businesses. Housing needs that received the highest rates for level of importance include: construction of new affordable housing for low- and moderate-income households, rehabilitation of existing affordable housing for low- and moderate-income households, and increased homeownership opportunities (down payment/closing cost assistance).

### **Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).**

The City has strong relationships with numerous organizations and local government agencies that provide affordable and supportive housing and a variety of health and mental health services. The City consults with these organizations on an on-going basis. Specifically, throughout the year, the City's Housing staff consults with the Public Housing Agency (PHA), community housing development organizations/community development corporations (CHDOs/CDCs) and housing developers to ensure residents access to affordable quality housing citywide.

Through its ESG grant the City funds, in part, mental health and community service providers to assist homeless residents challenged with mental illness. During the year, funding pays, in part, for mental-health agency street outreach to residents experiencing homelessness living in places unfit for human habitation. Beginning Program Year 2019, the City has a Joint Powers Agreement with the County to allocate its ESG funds consistent with recommendations of the Ramsey County Continuum of Care.

The City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources. The City, Ramsey County, and partner organizations continue to look for better ways to work collaboratively and efficiently and align their strategies to comprehensively approach outreach and service gaps.

The City, through the Saint Paul Police Department (SPPD), is a committed partner in encouraging and supporting mental health and wellness. Through the SPPD's Community Outreach and Stabilization Unit (COAST) and its sub-teams, specialized officers conduct proactive and reactive services citywide to connect residents in need of services with available community resources, significantly reducing mental-health-crisis-related arrests and repeat calls for service.

Throughout the planning process of the 2020-2024 Consolidated Plan, the City consulted with a diverse array of public, non-profit, and private sector groups. The following groups were invited to participate in the process.

- City of Saint Paul Departments
- City of Saint Paul Capital Improvement Budget Committee
- Saint Paul District Councils (17 independent non-profit organizations)
- Saint Paul Business Associations and Chambers of Commerce
- Saint Paul Community Development Corporations
- Saint Paul Public Housing Agency
- Ramsey County Community and Economic Development
- Ramsey County Continuum of Care
- Saint Paul-Ramsey County Public Health
- Area watershed districts
- National Park Service
- Local and regional social service organizations

These groups represent a range of interests including:

- Saint Paul residents (including cultural communities)
- affordable housing providers
- economic development organizations
- local government offices
- fair housing service providers
- victim services
- homeless shelters and providers

- providers for elimination of lead-based paint hazards
- health and human service providers, including those focusing on elderly, veterans, homelessness, persons with disabilities and mental illness
- organizations working to narrow the digital divide
- Management of flood prone areas, public land, or water resources

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

The City attends committee meetings for Ramsey County Continuum of Care (CoC) Governing Board and the Ramsey County Family Homeless Prevention Assistance Program (FHPAP). Throughout the year via monthly meetings with the CoC Governing Board, CoC committees and members, and community agencies and service providers, the City’s ESG program is discussed and how it relates to the larger CoC. City staff consult with the CoC Coordinator on a regular basis in addition to attending monthly meetings. City staff and the CoC Coordinator review all ESG, CoC, and FHPAP funding allocations and service delivery programs. This provides a basis from which to set priorities for City ESG funding and service priorities such that City and CoC funding is complementary. In accordance with the CoC Governing Board, the highest service priority is families with dependent children experiencing homelessness. Priorities include rapid re-housing and permanent supportive housing projects, assessors and navigators for the Coordinated Entry System, shelter capacity, street outreach, and prevention.

The City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources. The City, Ramsey County, and partner organizations continue to look for better ways to work collaboratively and efficiently and align their strategies to comprehensively approach outreach and service gaps.

In the past, after consultation with the CoC, the City increased funding to make street outreach a higher priority – to assist residents experiencing homelessness living outside, sleeping in downtown skyways, or using transit vehicles as nightly shelter. The City and County have provided funding for a winter shelter, Winter Safe Space, in winter 2017-18 and 2018-19. The number of beds increased from 50 to 64 as did the hours it was open. Outreach workers engage residents sheltering at the Safe Space to inform and connect them with social services. Winter Safe Space, now called Safe Space Shelter, will now be operated year-round by Model Cities.

Metro Transit Police, through its Homeless Action Team (HAT), provides support and resources that can assist people experiencing homelessness who are sheltering on Metro Transit trains

and buses, and in transit stations. The goal is outreach rather than enforcement. The HAT team added a night case manager in late January 2019.

The City continues to provide financing to create more affordable supportive housing, such as the Ain Dah Yung housing development for homeless youth, which received City-allocated Low-Income Housing Tax Credits, in 2018 and in 2019, for the development of 42 units of permanent supportive housing.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS**

The City has a Joint Powers Agreement with the Ramsey County to allocate its ESG funds to programs that 1) promote a comprehensive delivery of homeless services; 2) assist underserved communities; 3) provide services as needed to achieve the goals of the CoC, Ramsey County FHPAP, and ESG; 4) reduce the number of emergency shelter residents at the Dorothy Day Center-Higher Ground; and 5) address city concerns while meeting HUD's national housing objectives.

The annual ESG budget is presented to the CoC Governing Board for a community discussion on each ESG program component – emergency shelter, street outreach, homelessness prevention, rapid re-housing, and HMIS. Establishing the proposed ESG budget allocations reflects the continued recognition of the need for additional street outreach to residents experiencing homelessness living outside or in areas unfit for human habitation. Final approval for allocation of ESG funds is given by Ramsey County after consulting with City staff and the CoC Governing Board.

City and CoC staff work together to establish performance standards for ESG, CoC, and FHPAP programs. Currently, CoC staff continues to develop and refine performance matrices that apply to CoC and ESG funded activities. Project outcomes are also discussed with ESG/CoC/FHAP service providers. During 2020-21, the CoC Coordinator will conduct a HUD program-related training for CoC, ESG, and FHPAP providers and provide additional training on the established performance matrix and project outcomes trainings. During the program year, staff from the City, CoC, and Institute for Community Alliance (ICA) as the HMIS administrator, will continue to develop a more responsive HMIS system.

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

1	<b>Agency/Group/Organization</b>	Ramsey County Community and Economic Development
	<b>Agency/Group/Organization Type</b>	Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Economic Development Market Analysis Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was consulted through an in-person meeting. Ramsey County Community and Economic Development is the lead agency for the development of Ramsey County's Consolidated Plan. The City consulted Ramsey County Community and Economic Development staff in the areas of homeownership and rehabilitation programs, economic development initiatives, and public service programs addressing tenant advocacy and landlord training. The City and County will review each other Consolidated Plan draft for additional consultation.
2	<b>Agency/Group/Organization</b>	Ramsey County Social Services
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services - Victims Other government - County Continuum of Care
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs



	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City ESG staff consults with Ramsey County Continuum of Care (CoC) Coordinator and attends monthly CoC and Family Homelessness Prevention Assistance Program (FHPAP) meetings to implement comprehensive services that assist homeless and at-risk of being homeless residents. The outcome is that ESG staff and the CoC Governing Board recommend funding allocations for CoC and FHPAP services. Other outcomes are the development of ESG, FHPAP, and CoC program evaluations, additional service provider staff training, and increased services coordination.
3	<b>Agency/Group/Organization</b>	Saint Paul-Ramsey County Public Health
	<b>Agency/Group/Organization Type</b>	Services-Health Health Agency Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Lead-based Paint Strategy Homelessness Strategy Homeless Needs - Families with children
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was consulted through a phone conversation. Outcomes of consultation include a greater understanding of Ramsey County priorities, health care needs of individuals experiencing homelessness, and the County programs for addressing lead-based paint hazards. The agency expressed that one of Ramsey County's strategic priorities is "Stability Starts with a Place to Call Home" in which Ramsey County will improve access to safe, stable housing and reduce homelessness by effectively engaging with residents and partners and maximizing coordination and leadership within and across departments and programs. In addition to this comprehensive approach to improving access to housing, the agency also expressed the need for shelters and services accommodating families experiencing homelessness and the importance of increasing access to preventative healthcare over reactive healthcare.
4	<b>Agency/Group/Organization</b>	Saint Paul Public Housing Agency
	<b>Agency/Group/Organization Type</b>	Housing PHA

	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Public Housing Needs Non-Homeless Special Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City and PHA representatives participate on an on-going basis with the CoC and Family Homelessness Prevention Assistance Program Committee and other housing initiatives. The City and PHA have a working partnership which recognizes the challenges faced by the PHA administration and PHA residents and consulted over the phone and by email regarding this plan. Outcomes include an understanding of the PHA's conversion of public housing via HUD's Rental Assistance Demonstration, capital improvement needs, and the high demand for subsidized rental units demonstrated by extensive waiting lists for public housing and housing vouchers.
5	<b>Agency/Group/Organization</b>	Metropolitan Consortium of Community Developers
	<b>Agency/Group/Organization Type</b>	Housing Regional organization Community Development Consortium
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Economic Development Market Analysis
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A focus group was convened with members of the Metropolitan Consortium of Community Developers. Outcomes of the consultation included enhanced understanding of developers' needs as well as the housing and service needs of the clients they serve. The members of the group expressed the lack of community lending opportunities and coordination among services and the need for more community lending programs, and the need for more housing rehabilitation assistance programs and homeownership opportunities, as well as making these programs more accessible to the people of color and indigenous residents and immigrants.
6	<b>Agency/Group/Organization</b>	District Councils
	<b>Agency/Group/Organization Type</b>	Planning organization Neighborhood Organization

	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Economic Development Market Analysis Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Seventeen separate 501(c)3 organizations make up the collective District Councils. The City contracts with these organizations to provide planning and advising on the physical, economic, and social development of their areas; identifying needs; and initiating community programs. Staff of District Councils were invited to take the organization online survey and share the resident online survey with the District Council Board and Committee members. The surveys asked respondents to rate community needs based on the level of importance and the results were used to establish the priority community needs. City staff also offered to attend a regularly scheduled District Council meeting to discuss the Consolidated Plan and neighborhood needs and priorities.
7	<b>Agency/Group/Organization</b>	St. Paul Youth Services
	<b>Agency/Group/Organization Type</b>	Services-Children
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Families with children Anti-poverty Strategy Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was engaged through a phone conversation. The outcomes include a better understanding of the needs of the youth community. St. Paul Youth Services expressed the need for better outreach to the community about the public services available and reasons for not receiving assistance, City and County efforts to build trust with the community, and equal opportunities throughout the city, especially for services, public facilities and youth programs. The importance of comprehensive approaches to homelessness and maintaining normalcy for families with children was also discussed.
8	<b>Agency/Group/Organization</b>	Teresa Living Center
	<b>Agency/Group/Organization Type</b>	Services-Children Services-homeless

	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Families with children Non-Homeless Special Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through a phone conversation. The outcomes include better understanding of homeless and non-homeless special needs, barriers to housing, and the need for more coordination among service providers. Teresa Living Center also expressed the lack in shelter space for families and mental health services.
9	<b>Agency/Group/Organization</b>	People Incorporated
	<b>Agency/Group/Organization Type</b>	Services-Persons with Disabilities Services-Health Health Agency Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless Non-Homeless Special Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through a phone conversation. The outcomes include a better understanding of homeless and non-homeless special needs. People Incorporated also expressed a need to improve street outreach programs.
10	<b>Agency/Group/Organization</b>	Oromo Community of Minnesota
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Elderly Persons Services-Education Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through an in-person meeting. The outcomes include a better understanding of the needs of the Oromo community and new immigrant population. The Oromo Community of Minnesota expressed the difficulty to find affordable housing and access public services and resources and the need for more affordable homeownership opportunities and interest-free loan options.

11	<b>Agency/Group/Organization</b>	Isuroon
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Health Services-Education Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through an in-person meeting. The outcomes include a better understanding of the needs of the Somali community and new immigrant population. Isuroon expressed the lack of affordable housing that is adequate for multi-generational families, the importance of coordinating housing, transportation, public services and schools, and the need for more targeted, culturally-sensitive outreach to families regarding available services and resources.
12	<b>Agency/Group/Organization</b>	Comunidades Latinas Unidas en Servicio (CLUES)
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Elderly Persons Services-Victims of Domestic Violence Services-Health Services-Education Services-Employment Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs Economic Development Anti-poverty Strategy Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through an in-person meeting. The outcomes include a better understanding of the needs of the Latino community and new immigrant population. CLUES expressed a need for more culturally-sensitive, family-focused public services, outreach, housing, and facilities as well as increased code enforcement, alternative models for selecting tenants, and more targeted assistance for the immigrant population.

13	<b>Agency/Group/Organization</b>	Hmong American Partnership
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Health Services-Education Services-Employment Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs Economic Development Non-housing Community Development Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through an in-person meeting. The outcomes include a better understanding of the needs of the Asian community and new immigrant population. Hmong American Partnership expressed a need for increased access to affordable homeownership, more housing rehabilitation programs focused on safety, and more economic development opportunities. There is also a need for increased outreach to the community, especially the Asian and immigrant population, more accessible programs, and events for the business community regarding available resources.
14	<b>Agency/Group/Organization</b>	Independent School District #625
	<b>Agency/Group/Organization Type</b>	Services-Education
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City staff and the Saint Paul Public Schools (SPPS) Homeless Liaison serve as committee members of the CoC Governing Board and the Ramsey County Family Homelessness Prevention Assistance Program (FHPAP). Staff also consulted Saint Paul Public Schools on efforts related to data collection on children experiencing homelessness.
15	<b>Agency/Group/Organization</b>	St. Paul Neighborhood Network
	<b>Agency/Group/Organization Type</b>	Services - Narrowing the Digital Divide
	<b>What section of the Plan was addressed by Consultation?</b>	Broadband Needs of Housing occupied by Low- and Moderate-Income Households

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This organization was consulted through a phone conversation. The outcomes include a better understanding of the broadband access needs of city residents and. SPNN expressed that while Saint Paul is well connected to broadband via broadband infrastructure, some households lack the ability to connect to broadband due to barriers. These barriers can include equipment and internet service costs, lack of digital literacy, and/or not knowing the purpose or relevance of broadband connectivity. SPPN also expressed the importance of the work Saint Paul Public Libraries is doing to provide residents with computers and trained staff to assist with internet and computer usage.
16	<b>Agency/Group/Organization</b>	State of Minnesota Department of Employment and Economic Development Office of Broadband Development
	<b>Agency/Group/Organization Type</b>	Services - Narrowing the Digital Divide Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Broadband Needs of Housing occupied by Low- and Moderate-Income Households
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Office of Broadband Development was consulted through a phone conversation. The outcomes include a better understanding of the broadband service connectivity in Saint Paul and the barriers to broadband connectivity. The Office of Broadband Development expressed that while Saint Paul is an urban area well covered by wired infrastructure, the costs of internet service as well as computers is an issue. The office also expressed that having multiple broadband service providers is important for maintaining lower costs and that building owners of residential properties have the ability to select one service provider for the building, which removes the ability for residents to compare prices and select their own internet provider.
17	<b>Agency/Group/Organization</b>	Comcast
	<b>Agency/Group/Organization Type</b>	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide

	<b>What section of the Plan was addressed by Consultation?</b>	Broadband Needs of Housing occupied by Low- and Moderate-Income Households
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through a phone conversation. The outcomes include a better understanding of the work Comcast is doing to make broadband connectivity more accessible, which includes the Internet Essentials program. Comcast shared that their service is widely available in Saint Paul and the households that are using the Internet Essentials program are either new to using the internet, have had it in the past, and/or are need of it due to the adoption of laptop usage in school. To assist users with internet usage, Comcast Internet Essentials provides online training and partners with community organizations and the Saint Paul Public Libraries to support in-person classes.
18	<b>Agency/Group/Organization</b>	Capitol Region Watershed District
	<b>Agency/Group/Organization Type</b>	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources
	<b>What section of the Plan was addressed by Consultation?</b>	Hazard Mitigation
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The organization was consulted through a phone conversation. The outcomes include a better understanding of the work that Capitol Region Watershed District is doing protect, manage, and improve the water resources of the district, which includes the Mississippi River. It was discussed that the areas along the north side of the Mississippi River are mostly parkland or industrial use, and because of that, there is little risk to low-income households. The Watershed District is currently modeling areas prone to flooding due to climate change. While this data is not public yet, it was revealed that these areas contain few parcels, and are lower in elevation with insufficient storm sewer infrastructure. The Watershed District also discussed mitigation measures such as the inclusion of green spaces and green infrastructure.



19	<b>Agency/Group/Organization</b>	City of Saint Paul Department of Emergency Management
	<b>Agency/Group/Organization Type</b>	Agency - Emergency Management
	<b>What section of the Plan was addressed by Consultation?</b>	Hazard Mitigation
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Project staff examined the 2019 All-Hazard Mitigation Plan developed by the Department of Emergency Management. The Department also provided a review of the Hazard Mitigation section of this plan.
20	<b>Agency/Group/Organization</b>	National Park Service
	<b>Agency/Group/Organization Type</b>	Agency - Management of Public Land or Water Resources
	<b>What section of the Plan was addressed by Consultation?</b>	Hazard Mitigation
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The agency was consulted through a phone conversation. The outcomes include a better understanding of the agency's management of the Mississippi National River and Recreation Area and the value of the floodplain area. It was discussed that the shoreline area along the Mississippi River is mostly park and open space and the floodplain provides habitat, tree canopy, and recreational benefits. NPS discussed that Federal Emergency Management Agency regulations prohibits building in the floodplain, which is enforced by state and local governments.

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

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

No specific agency types were intentionally left out of the Consolidated Plan process.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Ramsey County Social Services	City ESG funding priorities and Ramsey County CoC strategic priorities have similar goals and priorities are complementary.
Thrive MSP 2040	Metropolitan Council	The City's strategic priorities for anti-poverty measures, fair housing, equal economic opportunity, business development, economic development and job creation are in line with the strategies identified in the Metropolitan Council's Thrive MSP 2040 plan document.
Saint Paul 2040 Comprehensive Plan	City of Saint Paul	The City's Comprehensive Plan is in line with the City's strategic priorities for HUD-funded activities.
Analysis of Impediments to Fair Housing Choice (AI)	Fair Housing Implementation Council and consultant	The priority need, Fair Housing and Anti-Discrimination efforts, and the Affirmative Fair Housing actions in the City's strategic plan will be in coordination with the Analysis of Impediments to Fair Housing Choice.
City Council Resolution 18-1204	City of Saint Paul	This resolution calls for action to create and preserve housing that is affordable at all income levels, address racial, social and economic disparities in housing, and create infrastructure needed to stabilize housing for all in Saint Paul, which is in line with the City's strategic priorities for HUD-funded activities.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))**

The City of Saint Paul is one of 19 municipalities located within Ramsey County, and represents approximately 40% of the county’s land area. Ramsey County is the lead human service agency in these jurisdictions. Both Saint Paul and Ramsey County participate in the Community Development Block Grant (CDBG) program, and consistently keep each other informed in all areas of the program, including non-housing community development needs. This includes ongoing communication and dialogue, and collaborations in the delivery of health care, senior services, and employment programs. Ramsey County is required to prepare its own five-year Consolidated Plan. For consistency, Ramsey County will review Saint Paul’s Consolidated Plan and Saint Paul review Ramsey County’s Consolidated Plan.

The Saint Paul Public Housing Agency (PHA) is the principal direct provider of housing assistance to the City's low- and moderate-income residents. In Saint Paul, the PHA is a separate legal entity, and not a part of City government. The City works closely with the PHA to develop housing goals, strategies, and program implementation. This close relationship is based on mutual goals, staff cooperation, joint planning, and program development.

The City of Saint Paul works closely and cooperatively with the Minnesota Housing Finance Agency (Minnesota Housing) through programs that fund all types of housing needs. For affordable multi-family rental housing projects, most are financed using the Housing Tax Credits (HTC) Program for projects involving new construction, rehabilitation, or acquisition with rehabilitation. Both Minnesota Housing and the City of Saint Paul offer their allocation of tax credits through annual competitive application processes that coordinate and rank other housing resources. During this application process, City and Minnesota Housing staff have routine meetings and on-going conversations to discuss project rankings and work together to determine funding priorities in order to match limited funding resources with projects that meet the highest local affordable rental housing needs. In addition to cooperation with the tax credit program, City and Minnesota Housing staff meets monthly as part of the Intergovernmental Stabilization Group (ISG) that includes other funding partners such as HUD, Family Housing Fund and Local Initiatives Support Corporation (LISC) to collaborate on preserving existing affordable rental housing projects. For single-family home ownership needs, the City collaborates and receives funding from Minnesota Housing through their homeowner rehabilitation loan programs and foreclosure prevention programs. For acquisition, rehabilitation, and new construction of single-family properties, Minnesota Housing provides the City funding through their competitive application process for Community Housing Impact Funds (CHIF).

The City actively participates in the activities of the Metropolitan Council, the state authorized policy-making body, planning agency, and provider of essential services, including transportation and infrastructure, for the Twin Cities metropolitan region.

The City works closely with the City of Minneapolis. Together, the Saint Paul HRA and the Minneapolis Community Development Agency (MCDA) form the Minneapolis/Saint Paul Housing Finance Board with the purpose of providing decent, safe, sanitary and affordable housing to residents of the Twin Cities.

**Narrative (optional):**

## **PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation**

#### **Summarize citizen participation process and how it impacted goal-setting**

The priority needs for the 2020-2024 Consolidated Plan were identified through the needs assessment and market analysis and using input from the consultation and citizen participation process.

During August 2019, City staff attended five City-sponsored Safe Summer Nights events held in different locations throughout the city. At these events, staff provided flyers and informational boards about the Consolidated Plan and the opportunity for attendees to participate in voting activity about Consolidated Plan goals. As a result, approximately 160 residents were informed about the Plan and participated in the voting activity.

Two community open houses specific to the Consolidated Plan were held in October and November 2019 in a public library and recreation center locations. At these open houses, the staff provided information on the Consolidated Plan process, eligible uses of CDBG, HOME and ESG funds, historical uses of the HUD funds, and community needs that emerged through the needs assessment and housing market analysis process. The open houses also included a discussion activity for attendees to provide input on the community priorities. Interpreters for Spanish, Somali, and Hmong languages were available at these open houses.

During November and December 2019, City staff attended several District Council Board of Directors and Committee meetings. The District Councils are independent, non-profit resident organizations that engage and represent the people living in the district, and the Board of Directors and Committees are made up of volunteers elected by the neighborhood residents. At these meetings, staff provided information about the Consolidated Plan, answered questions, and led discussions on the community needs the members see in their districts.

In addition, the Consolidated Plan online survey was open from October 15 to December 6, 2019. There were two ways to take the survey: (1) as a Saint Paul resident or business and (2) as a staff member of a community organization serving Saint Paul residents. The resident survey was available on the project website and notification was through the City's social media platforms, emails to the City's Department of Planning and Economic Development newsletter list, and District Councils and community agencies. The organization survey was emailed directly to a contact list of government agencies, area chambers of commerce and business associations, community development corporations, and other community social service groups. These organizations were also encouraged to share the resident survey with the communities with whom they work with. The survey asked respondents to rate community needs based on the level of importance. There were four different categories of needs, (1) housing, (2) economic development, (3) public facilities and infrastructure, and (4) public services. Approximately 160

people completed at least one category of the resident survey and 36 staff members from organizations completed at least one category of the organization survey.

The public comment period for this document is March 6 through April 5, 2020. Notification of the availability of the draft document was sent out through the City's Early Notification System (ENS) and a public notice was published in the *Pioneer Press*. The notice included information for persons needing special accommodations and assistance for non-English speaking residents. The document is made available for review at the Department of Planning and Economic Development, on its website, and at the Saint Paul Public Library Bookmobile. Posters requesting feedback are displayed, and written instruction for accessing an online copy were made available at all Saint Paul public library branches and the Bookmobile.

The City has scheduled a public hearing to be held on March 18, 2020, at City Council.

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### Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	On June 17, 2019, the Capital Improvement Budget (CIB) Committee held a Public Hearing to solicit comments regarding funding selection and priorities for CDBG allocations. Eleven people spoke.	Comments at the Public Hearing focused on the city's great need for affordable housing, housing rehabilitation, and economic development. A summary of the comments is included in Attachment A to this plan.	All comments were considered.	<a href="https://www.stpaul.gov/departments/mayors-office/committees-boards-and-commissions/capital-improvement-budget-cib-committee">https://www.stpaul.gov/departments/mayors-office/committees-boards-and-commissions/capital-improvement-budget-cib-committee</a>
2	Public Meeting	Non-targeted/broad community	Over five Safe Summer Nights events, held at different parks located throughout the City, a total of approximately 160 people were informed about the Consolidated Plan and participated in a voting activity.	Participants selected five needs out of nine that they felt were the most important priorities for the City. The results of the voting activity in terms of percentage of votes are as follows: <ol style="list-style-type: none"> <li>1. Homeless prevention – 21%</li> <li>2. Development of new housing received – 16%</li> <li>3. Youth employment – 14%</li> <li>4. Public services – 11%</li> <li>5. Housing rehabilitation – 10%,</li> </ol>	N/A	<a href="https://www.stpaul.gov/departments/police/administration-office-chief-community-engagement">https://www.stpaul.gov/departments/police/administration-office-chief-community-engagement</a>

				6. Public improvements – 9%, 7. Community engagement – 8%, 8. Economic development – 6%, 9. Remediation of substandard properties – 5%		<a href="#">division/special-operations-2</a>
3	Internet Outreach	Non-targeted/broad community	<p>An online survey was open from October 17 to December 6 and received 270 responses. Of those, 97% live in Saint Paul. All neighborhoods were represented. Of those that answered, 13% are renters, 86% are homeowners, and 22% are considered to be low income based on reported number of people in their household and annual household income.</p>	<p>Respondents were asked to rate the level of importance of community needs on a scale of 1 (not important at all) to 5 (extremely important). Public Facilities/Infrastructure needs that the received highest ratings for level of importance include: public infrastructure (streets, sidewalks, sewers, etc.), parks, public libraries, youth centers, and recreation centers. Public Services needs that received the highest ratings for level of importance include: mental health services, transportation services, youth services, emergency shelter and transitional housing services, health services, homeless prevention services. Economic Development needs that received the highest ratings for level of importance include: energy efficient commercial or industrial building retrofits and technical training and assistance to businesses. Housing needs that received the highest ratings for level of importance include: rehabilitation of existing affordable housing for low- and moderate-income households, housing rehabilitation assistance for homeowners, and construction of new affordable housing for low- and moderate-income households.</p>	N/A	<a href="https://stpaul.gov/consolidated-plan">https://stpaul.gov/consolidated-plan</a>

4	Internet Outreach	Government agencies, local and regional nonprofit organizations including Chambers of Commerce and Business Associations, Community Development Corporations and Community groups	An online survey was open from October 17 to December 6 and received 36 responses. Contacts from 68 organizations and agencies were emailed links to the survey.	Representing their organizations, respondents were asked to rate the level of importance of community needs on a scale of 1 (not important at all) to 5 (extremely important). Public Facilities/Infrastructure needs that received highest ratings for level of importance include: homeless facilities, youth centers, public libraries, accessibility improvements at public facilities, and parks. Public Services needs that received the highest ratings for level of importance include: homeless prevention services, emergency shelter and transitional housing services, fair housing and housing anti-discrimination advocacy, domestic violence assistance services, mental health services, substance abuse services. Economic Development needs that received the highest ratings for level of importance include: energy efficient commercial or industrial building retrofits and technical training and assistance to businesses. Housing needs that received the highest rates for level of importance include: construction of new affordable housing for low- and moderate-income households, rehabilitation of existing affordable housing for low- and moderate-income households, and increased homeownership opportunities (down payment/closing cost assistance).	N/A	<a href="https://www.surveymonkey.com/r/ConPlan-OrgAg">https://www.surveymonkey.com/r/ConPlan-OrgAg</a>
5	Public Meeting	Non-targeted/broad community	Two informational public meetings were held in the community: October 29 at Rice Street Library, which had 5 attendees and	Comments at the October 29 meeting focused on the need to provide programs at public facilities to engage the youth community, training and educational services, more living wage jobs, and better coordination between	All comments were considered.	<a href="https://www.stpaul.gov/departments/planning-">https://www.stpaul.gov/departments/planning-</a>



			November 12 at Arlington Community Center, which had 6 attendees. The meetings were advertised to the general public and interpreters for Spanish, Somali, and Hmong were available at the meetings.	agencies and services assisting the homeless, and more homeless facilities to accommodate families.  Comments at the November 12 meeting focused on the need for affordable housing and more homeownership opportunities, especially for larger families that may live multi-generationally.		<a href="#">economic-development/consolidated-plan</a>
6	Public Meeting	Non-targeted/broad community	Attended Board of Directors or Committee meetings from 5 different District Councils. Each meeting had approximately 15-20 board/committee members and additional neighborhood residents in attendance.	Comments from discussions at the meetings focused on the importance of fair housing, tenant education, and anti-discrimination efforts, the need for more housing rehabilitation programs that are available for a greater range of incomes and greater homeownership opportunities, especially within the existing development, the importance of equity in the distribution of services, especially youth and senior services.	All comments were considered.	
7	Public Meeting	Residents who have experienced homelessness	Attended a Street Voices Meeting with approximately 10 people in attendance.	Comments from the discussion at the meeting focused on the barriers to obtaining housing, the increasing need for mental health services and other supportive services, and the need to reevaluate re-entry for felons programs and the rental housing application and screening process.	All comments were considered.	
8	Public Meeting	Non-targeted/broad community	Attended a Capital Improvement Budget Committee (CIB) Meeting on December 9, 2019, with 9 members of the Committee in attendance.	Comments from the discussion at the meeting focused on the need for increased homeownership, and wealth-building economic development opportunities, and businesses with family-supporting wages, the importance of tenant advocacy and family-focused assistance, better coordination	All comments were considered.	<a href="https://www.stpaul.gov/departments/mayors-office/committees-boards-">https://www.stpaul.gov/departments/mayors-office/committees-boards-</a>

				among service agencies as well as the need for accessible housing, focusing on the elderly.		<a href="#">and-commissions/capital-improvement-budget-cib-committee</a>
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**Table 4 – Citizen Participation Outreach**

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# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

The Needs Assessment examines several key areas critical to creating a livable community for all residents of the City. Most of the housing data presented is from the HUD Comprehensive Housing Affordability Strategy (CHAS). Other non-housing data is provided by HUD, supplemented with local data.

The section specifically undertakes the following:

- Completes an overall housing needs assessment
- Identifies disproportionate need among the city's racial and ethnic groups in relationship to housing problems and cost burden
- Examines public housing
- Undertakes a homeless needs assessment
- Carries out a non-homeless special needs assessment
- Identifies non-housing community development needs

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## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

This section reviews the housing needs experienced by low to moderate-income Saint Paul residents. The following demographic table shows the population, household, and median income for Saint Paul. According to the 2011-2015 American Community Survey (ACS) estimates, Saint Paul has experienced an increase in population since 2000 to 295,045 residents and 112,990 households. According to the 2011-2015 estimates, the median household income was \$48,757, an increase since 2000. Although the 2011-2015 estimates were the most recent data provided by HUD, a review of more recent ACS data reveals an increase in both the population and median income. According to the 2013-2017 ACS estimates, the City's population includes 300,820 residents and 112,502 households and the median household income is \$57,652, which indicates an even more significant increase in income since 2000.

Of the 112,990 total households in Saint Paul, 23% earn 0-30% HUD Area Median Family Income (HAMFI), 16% earn >30-50% HAMFI, 17% earn >50-80% HAMFI, 10% earn >80-100% HAMFI, and 33% earn >100% HAMFI.

According to the 2011-2015 CHAS data, 33% of households earning up to 100% of Area Median Income (AMI) have at least one or more housing problems. Cost burden is the most commonly reported housing problem in Saint Paul across all household income levels and tenure types. Over half of renter households earning up to 100% of AMI are identified as being cost burdened with 26% cost burdened (with housing costs greater than 30% of income) and 27% severely cost burdened (with housing costs greater than 50% of income). Crowding is the second most commonly reported housing problem. Eight percent of households earning 0-100% of AMI were considered either overcrowded (with 1.01 to 1.5 people per room) or severely overcrowded (with more than 1.51 people per room). Seventy-two percent of households that are considered overcrowded or severely overcrowded earn 0-50% AMI.

The following tables provide an overview and breakdown of the City's population by size, income, age, and housing needs.

Demographics	Base Year: 2009	Most Recent Year: 2015	% Change
Population	285,068	295,045	3%
Households	110,705	112,990	2%
Median Income	\$46,026.00	\$48,757.00	6%

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

## Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80- 100% HAMFI	>100% HAMFI
Total Households	26,460	17,815	19,370	11,855	37,490
Small Family Households	7,595	4,955	5,675	4,390	18,465
Large Family Households	3,130	2,420	2,225	1,090	2,720
Household contains at least one person 62-74 years of age	3,385	2,605	3,090	2,120	6,675
Household contains at least one person age 75 or older	2,495	2,270	1,675	865	1,535
Households with one or more children 6 years old or younger	5,780	3,530	3,015	2,050	4,395

**Table 6 - Total Households Table**

Data Source: 2011-2015 CHAS

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## Housing Needs Summary Tables

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

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Substandard Housing - Lacking complete plumbing or kitchen facilities	200	145	70	15	430	0	10	20	10	40
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	880	455	330	30	1,695	35	110	110	70	325
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	1,525	1,055	505	220	3,305	155	255	325	140	875
Housing cost burden greater than 50% of income (and none of the above problems)	11,265	1,745	235	10	13,255	2,645	1,210	580	180	4,615
Housing cost burden greater than 30% of income (and none of the above problems)	3,400	5,530	2,040	375	11,345	620	1,795	2,665	1,010	6,090

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Zero/negative Income (and none of the above problems)	880	0	0	0	880	195	0	0	0	195

**Table 7 – Housing Problems Table**

Data Source: 2011-2015 CHAS

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

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	13,875	3,400	1,140	275	18,690	2,835	1,585	1,040	400	5,860
Having none of four housing problems	7,470	8,660	8,745	4,635	29,510	1,205	4,165	8,450	6,545	20,365
Household has negative income, but none of the other housing problems	880	0	0	0	880	195	0	0	0	195

**Table 8 – Housing Problems 2**

Data Source 2011-2015 CHAS

### 3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	5,300	2,200	735	8,235	890	1,005	1,240	3,135
Large Related	2,170	840	75	3,085	425	475	325	1,225
Elderly	2,225	1,215	440	3,880	1,245	1,040	695	2,980
Other	7,200	3,690	1,080	11,970	885	680	1,065	2,630
Total need by income	16,895	7,945	2,330	27,170	3,445	3,200	3,325	9,970

**Table 9 – Cost Burden > 30%**

Data Source: 2011-2015 CHAS

### 4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	4,210	490	80	4,780	820	375	205	1,400
Large Related	1,365	85	0	1,450	285	135	15	435
Elderly	1,540	440	80	2,060	885	440	105	1,430
Other	5,665	780	75	6,520	755	315	255	1,325
Total need by income	12,780	1,795	235	14,810	2,745	1,265	580	4,590

**Table 10 – Cost Burden > 50%**

Data Source: 2011-2015 CHAS



5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Single family households	2,070	1,305	615	165	4,155	140	270	390	100	900
Multiple, unrelated family households	285	145	95	40	565	50	95	49	110	304
Other, non-family households	65	65	120	55	305	0	0	4	0	4
Total need by income	2,420	1,515	830	260	5,025	190	365	443	210	1,208

Table 11 – Crowding Information – 1/2

Data Source: 2011-2015 CHAS

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

Table 12 – Crowding Information – 2/2

Data Source Comments: Data is not available

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

According to the 2011-2015 ACS estimates, there are 39,916 single-person households in Saint Paul with approximately 9,953 single-person households age 65 or older. Elderly nonfamily households, which includes single households, are approximately 1.8 times more likely to be extremely low income than elderly family households. Many elderly single-person households may be on fixed incomes and require housing assistance. The number of “other” renter households earning 0-50% of AMI represent the most cost-burdened household type (in number) across owners and renters with 10,890 cost-burdened “other” renter households and 6,445 severely cost-burdened “other” households. These very low income “other” households earning up to 50% AMI, which includes single-person households, need housing assistance.

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

The City of Saint Paul does not collect the number of disabled persons or victims of domestic violence, dating violence, sexual assault, and/or stalking. However, the City contracts with the Saint Paul & Ramsey County Domestic Abuse Intervention Project, an organization serving women who have experienced domestic violence in their household, which reports the number of housing-related services they provide to their clients. Annually, this organization refers approximately 1,248-1,560 domestic violence victims for emergency sheltering with one of the three organizations in the city that provide that service. These providers include Women’s Advocates with the capacity to house 25 women and approximately 35 children, Casa de Esperanza that can house up to 11 total people in six rooms, and Women of Nations Eagle’s Nest can house up to 44 women and children. In addition to referring women to emergency shelters, Saint Paul & Ramsey County Domestic Abuse Intervention Project also provides housing advocacy to approximately 3,400 clients annually. This includes helping to locate financial assistance for housing and/or moving, housing resources, help breaking leases for safety reasons, advocacy with landlords, lock changes, assistance in filing protection orders to be safe at home so they don’t have to relocate, connecting to legal assistance when needed for tenants’ rights help.

## **What are the most common housing problems?**

According to the 2011-2015 CHAS data, 33% of households earning up to 100% of AMI have at least one or more housing problems. HUD defines housing problems as: 1) lacks complete kitchen facilities; 2) lacks complete plumbing facilities; 3) More than one person per room; 4) Cost burden over 30%.

Cost burden is the most commonly reported housing problem in Saint Paul across all tenure types and household income levels up to 100% of AMI and. Over half of renter households earning up to 100% of AMI are identified as being cost burdened with 26% cost burdened (with

housing costs greater than 30% of income) and 27% severely cost burdened (with housing costs greater than 50% of income). For homeownership households, 24% of households earning up to 100% of AMI are cost burdened and 18% are severely cost burdened.

Almost half of the rental households that are cost burdened earn a household income between 30% to 50% of the AMI. Eighty-six percent of the renter households that are severely cost burdened earn 30% of AMI or less. Ownership households experience cost burden at an overall similar rate to rental with slightly different trends at income levels. While 50% of ownership households that are severely cost burdened earn a household income of 0%-50% of AMI, 72% of ownerships households that are cost burdened earn a household income of 30%- 80% of AMI.

Crowding is the second most commonly reported housing problem. Eight percent of households earning up to 100% of AMI were considered either overcrowded (with 1.01 to 1.5 people per room) or severely overcrowded (with more than 1.51 people per room). Seventy-two percent of households that are considered overcrowded or severely overcrowded earn 0%-50% AMI. Forty-eight percent of the renter households that are overcrowded or severely overcrowded earn 0%-30% of AMI, while 37% of the ownership households that are overcrowded or severely overcrowded earn 50%-80% of AMI.

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

Extremely low- and low-income renters are particularly impacted by cost burden and overcrowding. Forty-eight percent of renter households at extremely low incomes (earning 30% AMI or less) are severely cost burdened. Thirty-five percent of renter households at low incomes (earning 30-50% AMI) are cost burdened and 10% are severely cost burdened. Those households experiencing the highest rate of severe cost burden are small, related households and “other” households earning 0 to 30% of AMI. Of the rental households earning up to 100% AMI experiencing overcrowding, 78% earn 50% AMI or less. This is a much higher rate than the proportion of overcrowded ownership households earning 50% AMI or less, which is 46%.

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

Household characteristics of low-income individuals or families with children that lead to instability include poverty; mental, physical and developmental disabilities; and incidents of domestic violence. Renters facing severe housing cost burden exhibit characteristics linked with housing instability in that when people are unable to pay their rent because of high cost burden or job disruption, they are at a greater risk for imminent homelessness. Rental rates have

increased faster than wages, and competition for lower cost units is high in Saint Paul, which puts low-income households at risk for future homelessness.

The needs of formerly homeless families and individuals receiving rapid re-housing assistance, whose assistance is or will be terminated, continue be connections to mainstream services as well as continued, but less frequent, monitoring by the case manager that has been working with them.

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

Not applicable.

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

Particular housing characteristics that have been linked with instability and increased risk of homelessness include:

- Insufficient supply of decent housing affordable to those at the extremely and very low incomes;
- Inadequate supply of Section 8 vouchers and other mainstream subsidized housing vouchers; and
- Insufficient number of permanent supportive housing units.

## **Discussion**

Highlights of the information and analysis provided through this needs assessment include:

- While there are almost the same number of rental households as there are ownership households, rental households are almost two times more likely to experience cost burden and three times more likely to experience severe cost burden than ownership households.
- Extremely low-income renter households (earning 30% AMI or less) and low-income renter households (earning 30%-50% AMI) are more likely to be severely cost burdened than renter households at other income levels.
- Although substandard housing and overcrowding situations exist, relatively few households are experiencing these conditions.
- Extremely low-income rental households (earning 30% AMI or less) and moderate-income (earning 50-80% AMI) ownership households experience the highest incident of overcrowding within each tenure category.
- Rental households experience four times the incidents of overcrowding compared to ownership households.

## NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

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

### Introduction

HUD requires communities to identify disproportionately greater need in terms of members of a racial or ethnic group experiencing severe housing problems at a greater rate than the income level as a whole. For the purposes of HUD, a disproportionately greater need exists when the percentage of households (of a particular racial or ethnic group) that experience one or more housing problems is at least 10 percentage points higher than the percentage of households (of the income level as a whole) that experience one or more housing problems. The different income levels include 0-30% of AMI, 30-50% of AMI, 50-80% of AMI, and 80-100% of AMI. HUD defines housing problems as: 1) lacks complete kitchen facilities; 2) lacks complete plumbing facilities; 3) More than one person per room; 4) Cost burden over 30%.

The HUD-defined analysis of disproportionate housing needs shows that there is a disproportionately number of Asian, Hispanic, and American Indian, Alaska Native households experiencing housing problems. Community development and social service organizations that serve cultural populations, consulted as a part of the Consolidated Plan process, expressed that Saint Paul's new Americans and immigrant population can experience housing problems due to language barriers, vulnerable residency status, and lack of access to, or knowledge of, resources. The City recognizes that communities of color in Saint Paul statistically have higher unemployment rates and lower incomes and be disproportionately impacted by barriers to housing access including restrictive tenant screening criteria and discrimination. The City has a strong focus on racial equity and addressing disparities, and has funds allocated to programs intended to close these gaps and to ensure that we are Affirmatively Furthering Fair Housing.

### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	20,735	4,655	1,075
White	9,445	2,100	475
Black / African American	5,285	1,480	350
Asian	3,160	570	169
American Indian, Alaska Native	175	44	25
Pacific Islander	0	15	0
Hispanic	1,935	225	40

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2011-2015 CHAS

\*The four housing problems are:

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

### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	12,310	5,500	0
White	6,620	3,300	0
Black / African American	2,290	955	0
Asian	1,740	510	0
American Indian, Alaska Native	94	40	0
Pacific Islander	0	10	0
Hispanic	1,200	585	0

**Table 14 - Disproportionally Greater Need 30 - 50% AMI**

Data Source: 2011-2015 CHAS

\*The four housing problems are:

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

### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	6,880	12,490	0
White	4,455	8,470	0
Black / African American	825	1,445	0
Asian	925	1,290	0
American Indian, Alaska Native	40	29	0
Pacific Islander	0	15	0
Hispanic	495	845	0

**Table 15 - Disproportionally Greater Need 50 - 80% AMI**

Data Source: 2011-2015 CHAS

\*The four housing problems are:

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

### 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,060	9,795	0
White	1,450	7,195	0
Black / African American	65	1,165	0
Asian	335	635	0
American Indian, Alaska Native	0	40	0
Pacific Islander	0	0	0
Hispanic	175	535	0

**Table 16 - Disproportionally Greater Need 80 - 100% AMI**

Data Source: 2011-2015 CHAS

\*The four housing problems are:

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

### Discussion

Under the HUD-defined analysis of disproportionate housing need by race, the following disproportionate needs were identified in the City of Saint Paul:

- Hispanic households at 0% - 30% of AMI
- American Indian, Alaska Native at 50% - 80% of AMI
- Asian households at 80% - 100% of AMI

Comparing the percentage of households with one of the four housing needs by race with the percentage of the total population by race provides another lens by which to look at disproportionate need. Twenty-five percent of households at extremely low incomes (0-30% of AMI) with one or more of the four housing problems are African American households, while African Americans represent only 15% of the city's population. African American households also experience a higher incidence of housing problems for very low-income households (30-50% of AMI), as they represent 19% of these households. White households follow a similar pattern for low and moderate-income households. While this group represents 60% of the City's population, 65% of low-income households (50-80% of AMI) and 70% of moderate-income households (80-100% of AMI) experiencing one or more housing problems are white households. However, white households make up 67% of low-income households and 73% of

moderate-income households, which leads to an overrepresentation of white households with a housing problem at those income levels.

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## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

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

### Introduction

HUD requires communities to identify disproportionately greater need in terms of members of a racial or ethnic group experiencing severe housing problems at a greater rate than the income level as a whole. For the purposes of HUD, a disproportionately greater need exists when the percentage of households (of a particular racial or ethnic group) that experience one or more housing problems is at least 10 percentage points higher than the percentage of households (of the income level as a whole) that experience one or more housing problems. The different income levels include 0-30% of AMI, 30-50% of AMI, 50-80% of AMI, and 80-100% of AMI. HUD defines severe housing problems as: 1) lacks complete kitchen facilities; 2) lacks complete plumbing facilities; 3) More than 1.5 persons per room; 4) Cost burden over 50%. The "severe housing problems" category differs from the "housing problems" category by households being more overcrowded and experiencing a greater cost burden.

The HUD-defined analysis of disproportionate housing needs shows that there is a disproportionately greater number of for Asian and Hispanic households experiencing severe housing problems. Community development and social service organizations that serve cultural populations, consulted as a part of the Consolidated Plan process, expressed that Saint Paul's new Americans and immigrant population can experience housing problems due to language barriers, vulnerable residency status, and lack of access to, or knowledge of, resources. The City recognizes that communities of color in Saint Paul statistically have higher unemployment rates and lower incomes and be disproportionately impacted by barriers to housing access including restrictive tenant screening criteria and discrimination. The City has a strong focus on racial equity and addressing disparities, and has funds allocated to programs intended to close these gaps and to ensure that we are Affirmatively Furthering Fair Housing.

### 0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	16,710	8,675	1,075
White	7,630	3,915	475
Black / African American	4,010	2,760	350
Asian	2,745	980	169
American Indian, Alaska Native	170	49	25
Pacific Islander	0	15	0

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Hispanic	1,545	620	40

**Table 17 – Severe Housing Problems 0 - 30% AMI**

Data Source: 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 30%-50% of Area Median Income

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	4,985	12,825	0
White	2,515	7,405	0
Black / African American	835	2,410	0
Asian	1,095	1,155	0
American Indian, Alaska Native	19	115	0
Pacific Islander	0	10	0
Hispanic	390	1,395	0

**Table 18 – Severe Housing Problems 30 - 50% AMI**

Data Source: 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 50%-80% of Area Median Income

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	2,180	17,195	0
White	1,050	11,880	0
Black / African American	235	2,035	0

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Asian	650	1,570	0
American Indian, Alaska Native	0	70	0
Pacific Islander	0	15	0
Hispanic	220	1,115	0

**Table 19 – Severe Housing Problems 50 - 80% AMI**

Data Source: 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 80%-100% of Area Median Income

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	675	11,180	0
White	250	8,395	0
Black / African American	25	1,200	0
Asian	300	670	0
American Indian, Alaska Native	0	40	0
Pacific Islander	0	0	0
Hispanic	100	605	0

**Table 20 – Severe Housing Problems 80 - 100% AMI**

Data Source: 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### Discussion

Under the HUD defined analysis of disproportionate housing need by race, the following disproportionate needs were identified in the City of Saint Paul:

- Asian households at 30% - 50%, 50% - 80%, and 80% - 100% of AMI

- Hispanic households at 80% - 100% of AMI

Comparing the percentage of households with one of the four housing needs by race with the percentage of the total population by race provides another lens by which to look at disproportionate need. At extremely low incomes (0-30% of AMI) and very low incomes (30-50% of AMI), 24% and 17%, of the households, respectively, experiencing one or more of the four severe housing problems is an African American household, while this group represent 15% of the City's population. The HUD-defined disproportionate need for Asian households at very low to moderate income levels (30-50%, 50-80%, and 80-100% of AMI) and Hispanic households at moderate income levels was also demonstrated though this comparison to the percentage of the total population by race. While Asian households represent 22% of the households at 30-50% of AMI with a severe housing problem, 30% of the households at 50-80% of AMI with a severe housing problem, and 44% of the households at 80-100% of AMI with a severe housing problem, this group represents 17% of the city's population. While Hispanics represent 10% of the city's population, Hispanic households make up 15% of the moderate-income households (80-100% of AMI) experiencing a severe housing problem.

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## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

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

### Introduction:

HUD requires communities to identify disproportionately greater need in terms of households of a particular racial or ethnic group experiencing a housing cost burden at a greater rate than the jurisdiction as a whole. For the purposes of HUD, a disproportionately greater need exists when the percentage of households (of a particular racial or ethnic group) that experience housing cost burden is at least 10 percentage points higher than the percentage of households (of the jurisdiction as a whole) that experience housing cost burden. The different levels of housing cost burdens include:  $\leq 30\%$  (households without a cost burden, the housing cost to income ratio is less than 30%), 30-50% (cost-burdened households that pay between 30% and 50% of their income on housing-related costs), and  $>50\%$  (severely cost-burdened households that pay more than 50% of their income on housing-related costs).

The HUD-defined analysis of disproportionate housing cost burden shows a disproportionate housing cost burden for African American households and American Indian, Alaska Native households. The City recognizes that communities of color in Saint Paul statistically have higher unemployment rates and lower incomes and be disproportionately impacted by barriers to housing access including restrictive tenant screening criteria and discrimination. The City has a strong focus on racial equity and addressing disparities and has designed funding programs intended to close these gaps to ensure we are Affirmatively Furthering Fair Housing.

### Housing Cost Burden

Housing Cost Burden	$\leq 30\%$	30-50%	$>50\%$	No / negative income (not computed)
Jurisdiction as a whole	71,360	20,745	19,745	1,130
White	52,355	12,310	10,725	490
Black / African American	7,215	3,785	4,150	365
Asian	6,285	2,055	2,500	189
American Indian, Alaska Native	290	125	170	25
Pacific Islander	35	0	0	0
Hispanic	3,610	1,855	1,545	45

**Table 21 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2011-2015 CHAS

## **Discussion:**

Under the HUD defined analysis of disproportionate housing cost burden need by race, the following disproportionate needs were identified in the City of Saint Paul:

- African American households experiencing a severe cost burden
- American Indian, Alaska Native experiencing a severe cost burden

Comparing the percentage of households that experience housing cost burden by race with the percentage of the total population by race provides another lens by which to look at disproportionate need. The HUD-defined disproportionate severe housing cost burden for African American households was also demonstrated through this comparison to the percentage of the total population by race. African Americans represent 15% of the city's population, yet they make up 18% of the households experiencing cost burden and 21% of the households experiencing severe cost burden.

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## **NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)**

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

Using the HUD-defined analysis of disproportionate housing need, there are income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category.

Disproportionate housing needs (lacks complete kitchen facilities; lacks complete plumbing facilities; More than one person per room; Cost burden over 30%) were identified for the following groups:

- Hispanic households at extremely low incomes (0-30% of AMI)
- American Indian, Alaska Native households at low incomes (50 - 80% of AMI)
- Asian households at moderate incomes (80-100% of AMI)

Disproportionate severe housing needs (lacks complete kitchen facilities; lacks complete plumbing facilities; More than one person per room; Cost burden over 30%) were identified for the following groups:

- Asian households at extremely low to moderate incomes (30% - 50%, 50% - 80%, and 80% - 100% of AMI)
- Hispanic households at moderate incomes (80% - 100% of AMI)

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

Additional disproportionate housing needs were identified by comparing the percentage of households with housing problems by race or ethnicity with the percentage of the total population by race or ethnicity. African Americans households at extremely low incomes (0-30% of AMI) and very low incomes (30-50% of AMI) have disproportionate housing needs and severe housing needs. While whites represent 60% of the City's population, 65% of low-income households (50-80% of AMI) and 70% of moderate-income households (80-100% of AMI) experiencing one or more housing problems are white households. However, white households make up 67% of low-income households and 73% of moderate-income households, which leads to an overrepresentation of white households with a housing problem at those income levels.

Disproportionate housing cost burden needs were also identified for African American households experiencing a severe cost burden and American Indian, Alaska Native experiencing a severe cost burden.

Because African American and American Indian, Alaska Native households are disproportionately facing more cost burden issues, it can be concluded that more Hispanic and

Asian households are experiencing more housing problems such as housing quality and overcrowding issues. These groups identified, people of color including Asians, Hispanics, African Americans, and American Indian, Alaska Native, may face disproportionate housing needs of cost burden and housing problems due to greater unemployment rates and lower incomes. According to the 2013-2017 ACS estimates, the City's overall employment was 6.7%, while the unemployment rate for people of color was 11%. These groups are also more likely to have employment in jobs that pay wages lower than the median income level. According to the 2013-2017 ACS estimates, the citywide median household income is \$52,841, while the median household income for African American households is \$27,773, the median household income for Asian households is \$43,182, the median household income for Hispanic households is \$41,416, and the median household income for American Indian, Alaska Native households is \$35,679. The higher unemployment rates and lower incomes combined with a tight rental market and low supply of affordable housing lead many in these groups to experience disproportionate housing needs.

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

The City has geographic areas where the racial and ethnic groups that have disproportionately greater housing need are concentrated (i.e. African American, Asian, and Hispanic residents). To be considered an area of higher concentration, such subpopulations of disproportionately greater need represent at least approximately one-third of the residents living in a particular census tract. These census tracts are illustrated in a map titled City of Saint Paul Concentrations of Disproportionately Greater Need Subpopulations in Appendix I and include:

- African American residents in census tracts 335, 336, 337, 338, 339 in the Summit-University neighborhood, census tract 334 in the Union Park neighborhood, census tracts 324 and 328 in the Frogtown neighborhood, census tract 376.02 in the Highland Park neighborhood, and census tract 374.03 in the Battle Creek/Highwood Hills neighborhood;
- Asian residents in census tracts 326 and 327 within the Frogtown neighborhood, census tracts 313, 308, and 305 within the North End neighborhood, census tracts 306.01, 315, and 316 within the Payne-Phalen neighborhood, census tracts 317.01, 346.01, and 346.02 within the Dayton's Bluff neighborhood, census tracts 307.03, 307.04, and 318.01 within the Greater East Side neighborhood, and census tract 361 in the West Side neighborhood;
- Hispanic residents in census tract 372 within the West Side neighborhood.



## **NA-35 Public Housing – 91.205(b)**

### **Introduction**

The Saint Paul Public Housing Agency (PHA) owns and operates the City's public housing units. PHA's mission statement is "The PHA helps families and individuals with low incomes achieve greater stability and self-reliance by providing safe, affordable, quality housing and links to community services."

The PHA owns and manages 418 public housing units and 3,836 units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020. The PHA also administers 4,804 Housing Choice Vouchers (as of January 2020). These include 100 Family Unification Program (FUP) vouchers, 248 Mainstream Program/Disability vouchers, and 231 Veterans Affairs Supportive Housing (VASH) vouchers. PHA has allocated 516 project-based vouchers (PBVs); and more than half of those (328) are in supportive housing developments. In total, the PHA provides over 9,000 affordable homes to more than 21,000 people.

The PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 29 consecutive years. The PHA does not administer HOPE VI activities or Mixed-Finance Modernization and Development. PHA has also maintained its High Performer status under HUD's Section 8 Management Assessment Program (SEMAP) for 18 consecutive years. The PHA successfully implements and administers current agreements for Project-Based Vouchers (PBV); including PBV in supportive housing that supports the State of Minnesota, Ramsey County, and the City of Saint Paul with their plans to end homelessness.

PHA serves households with low to extremely low incomes. Most (77%) of residents are "extremely low income" households, earning an income of less than 30% of AMI. The average household size is 4.33 in the family sites and 1.07 in the hi-rises. The average household income is \$18,108.

## Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	6	4,273	4,708	515	4,193	231	100	152

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

Table 22 - Public Housing by Program Type

Alternate Data Source Name: PIC through 10/31/2019

Data Source Comments: For Mod-Rehab, this program ends 12/31/2019. For Public Housing, 3,855 units are converting to PBRA on 1/1/2020.

## Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	0	18,152	16,882	14,503	17,189	N/A	N/A	
Average length of stay	0	0	7	7	5	8	N/A	N/A	
Average Household size	0	0	2	2	2	2	N/A	N/A	
# Homeless at admission	0	0	N/A	N/A	N/A	N/A	N/A	N/A	
# of Elderly Program Participants (>62)	0	0	1,381	883	49	834	N/A	N/A	
# of Disabled Families	0	0	2,473	2,095	194	1,901	N/A	N/A	
# of Families requesting accessibility features	0	0	0	N/A	N/A	N/A	N/A	N/A	
# of HIV/AIDS program participants	0	0	N/A	N/A	N/A	N/A	N/A	N/A	

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	
# of DV victims	0	0	N/A	N/A	N/A	N/A	N/A	N/A	

**Table 23 – Characteristics of Public Housing Residents by Program Type**

**Alternate Data Source Name:** PIC through 10/31/2019

**Data Source Comments:** For Mod-Rehab, this program ends 12/31/2019. For Public Housing, 3,855 units are converting to PBRA on 1/1/2020. Data is not available for the number of residents that are homeless at admission, the number of families requesting accessibility features, the number of HIV/AIDS program participants, and the number of DV victims. Data is not available for the number of residents with a Special Purpose Voucher.

### Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	1,282	1,271	99	1,072	N/A	N/A	N/A
Black/African American	0	0	1,624	3,013	361	2,450	N/A	N/A	N/A
Asian	0	0	1,282	235	10	191	N/A	N/A	N/A
American Indian/Alaska Native	0	0	43	94	20	720	N/A	N/A	N/A
Pacific Islander	0	0	0	0	0	0	N/A	N/A	N/A
Other	0	0	0	0	0	0	N/A	N/A	N/A

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

**Table 24 – Race of Public Housing Residents by Program Type**

**Alternate Data Source Name:** PIC through 10/31/2019

**Data Source Comments:** For Mod-Rehab, this program ends 12/31/2019. For Public Housing, 3,855 units are converting to PBRA on 1/1/2020. For the number of residents of Pacific Islander and Other, the number of vouchers is <20. Data is not available for the number of residents with a Special Purpose Voucher.

## Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	171	235	20	191	N/A	N/A	N/A
Not Hispanic	0	0	4,102	4,473	495	3,301	N/A	N/A	N/A

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

**Table 25 – Ethnicity of Public Housing Residents by Program Type**

**Alternate Data Source Name:** PIC through 10/31/2019

**Data Source Comments:** For Mod-Rehab, this program ends 12/31/2019. For Public Housing, 3,855 units are converting to PBRA on 1/1/2020 Data is not available for the number of residents with a Special Purpose Voucher.

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

It is Saint Paul PHA's policy to fully comply with all applicable federal, state, and local laws and ordinances, including Section 504, such that Saint Paul PHA shall give a qualified person with a disability, through a reasonable accommodation, an equal opportunity to participate in and benefit from its housing, aid, benefit, or service.

As of January 2020, approximately 23% of the over 3,600 households on the Saint Paul PHA multifamily waiting list had reported that they were disabled. Households with a disabled head of household, cohead or spouse may be eligible for a disability allowance. Many applicants for public housing, multifamily, or housing choice vouchers need housing with one or more accessibility features, such as no-step approaches, grab bars in bathrooms, and easily operated door handles. At the same time, many PHA applicants need accessible housing that is affordable, as their average household income is often just slightly over the federal poverty rate (defined in 2019 as \$12,490 for an individual, \$25,750 for a household of four).

Since Section 504 also recognizes that residents with challenges may need additional services, Saint Paul PHA also offers the following services:

- **Congregate Housing Services Program (CHSP)** provides an individualized program for residents who are elderly or disabled and require a moderate amount of non-medical services to maintain independence.
- **Wilder Assisted Living Program (ALP)** provides comprehensive supportive services to assist frail or disabled residents at risk of nursing home placement.
- **The Accessible Space Inc. (ASI)** provides up to 24-hour personal care attendant service and support services for residents who experienced brain injuries. Other ASI participants include PHA residents with memory impairments, mobility impairments and/or complications from diabetes.

PHA also maintains past improvements at its hi-rises, community centers and other locations that made the common restrooms, common areas, corridors, elevators, parking lots and entries fully accessible. The PHA Central Administrative Office building meets all Section 504 and ADA requirements.

### **Most immediate needs of residents of Public Housing and Housing Choice voucher holders**

The public housing waiting list has been closed since October 1, 2018. Effective January 1, 2020, the existing public housing waiting list was used to establish separate multifamily (hi-rises and townhomes) and public housing (single family homes and duplexes) waiting lists in accordance with HUD guidelines for RAD conversions. As of January 1, 2020, there were over 3,500 applicants on the multifamily waiting list and over 2,000 applicants on the public housing waiting list. PHA's Housing Choice Voucher waiting list received around 13,000 applications

when the waiting list opened in June 2019. By a random computer drawing, 3,500 applicants were placed on the waiting list. It is anticipated that the applicants have an expected wait of 3-4 years. There is a great need for affordable housing for all bedroom sizes.

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

Applicants for Saint Paul Public Housing programs have housing needs similar to many Saint Paul residents. Low- and moderate-income households need housing that is affordable for their income and family size. However, such affordable housing demands exceed the housing supply. Currently, Saint Paul PHA consistently operates at 99% occupancy rate and its waiting lists remain closed. At the same time, low and moderate-income residents have few private market alternatives especially when the private rental market of the Twin Cities metro-wide has a 4.6% rental vacancy rate (CoStar, January 2020), which is less than the nationwide average rental vacancy rate of 6.8% (U.S. Census Bureau, third quarter 2019). Consequently, the lack of affordable housing in the Twin Cities effectively reduces housing choice for many low- and moderate-income residents.

### **Discussion**

The lack of affordable housing effectively reduces housing choice for many Saint Paul residents. At the same time, economic conditions can discourage the preservation of affordable housing. In response, the City Council passed resolution 18-1204, calling for action to create and preserve housing that is affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund; and continue to fund down payment assistance for first-time homebuyers. This resolution is a public acknowledgement that housing, especially affordable housing, is a priority for the City.

The 2040 Comprehensive Plan supports affordable housing development the City's Locational Choice Policy and Low Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. The City's 2019 budget includes the establishment of a local Housing Trust Fund (HTF). The objectives of the HTF include:

1. **Meet the needs of those with the lowest incomes by increasing supply.** The lowest income residents in St. Paul are the most cost-burdened and have the fewest existing housing options
2. **Invest in low and moderate-income residents by investing in the existing supply.** Maintaining the housing options that are already serving low and moderate-income families will ensure we don't lose ground on increasing the supply, and will prevent displacement.
3. **Explore innovative approaches to meeting housing needs.** Piloting programs and options to produce affordable opportunities more efficiently will allow more residents to be served.

4. **Build wealth for residents and communities.** Targeting housing investments in ways that increase affordability and the resources available to low-income residents and communities.
5. **Promote fair access to housing for all of us.** Expanding tenant protections, landlord training, and coordination among City departments to ensure fair access to housing and displacement prevention.

Even with significant barriers, during 2018-2019, the City has partially financed the preservation and new construction of 1,268 multi-family units including 746 affordable units (623 new construction, 73 affordable units preserved, and 50 units refinanced) using financing, such as low-income housing tax credits, federal funds (such as CDBG, NSP, HOME) TIF, and City funds. The City also financed the rehabilitation of a vacant 4-unit rental property and rehabilitation of 40 owner-occupied housing units.

Still, with limited financial capacity, the City must partner with HUD, Minnesota Housing Finance Agency, and private foundations to finance affordable housing developments.

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## **NA-40 Homeless Needs Assessment – 91.205(c)**

### **Introduction:**

This section provides statistical data to describe the needs for shelters for adults and families experiencing homelessness. That said, the number of people in shelters - including adult singles, youth, and families – often exceed the capacity of shelters. The groups discussed in this section are:

- Homeless families
- Homeless adults
- Homeless youth/unaccompanied youth
- Homeless veterans and their families
- Chronically-Homeless individuals
- Persons with HIV
- Sheltered and unsheltered homeless

Ramsey County Continuum of Care (CoC) annually conducts a point-in-time study those experiencing homelessness in Ramsey County. Most recently, the study took place on the night of Thursday, January 26, 2019. Additionally, every three years since 1991, Wilder Research has conducted a statewide survey of those experiencing homelessness. The most recent study took place on October 25, 2018. That said, point-in-time surveys identify needs and characteristics of homeless residents on a certain day. Wilder Research states that if the point-in-time study was extended over a longer period, many short-term episodes of homelessness would be reported, but relatively few additional long-term episodes would be added to those already documented in the Wilder Survey.

The table below shows the results of the Ramsey County 2019 point-in-time survey as well as data from US HUD System Performance Measures for Oct 2018-Sep 2019 from Homeless Management Information System (HMIS), Institute for Community Alliances (ICA), and Mediware and 2018 Coordinated Access to Housing and Shelter. “Sheltered” includes those living in emergency shelters and does not include those in transitional housing.



## Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	268	67	622	338 families	177 families	83
Persons in Households with Only Children	3	0	N/A	N/A	N/A	N/A
Persons in Households with Only Adults	616	250	2,565	N/A	N/A	315
Chronically Homeless Individuals	257	199	N/A	N/A	N/A	N/A
Chronically Homeless Families	15	8	N/A	N/A	N/A	N/A
Veterans	59	11	N/A	N/A	N/A	N/A
Unaccompanied Child	0	0	N/A	N/A	N/A	N/A
Persons with HIV	22	2	N/A	N/A	N/A	N/A

**Table 26 - Homeless Needs Assessment**

**Alternate Data Source Name:** Ramsey County CoC

**Data Source Comments:** Data Source: Point-in-Time Ramsey County CoC 2019; US HUD System Performance Measures for Oct 2018-Sep 2019 from HMIS, ICA and Mediware; Coordinated Access to Housing and Shelter

For the Persons in Households with Adult(s) and Child(ren) estimated # becoming homeless each year and estimated # existing homelessness each year, 338 and 177 refers to the number of families, not persons."0" indicates no data available for the following columns: Estimate the # experiencing homelessness each year, Estimate the # becoming homeless each year, Estimate the # exiting homelessness each year, Estimate the # of days persons experience homelessness

**Indicate if the homeless population is:** Has No Rural Homeless

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

Definition of Homeless Residents: individuals are considered homeless if they lack a fixed, regular, & adequate nighttime residence and either (a) have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, (b) have a primary nighttime residence that is a supervised, publicly- or privately- operated shelter designated to provide temporary living arrangements (i.e. emergency shelters, transitional housing, battered women's shelters), or (c) are an individual who resided in a shelter or place not meant for human habilitation and is exiting an institution where he or she temporarily resided.

Definition of Long-term Homeless Residents: individuals are considered chronically homeless if they have either (a) been homeless for a year or longer or (b) been homeless at least four times in the past three years.

Definition of Homeless Youth: youth (including minors age 17 and under and young adults age 18-24) are considered homeless if they have no parental, substitute, foster or institutional home to which they can safely go. They are unaccompanied by an adult and have spent at least one night in a formal emergency shelter, improvised shelter, doubled up or on street.

The *Homelessness in Minnesota - 2015 Results* Report (Wilder Research, November 2016) provides some general statistics about homelessness in Minnesota:

#### Homeless Families

- Number of homeless families and children has decreased since 2012; however, homeless children and their parents make up over one-third of the homeless population
- 74% of children are in the care of their mother or a single female caregiver, 22% are in the care of two parents or caregivers, and 4% of are in the care of a father or male caregiver

#### Homeless Adults

- 51% are men; 49% are women; men are more likely to stay outside (61%) and reside in emergency shelter (63% male)
- Women are more likely to live in transitional housing programs (61% female)
- 21% of homeless adults-diagnosed with substance abuse disorder, 51% report a chronic health condition, 60% report a significant mental illness

#### Homeless Youth/Unaccompanied Youth:

- 60% of homeless youth in Minnesota are living in the Twin Cities
- 36% of homeless youth have lived in a foster home
- 18% of homeless youth identified as lesbian, gay, bisexual or unsure about sexual orientation
- 57% of homeless youth report some type of significant mental illness; 36% report some type of chronic physical health issues

#### Homeless Veterans

- 8% of homeless adults have served in military
- 59% of homeless Veterans are not receiving any Veteran benefits
- 45% of homeless Veterans report service-related health problems

#### Long-Term (Chronically) Homeless Individuals

- 60% of homeless adults are considered “long-term homeless”
- 64% of long-term homeless have a serious mental illness, compared to 54% of other homeless adults
- 25% have a substance abuse disorder diagnosis, compared to 15% of other homeless adults
- 47% of long-term homeless have a condition that limits work, compared to 37% of other homeless adults

#### Persons with HIV (HIV statistics current as of December 31, 2018, courtesy of the Minnesota Department of Health)

- In 2018, 26% of the 26 newly reported cases of HIV resided in Minneapolis, 11% in Saint Paul, and 40% in the Twin Cities suburbs

## Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	262	92
Black or African American	490	151
Asian	36	17
American Indian or Alaska Native	34	39
Pacific Islander	N/A	N/A
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	65	26
Not Hispanic	N/A	N/A

**Alternate Data Source Name:** Ramsey County CoC

**Data Source Comments:** Data Source: Point-in-Time Ramsey County CoC 2019. "Asian" includes Pacific Islander. Data is not available for "Not Hispanic".

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

**Homeless Families with Children:** The 2018 Minnesota Homeless Study by Wilder Research reports that the number of families experiencing homelessness in Minnesota decreased by 5% between 2015 and 2018. Statewide, 77% of families in shelters were female-headed households. In Ramsey County, this percentage was 86%. The 2015 Minnesota Homeless Study incorporates a more detailed report on children with their families experiencing homelessness. Thirty-five percent of the people experiencing homelessness are children with their parents and 47% of homeless children statewide are age 5 or younger. Data collected by Saint Paul Public Schools identifies approximately 2,000 children experiencing homelessness in Saint Paul every year.

Wilder Research reports that the median income for homeless adults in the Twin Cities Metro Area is \$600 (*Homeless in Minnesota – 2015 Results*, Wilder Research, November 2016). While homeless families may have higher incomes than homeless single adults, private market housing is still an unattainable goal. The average monthly rent in the Twin Cities Metro Area (\$864 for a one bedroom and \$1,089 for a two bedroom) are too costly for residents with incomes such as Minnesota Family Investment Program (MFIP), General Assistance, Social Security, and Day Labor (*Out of Reach Minnesota 2018*, Minnesota Housing Partnership). Consequently, the inability of low-income families to secure and maintain affordable housing can severely impact a child's development. In addition to the trauma of having no stable residence, homeless children often go without necessities, such as medical care, meals, and clothing, and experience learning problems. Most homeless residents cannot secure permanent housing especially when government-assisted housing is limited.

**Homeless Families of Veterans:** Although 47% of homeless female veterans and 24% of homeless male veterans reported that they had children under the age of 18, the proportion caring for their children while homeless was substantially lower. Just under one quarter (23%) of homeless female veterans and 3% of homeless male veterans were accompanied by their children on the night of the Wilder Research statewide survey (*Homeless Veterans in Minnesota 2015 - Statewide Survey of Veterans without Permanent Shelter*, Wilder Research, November 2016).

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

**Homeless Families:** African-Americans make up 49% of homeless parents in Minnesota. Compared to their representation in the overall Minnesota population, African-American and American Indian families are more likely to be homeless than other racial or ethnic groups. African-Americans are 5% of Minnesota parents, but 49% of homeless parents in Minnesota, while American Indians are only 1% of all Minnesota parents, yet 8% of homeless parents. Hispanics (of any race) make up 4% of all Minnesota parents, but 8% of homeless parents in Minnesota (*2012 Minnesota Homeless Study - Homeless Children and Their Families*, Wilder Research, May 2014).

**Homeless Adults:** On the day of the statewide survey, 54% of homeless adults were reported as African-American, American Indian, Asian, Hispanic or mixed race, as compared to 11% of state's overall population of Minnesota adults. Hispanics (of any race) make up 4% of all Minnesota adults, but 7% of homeless adults in Minnesota (*2015 Minnesota Homeless Study*, Wilder Research, September 2016).

**Homeless Youth:** Sixty-two percent of homeless youth were African-American, American Indian, Asian, or mixed race recorded on the day of the statewide survey as compared to 19% of state's overall population of youth. In the Twin Cities metro area, 74% of homeless youth were youth of color. Hispanics (of any race) make up 7% of all Minnesota (*2015 Minnesota Homeless Study*, Wilder Research, September 2016).

**Homeless Veterans:** About 38% of Minnesota's homeless veterans are persons of color compared with less than 7% of the state's overall veteran population. Particularly over-represented are African Americans, which make up 27% of the Minnesota's homeless veteran population, compared to 3% of the state's overall veteran population (*Homeless Veterans in Minnesota 2015 - Statewide Survey of People Experiencing Homelessness*, Wilder Research, November 2016).

### **Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

According to Ramsey County CoC Point-in-Time 2015-2019 Surveys, the number of persons in an emergency shelter has increased each year. Between 2018 and 2019, the number has increased by 5% to 887 persons. The number of persons in households with at least one adult and one child (families) has increased by 4% between 2018 and 2019 to 268.

**Sheltered Homelessness-Single Adults:** In previous years, the Dorothy Day Center Emergency Shelter facility (208 beds-men/first floor; 44 beds-women/second floor) operated at capacity such that there was a need for Catholic Charities and Union Gospel Mission to add more shelter beds to meet the Cold-Weather Overflow Emergency Shelter needs. The shelter demands are so great that, in 2011, Dorothy Day Center turned away people for the first time in its history of operations. In response, Catholic Charities worked with the State of Minnesota and the City to replace the Dorothy Day Center Emergency Shelter facility with a larger Dorothy Day Center facility called Higher Ground Saint Paul. Higher Ground Saint Paul is a \$100 million project, \$40 million of which is from local funds and private donations. Higher Ground Phase I offers both emergency shelter (172 beds for men and 60 beds for women), pay for stay shelter (48 beds for men) and more permanent housing for people who have struggled with homelessness. Higher Ground Phase II provides 177 supportive housing units and an Opportunity Center to expand the center's services to include social services, job training, and employment placement. In addition, overflow shelter demands have been so great that the City and Ramsey County have committed to the extending the 64-bed winter overflow homeless shelter, now called Safe Space Shelter, to be operated year-round by Model Cities.

**Sheltered Homelessness-Homeless Families:** Catholic Charities Family Service Center is the main Ramsey County emergency shelter (65 beds) for homeless families in addition to the 40 shelter beds provided by Project HOPE. The need for housing for families remains great. In 2018, Ramsey County Coordinated Access received 1,204 total calls from eligible Ramsey County families seeking housing or shelter and 795 families were placed on the waitlist for shelters.

**Unsheltered homelessness:** It is difficult to determine the actual number of homeless people who are unsheltered on a particular day. Ramsey County CoC's 2019 point-in-time survey reports an unsheltered population of 317. Ramsey County CoC acknowledges that the survey is an inaccurate count of total homelessness, especially unknown unsheltered locations. Wilder Research 2018 point-in-time survey reports an unsheltered population of 327 in Ramsey County. While Wilder Research does extensive surveys of shelters and non-shelter areas, the surveys may miss persons who are doubled-up, sleeping outside, or living in unknown locations not typically meant for human habitation. It can be extrapolated that estimates of the "non-shelter users" may be 20 percent of the shelter-using population, depending upon the availability of shelter openings, seasons, and weather conditions. Still, more spaces in emergency shelters are needed. More importantly, it is important to note that chemical dependency, mental illness, and traumatic brain injury, are often major reasons why unsheltered homeless residents are reluctant to choose living in a shelter, transitional housing, or permanent supportive housing.

## **Discussion:**

The needs of the homeless population are great and these require a community response when:

### **Homeless Adults/ Homeless Chronically-Homeless Adult Individuals**

- 60% of homeless adults report a significant mental illness; 51% have a chronic health condition; 21% have been diagnosed with a substance abuse disorder.
- 47% of long-term homeless have a condition that limits work.
- 19% of homeless adults report being physically or sexually assaulted while homeless.

### **Homeless Families**

- Children who are homeless with their parents make up over 35% of the homeless population in Minnesota and 47% of homeless children are age 5 or younger.

### **Homeless Youth/Unaccompanied Youth**

- 46% of homeless youth reported being physically abused as a child and 29% reported being neglected as a child; 19% of homeless youth reported as having been attacked or beaten while homeless.

### **Homeless Veterans**

- 45% of homeless veterans have service-related health problems

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## NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

### Introduction:

This section discusses the special needs assessment of Saint Paul residents who are not homeless but require supportive housing or support services. Within the City, many families and individuals struggle with multiple barriers to secure and maintain housing. Consequently, these residents are more likely to have lower incomes, have difficulty paying housing and utility costs, or have individual concerns that require enhanced community services. The groups discussed in this section are:

- Elderly
- Frail Elderly
- Persons with Physical Challenges, Persons with Developmental Challenges, and Persons with Mental Health Challenges
- Persons with Chemical Dependency Issues, such as alcohol or other drug addictions
- Persons with Limited English Proficiency
- Persons with HIV/AIDS

### Describe the characteristics of special needs populations in your community:

**Elderly and Frail Elderly:** According to the 2013-2017 ACS estimates, Saint Paul has 38,358 elderly (age 62 and older) persons, and the State Demographic Center forecasts dramatic growth for Saint Paul elderly during the next 20 years as the "baby boomers" continue to enter retirement age. Saint Paul has 4,410 cost-burdened elderly homeowner households and 5,940 cost-burdened elderly rental households (2011-2015 CHAS). Saint Paul elderly will need to maintain their homes, make updates, or seek housing alternatives with universal design. Moreover, as elderly live longer, the frail elderly will place significant demands on both institutional and community-based long-term care services (i.e. assisted-care housing or in-home care services).

**Residents with Developmental, Physical, Mental Health Challenges or Persons with Chemical Dependency:** According to 2013-2017 ACS estimates, Saint Paul has approximately 16,589 residents with a cognitive difficulty, meaning that they have difficulty remembering, concentrating, or making decisions because of a physical, mental, or emotional problem. In 2019, Ramsey County provided developmental disability case management to 3,104 County residents. Through its disability waiver programs, Ramsey County provided case management to 4,675 County residents. The 2013-2017 ACS also estimates Saint Paul has 15,452 residents with an ambulatory difficulty - highlighting the need for accessible-designed housing. Ramsey County provides mental health case management to approximately 3,500 individuals annually who could benefit from housing options, such as independent living, group homes, assisted living, or institutional care. Residents in recovery from chemical dependency issues need sober housing. In contrast, chronically-inebriated residents need a "Housing First", harm-reduction housing program.



**Residents living with HIV/AIDS:** According to Minnesota Department of Health 2018 data, there are 1,149 residents living with HIV/AIDS in Saint Paul.

**Residents with Limited English Proficiency:** According to 2013-2017 ACS estimates, Saint Paul has approximately 41,930 residents who speak English "less than very well".

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

**Housing and supportive needs for Elderly and Frail Elderly:** Saint Paul elderly and frail elderly residents continue to need affordable housing options, accessible design modifications, and supportive services to support independent living, especially when elderly residents may place significant demands on both institutional and community-based long-term care services. Wilder Research also reports the need to offer multi-lingual and multi-cultural programs since many Saint Paul elderly are African-American, Latino, and Asian-American, which was corroborated by the public engagement and consultation process. For cost-burdened homeowners, home improvement programs and community services, such as utility and rehabilitation assistance, may be needed for the elderly to maintain their homes. That said, cost-burdened renters will always need affordable rental housing. These needs were corroborated through the public engagement and agency consultation process with service providers.

**Housing and supportive needs for persons with Developmental, Physical, Mental Health Challenges, and Persons with Chemical Dependency:** There is a need for affordable housing with support services as well as community-based services and case management. The Minnesota Council on Disability also recommends affordable accessible-designed housing for physically-challenged residents with limited incomes. Accessible-designed housing with support services can empower residents to achieve self-sufficiency. The State Mental Health Act encourages community integration for persons with mental health challenges. Affordable housing is a priority concern for individuals with serious and persistent mental illness, especially for those individuals on fixed income whose social security income is insufficient to pay rent. In addition to affordable housing, access to supportive services and treatment opportunities is important for those with mental illness. Persons with chemical dependency need supportive services, affordable sober housing, and safe haven for the chronically-inebriated. These needs were corroborated through the agency consultation process that included discussion with service providers.

**Housing and supportive needs for Persons with Limited English Proficiency (LEP):** Community development and social service organizations that serve cultural populations, consulted as a part of the Consolidated Plan process, expressed that Saint Paul's new Americans and immigrant population can experience housing problems due to language barriers, vulnerable residency status, and lack of access to, or knowledge of, resources. Saint Paul's new Americans and newly-arrived refugees need stable affordable housing that is adequate for their family size, which may include accommodating multi-generational living. Since refugees and immigrants are simultaneously learning a new language, new culture, and

marketable job skills, these residents need to be able to access housing information, programs, and services in their primary language. Increased culturally-relevant outreach and programs are needed in order to ensure that these residents have equal opportunity to accessing facilities and services. In response, the City and community service providers have multi-lingual staff to provide resources and community organizations offer culturally-relevant, multi-lingual support programs and services directed to these populations.

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

According to Minnesota Department of Health 2018 data, there are 1,149 residents living with HIV/AIDS in Saint Paul. According to the *2015 Consumer Needs Assessment of Minnesotans Living with HIV Disease* conducted by the Minnesota HIV Services Planning Council, 19% of Minnesotans living with HIV reported to have unstable housing, which includes having unsafe and/or unaffordable housing and/or are homeless.

Persons living with HIV/AIDS often have lower incomes than the rest of the population. According to the *2015 Consumer Needs Assessment of Minnesotans Living with HIV Disease* conducted by the Minnesota HIV Services Planning Council, 79% of the Minnesotans living with HIV reported monthly incomes of \$24,000 or less. An estimated 27% of Minnesotans living with HIV live with at least one other individual depending on their monthly income. For medical reasons, persons living with HIV may have difficulty maintaining long-term employment.

Most importantly, persons with HIV/AIDS need affordable housing. Virtually, all adults receiving SSI benefits without government housing assistance would qualify under federal guidelines as households with “worst case” housing needs. Thus, persons living with HIV/AIDS have a strong need for affordable housing, rental housing, mortgage assistance, and supportive housing alternatives.

**Discussion:**

While the City of Saint Paul is aggressively providing financing for affordable housing and affordable supportive housing, the overall demand remains overwhelming. The City recognizes the diversity of its residents. Housing data for the City demonstrates that the greatest needs and highest housing priorities are affordability, choice, and supply. Consistent with the City’s 2040 Comprehensive Plan – Housing Chapter, affordable housing priorities are: preservation and production of rental housing affordable for those at or below 30% of AMI; create homeownership opportunities for households with low and moderate incomes; housing preservation for low-income elderly homeowners between 0-50% of AMI; provide housing for special needs populations. During the next five years, the City will continue to serve low- and moderate-income residents by preserving existing affordable housing, increasing production of affordable housing units, deepening the affordability of housing units in the city, investing in a variety of housing types to meet a continuum of housing needs. The City will continue to actively work with its partners to produce affordable housing and affordable supportive housing opportunities.

The City, County, State, and community agencies are providing support services that encourage independent living, as needed, for persons with special needs.

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## **NA-50 Non-Housing Community Development Needs – 91.215 (f)**

### **Describe the jurisdiction’s need for Public Facilities:**

The City has over 30 recreational facilities (which include senior centers, youth centers, and neighborhood facilities), 4,000 acres of parkland, more than 80 tot lots, a zoo, 4 golf courses, and 13 library facilities located throughout the city. This property and assets require regular maintenance, periodic improvement, expansion, or replacement. Recently, 27 of the 49 recreation center buildings were evaluated to be of poor quality. Parks has estimated the costs of its needed improvements to be approximately \$5.2 million each year to maintain their facility condition sustainability target, in addition to an approximate \$40 million backlog of deferred maintenance.

Over the next five years, the Saint Paul Public Library has significant capital improvement needs across its system (estimated between \$15-20 million) for deferred maintenance, repairs, equipment replacement, renovations at the Hamline, Hayden Heights, and Riverview branches, and system-wide technology upgrades.

The primary source for park and library capital investments is property taxes, but CDBG funding is also used for capital investments in facilities which primarily serve low- and moderate-income areas of the City. The City anticipates that it will continue to use CDBG funding for eligible public facility activities over the next five years.

### **How were these needs determined?**

Each City of Saint Paul department is responsible for assessing its needs. The Parks and Recreation Department hired a consultant in 2010 to develop City of Saint Paul Parks and Recreation System Plan, which was largely based on community and stakeholder input. This plan remains the comprehensive system master plan to guide priority setting, and there are plans to update the plan. In addition, the Department hired a consultant to perform a comprehensive management study that included an assessment of the current condition of every facility/asset owned by the department and a list of needs with costs for each asset over the next 30 years.

After an extensive community and professional engagement effort, the Saint Paul Public Library adopted a new Strategic Plan, called 2019-2022 Strategic Direction, in early 2019. In September 2019, the Library engaged a consultant to complete a System-Wide Facilities Plan. The Plan will include analyses of how the Library’s facilities can best meet programmatic and work flow needs and address structural, design and physical needs for all buildings, grounds, furnishings, and signage. The Plan will focus on two topical areas: (1) technology and (2) children’s play and learn spaces. It will also focus on three facilities that have not had renovation since the 1980s (Hamline, Hayden Heights and Riverview branches). The Plan will include recommendations, priorities, and cost estimates for implementation in 2020 and for each consecutive year for the next 5 years. The Plan is expected to be completed in early 2020.

## **Describe the jurisdiction's need for Public Improvements:**

The City owns and maintains \$3 billion worth of infrastructure, including more than 1,874 miles of streets, 806 miles of sanitary sewer, 450 miles of storm sewer, 107 bridges, and 145 miles of bike lanes. The repair and replacement of this infrastructure is very important to the City, and these types of improvements are predominantly financed with a number of local, County, State, and other Federal funding sources. Because of this, CDBG funds are generally not used for infrastructure activities. The City does not anticipate using CDBG funds for infrastructure improvements over the next five years, but sidewalks, street, and sewer improvements may possibly be funded with CDBG if they meet a national objective of the program and if other funding sources are not available.

## **How were these needs determined?**

The Department of Public Works relies heavily on the Capital Improvement Budget (CIB) process to finance its capital plan. The CIB budget is prepared on bi-annual basis. The CIB committee is comprised of 18 Saint Paul citizens representing each of the Minnesota senate districts located in Saint Paul. The committee is charged with hearing project proposal presentations, scoring projects, and offering comments. After review and public hearing, the CIB Committee makes recommendations to elected officials on capital investments over the next two years. These recommendations are transmitted to the Mayor for review and approval by the City Council. The CIB Committee also reviews community partner requests for sub-recipient grants of CDBG funds.

The Department of Public Works has established a 5-year plan that is updated and reviewed annually. Public Works has established criterion for inclusion of road improvement projects into the 5-year plan. This criterion relies on the pavement condition index score of the road, the average daily traffic, maintenance demand and the age of the street. Other considerations include adjacent development, safety concerns, utility work, small area plans, bike plan and matching funds from other sources.

## **Describe the jurisdiction's need for Public Services:**

Ramsey County is the primary provider of public services in the City of Saint Paul. The County receives Federal, State, and local funding for health services, employment and training services, environmental services, and other human/social services. Since there is a significantly greater need for these types of activities in the city than the City/County collaboration is able to provide, City funding is also used (including up to the maximum allowed 15 percent of CDBG funds) to provide additional public services for Saint Paul residents. Health services, senior services, crime prevention, community organizing, youth employment training, other youth services, as well as other public service activities are all currently funded with CDBG dollars. The City anticipates that it will continue to fund these types of activities over the next five years. Based on the comments received through the Consolidated Plan agency consultation and public engagement process, the City is also seeing a need for bi-lingual and culturally-relevant

services, service-enriched housing, home buyer education, tenant and landlord education and counseling, additional youth services, and better coordination between agencies to allow for greater access to information for residents and business owners.

### **How were these needs determined?**

The City of Saint Paul is divided into 17 defined districts. Each of these districts is represented by a separate 501(c)3 organization known as a District Council. The City of Saint Paul contracts with these organizations for planning and advising on the physical, economic, and social development of their areas; identifying needs; initiating community programs; recruiting volunteers; and sponsoring community events. The City consults with these groups regularly, and additionally reached out as part of the consolidated planning process in November and December 2019, specifically to weigh in on the needs and priorities of their districts. Discussions with residents at the Consolidated Plan Open Houses and the results of the online survey also revealed public service needs.

City staff also consulted with City Departments, several public service providers, community organizations, and agencies, including Ramsey County, on the status of their current levels of services, unmet needs, and projected needs for the communities they serve.

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# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

The Market Analysis of the Consolidated Plan focuses on the following areas:

- Number and type of housing units within the City;
- Cost of housing;
- Condition of housing;
- Public and assisted housing;
- Homeless facilities and services;
- Special needs facilities and services;
- Barriers to affordable housing;
- Non-housing community developments assets; and
- Needs and market analysis discussion.

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## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

Saint Paul has a traditional housing stock that consists of single-family detached homes, single-family attached homes, including townhomes and twinhomes, as well as multi-family housing that includes duplexes, triplexes, apartments, and condominiums. One-unit detached housing, the traditional single-family house, accounts for 49% of the housing units in the city. Nearly 70% of the owner-occupied units are three or more bedrooms, while one-bedroom apartments represent 40% and two-bedroom apartments represent 33% of the rental units. Only 19% of rental units have 3 or more bedrooms.

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	59,145	49%
1-unit, attached structure	5,160	4%
2-4 units	13,985	12%
5-19 units	14,955	12%
20 or more units	26,865	22%
Mobile Home, boat, RV, van, etc	265	0%
<b>Total</b>	<b>120,375</b>	<b>100%</b>

**Table 27 – Residential Properties by Unit Number**

Data Source: 2011-2015 ACS

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	220	0%	4,105	7%
1 bedroom	2,660	5%	22,990	40%
2 bedrooms	14,250	26%	19,040	33%
3 or more bedrooms	38,585	69%	11,135	19%
<b>Total</b>	<b>55,715</b>	<b>100%</b>	<b>57,270</b>	<b>99%</b>

**Table 28 – Unit Size by Tenure**

Data Source: 2011-2015 ACS

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

According to information maintained by HousingLink (accessed July 2019), a Twin Cities-based nonprofit housing advocacy organization, there are 212 projects (not including those public housing projects) that have received federal, state, or local financial assistance in Saint Paul. Of the 18,484 housing units in these projects, 16,842 are affordable— 7,520 for households earning up to 30%, 1,734 up to 50%, 7,177 up to 60%, and 411 units up to 80% of AMI. Of the



housing units that report the unit type, approximately 8% are efficiencies, 57% are one bedrooms, 26% are two bedrooms, 8% are three bedrooms, and 1% are four or more bedrooms.

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

According to HousingLink (accessed July 2019), Saint Paul has approximately 1,232 affordable units that could be lost between 2020 and 2024 from the affordable housing and rent subsidized inventory due to the expiration of contractual affordability requirements or Section 8 contracts. This assessment only represents those units that could potentially be lost due to contract expiration. According to the information maintained by HousingLink, there are 16 LIHTC- funded housing developments with earliest affordability contractual release between these dates. These properties contain 923 units of affordable housing—128 affordable to households up to 30%, 51 units affordable to households up to 50%, and 733 units affordable to households up to 60% of AMI. Information provided by Minnesota Housing Finance Agency (Minnesota Housing) identifies nine developments that have 977 project-based Section 8 vouchers with contracts set to expire between 2020 and 2024. The City and Minnesota Housing are working and will continue to work with property managers and owners to preserve these affordable and rent-subsidized units.

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

The available housing units do not meet the overall needs of the population. Overall, the housing units that have the adequate space to accommodate larger households are owner-occupied, while the supply of larger rental units is more limited. The converse is true for smaller households, where rental units are ample while smaller ownership opportunities are more limited. The CHAS data does not break out available senior housing opportunities or housing that has been designed for the needs of individuals with physical disabilities. Throughout the citizen engagement and agency consultation process, the groups identified a need for universally designed, multifamily units that can accommodate special need households as well as seniors and the opportunities to allow seniors in single-family houses to age in place. A need was also identified for affordable homeownership opportunities and rental units, including units with at least 4 bedrooms to accommodate large families and multi-generational families.

**Describe the need for specific types of housing:**

Since the City's population continues to grow, there is a need for all types and sizes of affordable housing. Specifically, there is a need for affordable homeownership units for small families, as only 5% of the ownership units are 1-bedroom units and 26% are 2-bedroom units. According to 2011-2015 CSAH data, 44% of small family households earn up to 80% HAMFI and 67% of large family households earn up to 80% HAMFI. There is a need for more affordable homeownership units to accommodate for large families. There is also a need for affordable rental units for larger families, as only 19% of rental units are 3-bedroom units. Larger units are

also needed to accommodate multi-generational families with elderly persons living in the household. Universally designed affordable rental and ownership housing is needed for those with disabilities and the growing number of seniors who desire to age in place.

## **Discussion**

The City recognizes the need for more affordable housing units and a diverse stock of housing types to accommodate changing household demographics. The existing housing stock does not meet the overall needs for the population and there is a need for both affordable rental and homeownership units to accommodate small and large families, those with disabilities, and seniors.

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## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

As described in Section NA-10 of this Plan, one of the predominate housing-related problems in the city of Saint Paul is the cost of housing for its extremely low- to moderate-income households. According to the HUD-reported 2000 Census and 2011-2015 ACS data, the median home value decreased by 16% and median rent increased by 10%, while median household income increased by only 6%. Although the 2011-2015 estimates were the most recent data provided by HUD, a review of more recent 2012-2014 ACS data reveals an increase in median home value since 2015 to \$184,700 and median rent since 2015 to \$949.

This section examines housing cost, rent paid, housing affordability, and monthly rents paid through federal programs.

### Cost of Housing

	Base Year: 2009	Most Recent Year: 2015	% Change
Median Home Value	206,200	173,900	(16%)
Median Contract Rent	691	757	10%

**Table 29 – Cost of Housing**

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	11,725	20.5%
\$500-999	32,420	56.6%
\$1,000-1,499	10,620	18.5%
\$1,500-1,999	1,835	3.2%
\$2,000 or more	665	1.2%
<b>Total</b>	<b>57,265</b>	<b>100.0%</b>

**Table 30 - Rent Paid**

Data Source: 2011-2015 ACS

### Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	8,880	No Data
50% HAMFI	27,845	7,055
80% HAMFI	44,350	17,510
100% HAMFI	No Data	25,090
<b>Total</b>	<b>81,075</b>	<b>49,655</b>

**Table 31 – Housing Affordability**

Data Source: 2011-2015 CHAS

## Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	711	864	1,089	1,547	1,812
High HOME Rent	711	864	1,089	1,547	1,803
Low HOME Rent	711	864	1,061	1,226	1,367

**Table 32 – Monthly Rent**

**Data Source:** HUD FMR and HOME Rents

### Is there sufficient housing for households at all income levels?

There is not sufficient housing for households at all income levels in the City of Saint Paul. The 2011-2015 CHAS data shows that there are only 8,880 rental housing units affordable to households earning 0-30% of AMI with 26,460 households at this income level. For owner-occupied housing, there is a lack of housing that is affordable to households earning 50% of AMI—approximately 7,055 ownership units are affordable to 17,815 households at 30-50% of AMI. This directly correlates to the significant number of households within these groups experiencing housing cost burden.

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

According to the HUD-reported 2000 Census and 2011-2015 ACS data, the median home value decreased by 16% and median rent increased by 10%, while median household income increased by only 6%. 2012-2016 ACS data reports an increase in median home value by 3% and an increase in median rent by 12% between 2015 and 2016. With housing costs continuing to rise and wages not increasing at the same rate, housing cost burden is likely to continue to increase in Saint Paul over the next five years.

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

According to the 2011 – 2015 CHAS data, the median monthly rent was \$757, which most closely aligns to HOME rents /Fair Market Rent for an efficiency unit. As there are significantly fewer larger apartments with resulting higher rents, this information could indicate a need to preserve or create larger affordable units.

## Discussion

The predominate housing-related problem in Saint Paul is housing cost burden. Over the last decade, median home values and rents have increased drastically, while median household

incomes are not keeping pace. There is not sufficient housing for households all income levels, specifically rental units affordable to households earning 0-30% of AMI and owner-occupied units affordable to households earning 0-50% of AMI. With housing costs continuing to rise and wages not increasing at the same rate, housing cost burden is likely to continue to increase in Saint Paul over the next five years. In order to help mitigate the negative impact of low wages, City Council passed an ordinance creating a City minimum wage of \$15/hour with the initial phase-in period beginning in 2020.

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## MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

### Introduction

The housing portion of the housing and market analysis section provides an overview of the city of Saint Paul's housing stock. The section examines condition and age of housing units, risk of lead-based paint exposure, and vacant or abandoned buildings and their suitability for rehabilitation. This analysis uses 2011 – 2015 CHAS dataset provided by HUD and vacant housing data generated by the City of Saint Paul's Department of Safety and Inspections.

### Definitions

HUD requests that the terms "standard condition" and "substandard suitable for rehabilitation" be defined within the Consolidated Plan. These terms are used when replacement housing is determined to be a desired use of HUD funds. HUD has determined that cities are in the best position to define these terms as they relate to their individual community. As such, Saint Paul has defined the terms as follows:

- **Standard Condition:** Properties which meet the Minimum Property Maintenance Standards for all structures and premises, as defined in Chapter 34 of the Saint Paul Legislative Code.
- **Substandard Condition but Suitable for Rehabilitation:** Properties that are not in standard condition, but are structurally and financially feasible for rehabilitation. These properties have no serious structural deficiencies and the cost of rehabilitation to meet the Minimum Property Maintenance does not exceed 50% of the appraised value of the property after rehabilitation.

The Condition of Units table below displays the number of housing units by tenure, based on the number of "selected conditions" the unit has. A selected condition refers to one of the following problems: (1) lacks complete plumbing facilities, (2) lacks complete kitchen facilities, (3) more than one person per room, and (4) cost burden greater than 30%. Housing units with one or more selected conditions may be considered either "standard condition" or "substandard condition but suitable for rehabilitation".

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	13,515	24%	27,435	48%
With two selected Conditions	515	1%	2,995	5%
With three selected Conditions	10	0%	55	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	41,680	75%	26,785	47%
<b>Total</b>	<b>55,720</b>	<b>100%</b>	<b>57,270</b>	<b>100%</b>

**Table 33 - Condition of Units**

Data Source: 2011-2015 ACS

**Year Unit Built**

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	2,395	4%	5,010	9%
1980-1999	3,305	6%	9,250	16%
1950-1979	14,525	26%	21,755	38%
Before 1950	35,490	64%	21,260	37%
<b>Total</b>	<b>55,715</b>	<b>100%</b>	<b>57,275</b>	<b>100%</b>

**Table 34 – Year Unit Built**

Data Source: 2011-2015 ACS

**Risk of Lead-Based Paint Hazard**

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	50,015	90%	43,015	75%
Housing Units build before 1980 with children present	3,960	7%	1,015	2%

**Table 35 – Risk of Lead-Based Paint**

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

**Vacant Units**

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	466	31	497
Abandoned Vacant Units	N/A	N/A	N/A
REO Properties	N/A	N/A	N/A
Abandoned REO Properties	N/A	N/A	N/A

**Table 36 - Vacant Units**

Alternate Data Source Name: Vacant Properties

Data Source Comments: Saint Paul Vacant Building List, Saint Paul Open Information Portal, updated 11/25/2019. Class I and II shown under "Suitable for Rehabilitation". Class III shown under "Not suitable for Rehabilitation". Data is not available for Abandoned Vacant Units, REO Properties, and Abandoned REO Properties.

**Need for Owner and Rental Rehabilitation**

The data identifies a need for both owner and rental housing rehabilitation, which was corroborated by stakeholder input during the citizen participation process. The condition information provided through the 2011-2015 CHAS data identifies that 30% of owner-occupied units and 49% of renter-occupied units have one of the selected conditions: (1) lacks complete plumbing facilities, (2) lacks complete kitchen facilities, (3) more than one person per room, and

(4) cost burden greater than 30%. Only 1% of owner-occupied housing units and 4% of renter-occupied housing units have two or more selected conditions. It is estimated that the majority of housing units with a selected condition have more than one person per room or a cost burden greater than 30% and that a very small number of housing units in Saint Paul suffer from the facilities deficits (e.g. lack of plumbing or complete kitchens) reported.

Age of the City's housing stock is an overall indicator for the ongoing need to focus on property maintenance efforts. Ninety percent of owner-occupied units (primarily single-family homes) were built before 1980 with 64% being built before 1950. The age of the single-family housing stock coupled with the level of cost burden experienced by low-to-moderate income owners makes home maintenance issues critically important in the city. From a rental perspective, 75% of the units were built before 1980 with 37% built before 1950. The age and building type of buildings suggests that investments will need to be made in these units to provide decent rental housing stock into the future.

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

The City has 93,030 housing units that were built before 1980, indicating a Risk of Lead-Based Paint (LBP) Hazard. Approximately 43,000 of those are occupied by low- or moderate-income families.

### **Discussion**

As housing ages, it requires maintenance. If housing maintenance is deferred, it can lead to a decline in the city's housing stock. While maintenance is generally a good investment for property owners, major rehabilitation can sometimes cost more than it adds to the property value. This can create an economic disincentive for property owners to make substantial repairs to older properties. Another concern is that many households cannot afford maintenance for their properties, especially expensive major rehabilitations that may be required. There are both City and community housing rehab programs available with a variety of financial options to assist, many utilizing CDBG funds.



## **MA-25 Public and Assisted Housing – 91.210(b)**

### **Introduction**

The Saint Paul Public Housing Agency (PHA) is an important provider of affordable housing for thousands of Saint Paul households with the greatest need (households at or below 30% of AMI). The PHA owns and manages 418 public housing units and 3,836 units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020. The PHA also administers 4,804 Housing Choice Vouchers (as of January 2020). These include 100 Family Unification Program (FUP) vouchers, 248 Mainstream Program/Disability vouchers, and 231 Veterans Affairs Supportive Housing (VASH) vouchers. PHA has allocated 516 project-based vouchers (PBVs); and more than half of those (328) are in supportive housing developments. In total, the PHA provides over 9,000 affordable homes to more than 21,000 people.

Saint Paul PHA strives to provide excellent property management and maintenance for 16 high-rises, 4 family housing developments and its 418 scattered site homes. Saint Paul PHA has strict but fair standards for its rental leases. Saint Paul PHA prepares its vacant units to high standards for each new resident. All emergency work orders are performed within 24 hours, and routine work orders in less than three days on average. All apartments are inspected at least twice annually to ensure local codes and HUD's standards are met. Saint Paul PHA's excellent property management and maintenance helps to maintain and improve the city's housing stock and promote neighborhood stability. Saint Paul PHA provides community policing in coordination with the Saint Paul Police Department, assisted living services for frail elderly and disabled residents, and others.

Effective January 1, 2020, most of the public housing units converted, debt-free, to HUD's Project-Based Rental Assistance (PBRA) program via HUD's Rental Assistance Demonstration (RAD). The conversion does not constitute "privatization of public housing", because the PHA continues to own, manage, maintain and improve those former public housing units through long-term PBRA contracts. The initial 20-year contracts, by law, must be renewed; this ensures that the units remain permanently affordable to low-income households. Residents continue to pay 30 percent of their adjusted income towards the rent and will retain the same basic rights as living in PHA owned housing. The primary benefit is more predictable, reliable funding.

## Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
				Veterans Affairs Supportive Housing	Family Unification Program	Disabled *			
# of units vouchers available	0	6	4,273	4,804	516	4,288	231	100	248
# of accessible units			188						

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

**Table 37 – Total Number of Units by Program Type**

**Alternate Data Source Name:** PIC through 10/31/2019

**Data Source Comments:** For Mod-Rehab, this program ends 12/31/2019. For Public Housing, 3,855 units are converting to PBRA on 1/1/2020.

**Describe the supply of public housing developments:**

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

The Saint Paul PHA owns and manages a total of 4,273 units comprised of 2,553 hi-rise units and 1,720 family units (both now in Project-Based Rental Assistance/PBRA), and 418 scattered site single family houses and duplexes (still public housing). As explained below, 3,836 former public housing units were converted to PBRA via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020.

All of the PHA's public housing and PBRA units are in good to excellent physical condition. The PHA has consistently achieved "High Performer" status under HUD's Public Housing Assessment System. Saint Paul PHA properties continue to be managed to the highest possible standards, including thorough and uniform applicant eligibility determination, fair lease enforcement, regular preventative maintenance, prompt responses to maintenance work orders, full occupancy, timely turnover of vacant units, and accurate reporting of financial data and all other components of quality property management and maintenance.

Many PHA units have been improved over the last five years under HUD-funded Capital Fund Program, including the following:

- Installation of new plumbing at Ravoux Hi-Rise (220 units), Valley Hi-Rise (159 units) and Montreal Hi-Rise (185 units).
- Exterior modernization of family dwelling units at Mt. Airy Homes. As of 12/31/2019, 164 units in 55 buildings have been completed. Another 108 units will be modernized in the future.
- Modernization of all 88 family housing units (22 buildings) at Dunedin Terrace, including the conversion of flat roofs to hipped roofs, window, siding, kitchen and bathroom replacement, and other miscellaneous interior and site work.
- New construction of two new six-plex townhomes at McDonough Homes.

In addition to HUD funding, the PHA received financial assistance for these projects from the Minnesota Housing Finance Agency and the Federal Home Loan Bank of Des Moines.

## Public Housing Condition

Public Housing Development	Average Inspection Score
Mount Airy Homes & Hi-Rise, Valley Hi-Rise	97
Dunedin Terrace	92
McDonough Homes	91
Scattered	91
Hamline, Front, Seal Hi-Rises	84
Roosevelt Homes	90
Ravoux, Neill, Central Hi-Rise and Duplexes	91
Edgerton, Iowa and Wilson Hi-Rises	72
Exchange and Wabasha Hi-Rises	92
Mount Airy Homes and Hi-Rises, Valley Hi-Rise	97

Table 38 - Public Housing Condition

### Describe the restoration and revitalization needs of public housing units in the jurisdiction:

The PHA's 5-Year Capital Plan (2019-2023) identifies how the PHA will renovate/modernize public housing units (using HUD Capital Fund Program (CFP) grants) and similar work on PBRA buildings and units (with HUD Housing Assistance Payments). The emphasis is on improvements for life safety and residents' quality of life. Units are renovated/maintained using green sustainable designs to conserve energy and water. In addition to HUD Capital Fund grants, the PHA has obtained forgivable loans from MHFA's Publicly Owned Housing Program (POHP) and grants from Federal Home Loan Bank's Affordable Housing Program to modernize and preserve its public housing units. The PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 29 consecutive years.

As stated above, the Saint Paul PHA has converted most of its public housing units with traditional Capital Fund subsidies and Operating Fund subsidies to a long-term contract with HUD under the Project-Based Rental Assistance (PBRA) program. With this change, PHA will receive more stable funding which includes annual inflation adjustments. The PHA developed a 20-year plan outlining the restoration and revitalization needs of PHA properties and identified how the PHA will use new funding to meet these capital needs. Following the conversion, the PHA will use PBRA Housing Assistance Payments (HAP) to carry out the 5-Year Capital Plan for those units.

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

Saint Paul PHA promotes fire safety and life safety as well as preserving the valuable asset of public housing facilities. Saint Paul PHA maintains high quality and timely design, bidding and construction utilizing "green and sustainable" principles to conserve energy and water while

protecting the environment to the greatest possible. The Saint Paul City Council presented the 2017 Sustainable Saint Paul Award for Green Practices to the PHA in recognition of its green initiatives. These initiatives include:

- Retaining consultants to conduct energy audits of its properties and incorporating feasible recommendations for energy improvements into its capital needs planning. Xcel Energy, a valued partner, has borne most of the cost for energy audits.
- Installation of energy improvements to reduce energy and water usage, such as installing water-saving faucet aerators, reduced-flow shower heads, water-conserving toilets, lighting retrofits, weather stripping, and additional insulation.
- Installation of a computerized energy management system (EMS) at all 16 public housing hi-rises, which allows staff to monitor and control HVAC systems remotely resulting in increased energy efficiency and savings.
- The PHA also utilizes District Energy St. Paul at 4 of its hi-rise apartment buildings and central administrative office building, utilizing an alternative energy source for its residents and community spaces.
- The PHA executed a community solar agreement in 2018 that provides 10 of its hi-rises 100% solar power for electricity while saving \$120,000 per year for 25 years.

Furthermore, as part of its Capital Fund Program (CFP) Action Plan, Saint Paul PHA consults with its staff, residents, PHA Resident Advisory Board, PHA's Hi-Rise President's Council, and individual Resident Councils to inform them how Saint Paul PHA is using its Capital Fund Program funds; seek their input for future grant applications; and provide updates on ongoing and upcoming CFP work.

### **Discussion:**

**Public Housing:** The Saint Paul PHA owns and manages 418 public housing units and 3,836<sup>1</sup> units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020. The PHA's rental units are consistently fully occupied (over 99%). Saint Paul PHA has maintained its "High Performer" status under HUD's Public Housing Assessment System (PHAS) for 29 consecutive years. Saint Paul PHA manages its properties to the high standards, including thorough and uniform applicant eligibility determination, fair lease enforcement, regular preventative maintenance, prompt response to maintenance work orders, full occupancy and timely turnover of vacant units, timely and accurate reporting of financial data, and all other components of quality property management and maintenance.

Saint Paul PHA follows its Five-Year Action Plan and an annual plan to use its HUD Capital Fund Program (CFP) grants, approximately \$11 million annually prior to the RAD conversion, to

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<sup>1</sup> At the time of the RAD conversion, 3,855 units were removed from the public housing program but 19 of those units were not included in the PBRA contracts, because they house law enforcement officers ("Officer in Residence") and programs serving residents.

maintain and to renovate its family and hi-rise apartments. Similar work will continue in the PBRA buildings and units using Housing Assistance Payment (HAP) funding. The work includes creating new hi-rise community rooms and kitchens, and enlarging community centers on PHA family housing developments.

Still, it is important to note that Saint Paul PHA needs stable federal funding to maintain its High Performer status. The PHA anticipates that the PBRA-HAP funding will provide that stability and predictability, that was lacking in public housing.

**Publicly-Assisted Affordable Housing:** For non-Saint Paul PHA housing, the City provides financing for the preservation, renovation, or new construction of rental housing affordable at or below 60% of area median income – using a combination of financing, including low-income housing tax credits, federal funds including CDBG and HOME, state housing dollars, City TIF, and other City funds. Still, with limited financial capacity, the City must partner with HUD, Minnesota Housing Finance Agency, and private foundations to finance affordable housing developments.

It should also be noted that the City needs stable federal funding, such as CDBG and HOME, to construct and preserve affordable housing in Saint Paul.

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## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

This section includes inventories of the facilities and services that meet the emergency shelter, transitional housing, and permanent supportive housing needs of homeless persons within the City of Saint Paul and Ramsey County.

### Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	303	64	375	1,255	0
Households with Only Adults	644	66	201	1,944	0
Chronically Homeless Households	0	0	0	627	0
Veterans	0	0	12	289	0
Unaccompanied Youth	22	0	31	124	0

**Table 39 - Facilities and Housing Targeted to Homeless Households**

**Data Source Comments:** Source: Ramsey County Continuum of Care - Inventory lists, January 2019

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

In order to ensure full range of services, without duplication, Saint Paul has a coalition of community services including HousingLink, Ramsey County Family Homelessness Prevention Assistance Program Advisory Committee, Ramsey County Continuum of Care (CoC), and affordable supportive housing providers.

Key services include, but are not limited to:

**Short Term Emergency Financial Assistance for rent, utility payments or other emergencies which threaten the loss of housing:**

Agencies/Programs include: Ramsey County Social Services, St. Paul Foundation – Community Sharing Fund, City of Saint Paul Mortgage Foreclosure Prevention Program, Sewer Abatement fund, Community Action Programs –utility assistance, Salvation Army Heat Share, St. Paul WaterWorks Program, HouseCalls, United Way.

**Homelessness Prevention Programs that assist households secure and maintain housing:**

Agencies/Programs include: Saint Paul Public Library Outreach, Saint Paul Home Rehab Loan Programs, Dispute Resolution Center, Southern Minnesota Regional Legal Services (SMRLS) legal representation (tenant/rights, fair housing, emergency assistance).

**Homelessness Prevention Services that address basic needs:**

Food: Community Food pantries, CAP-utility assistance, free meals at Saint Paul Opportunity Center, Neighborhood House and faith communities.

Health Care: Health service programs include Community Clinics in Saint Paul such as Minnesota Community Care (formerly West Side Community Health Services), Open Cities Health Center, United Family Medicine, and Family Tree Clinic. These facilities can provide primary and preventative care, mental health services, and dental services to people who experience barriers to care, including those who experience homelessness. Programs through these clinics also include health screenings at the City’s emergency shelters. AIDS and STD testing and treatment are provided by area organizations, including Family Tree Clinic, Face to Face Clinic, JustUs Health (formerly MN AIDS Project), and Saint Paul - Ramsey County Public Health. Health Care for the Homeless provides medical services to homeless residents. Saint Catherine University Masters of Nursing-Entry Level Nursing students conduct supervised in-home services to residents of the YWCA Saint Paul’s transitional housing program.

Furniture Programs: Goodwill, St. Vincent de Paul, Disabled Americans, Bridging.



Personal Care: Showers and laundry services at Saint Paul Opportunity Center and Health Care for the Homeless.

Job and Employment Training: Ramsey County Workforce Solutions, City's Right Track summer youth program, Goodwill Industries (employment and training).

Educational: Saint Paul Public Schools Title 1 partners with many community agencies to ensure that homeless students are transported to their school of origin. Additionally, Title 1 provides some tutoring and related educational services to children living in transitional housing.

Mental Health Services: Ramsey County Community Services, RADIAS Health (formerly South Metro Human Services), MN Department of Human Services, Adult Rehabilitative Mental Health Services (ARMHS).

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

**Homeless Adults:** There is a constant need for emergency shelter beds for homeless individuals as well as supportive services, permanent supportive housing opportunities, including medical respite. Wilder Research (*Homelessness in Minnesota - 2015 results*, November 2016) reports that in Minnesota, 83% of homeless adults have either a significant mental illness, chronic health condition (i.e. high blood pressure, asthma), substance abuse disorder, or evidence of a traumatic brain injury.

The City partially funds operational costs of Higher Ground Saint Paul and has provided support to Winter Safe Space, now operated year-round by Model Cities as Safe Space Shelter. Higher Ground Saint Paul provides shelter beds (including medical respite and pay-for-stay beds) and permanent supportive housing units and the Saint Paul Opportunity Center provides permanent housing units integrated with a one-stop location to connect people with critical services. The City's St. Paul Residence provides permanent supportive housing for those with late stage chronic alcoholism and long term homeless residents using the Housing First Model, which focuses on providing permanent, affordable housing and then provides supportive services and connections to community-based supports.

**Homeless Families:** There is a constant need for emergency shelter beds for homeless families in addition to transitional housing, permanent supportive housing, and domestic violence facilities. Wilder Research (*Homelessness in Minnesota - 2015 results*, November 2016) reports that almost half of all homeless children with their parents are age 5 or younger and 78% of homeless families with children are single parent-headed households. Family homelessness is often considered to be caused by a shortage of affordable rental housing and poverty. The federal monthly Temporary Assistance to Needy Families (TANF), implemented locally as the Minnesota Family Investment Program (MFIP), cash allowances have not

increased since 1986 and are insufficient to pay for a modest apartment. Homeless families often are more vulnerable due to the lack of job skills and employment, domestic violence, and mental health issues and often require a continuum of services provided in a structured, supportive setting.

The City working in collaboration with Ramsey County allocates ESG funds to various organizations, such as Catholic Charities - Family Service Center, the YWCA transitional housing, and the YWCA rapid re-housing for families. Theresa Living Center transitional housing also assists single women and single-parent families and Lutheran Social Services Life Haven provides transitional housing for teenaged parents. In addition, the City has provided capital funding to Casa Guadalupana for building improvements and is currently working with YWCA St. Paul to fund capital improvements for transitional housing for families.

**Homeless Youth:** There is a constant need for emergency shelter beds for homeless youth which are culturally-sensitive and age-appropriate. Wilder Research Center and homeless youth service providers recognize that official numbers of homeless youth significantly under-represent the total number of youth who are experiencing homelessness since homeless youth often “couch-hop” or stay temporarily with an acquaintance or relative. This is partly due to the lack of youth-specific shelters and housing programs.

The City allocates ESG funds to Lutheran Social Services Safe House (emergency youth shelter), Salvation Army Booth Brown House (emergency youth shelter), and Face to Face *Safe Zone* (drop-in center and rapid re-housing services for homeless youth). Additionally, in 2019, the City awarded LIHTCs to Ain Dah Yung Supportive Housing development, which provides supportive housing for homeless youth with a focus on American Indian youth and culture.

## MA-35 Special Needs Facilities and Services – 91.210(d)

### Introduction

This section discusses the special needs facilities and services for Saint Paul residents who are not homeless but require supportive housing or support services. Within the city, many families and individuals struggle with multiple barriers to secure and maintain housing. Consequently, these residents are more likely to have lower incomes, have difficulty paying housing and utility costs, or have individual concerns that require special needs facilities and enhanced community services. The groups discussed in this section are:

- Elderly
- Frail Elderly
- Persons with Physical Challenges
- Persons with Developmental Challenges
- Persons with Mental Health Challenges
- Persons with Chemical Dependency Issues, such as alcohol or other drug addictions
- Persons with HIV/AIDS and their families
- Public Housing residents

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

Saint Paul elderly and frail elderly residents need accessible design modifications and supportive services to support independent living, especially when elderly residents may place significant demands on both institutional and community-based long-term care services. Legislative directives (Olmstead decision) require that special needs residents seek independent living arrangements. Thus, there is a need for affordable housing with support services, including affordable accessible-designed housing for physically-challenged residents, supportive housing programs for persons with mental health challenges, and sober housing and safe haven "Housing First" programs for chronically-inebriated. In Saint Paul, there are a wide variety of housing options ranging from independent living and housing with support services, such as, but not limited to:

- **Independent Living** (housing with support services).
- **City's Home Rehab Programs** (home improvements, energy conservation, accessibility).
- **City's Mortgage Counseling** (explains reverse mortgages).
- **Affordable Rental Housing** (publicly-assisted affordable housing).
- **ADA-designed housing** (accessible units in compliance with ADA).

- **Saint Paul PHA's Assisted Living Programs** (PHA-Congregate Housing Services and PHA/Wilder Assisted Living Program that assist frail or disabled residents at risk of nursing home placement). Payment is made by client reimbursement, Alternative Care, Elderly Waiver funds and/or Minnesota Supplemental Assistance.
- **PHA /Accessible Space New Beginnings-Brain Injury Program** (24-hour personal care attendant service and support services for residents who sustained brain injuries).
- **PHA /Accessible Space, Inc.** (housing with 24-hour personal care attendant service and support services for residents with mobility impairments and/or complications from diabetes).
- **HUD Section 811 Program** (service-enriched housing for older adults and physically-challenged residents so they can live more independently).
- **Congregate Living Facilities and Assisted Living Facilities** (private market and affordable congregate living facilities-service-enriched housing for older adults and younger disabled persons).
- **Nursing Facilities** (long-term care facilities providing nursing services, rehabilitative care and assistance meeting daily living needs of individuals with physical disabilities).
- **State of Minnesota Waivered Services Program** (environmental modifications and housing placement assistance).
- **Case Management Services** (Ramsey County Social Services provides case management services to residents with developmental disabilities, residents with chemical dependency, residents with mental health challenges).
- **ARC Minnesota** (services to persons with developmental disabilities).
- **CBDG-funded Block Nurse Program**

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

Ramsey County Social Services provides supportive services to individuals with mental illness. For residents leaving mental health treatment facilities, there are some housing subsidies being administered by the County with its partners, including RADIAS Health (formerly South Metro Human Services), Mental Health Resources, and Guild, Inc. Ramsey County Continuum of Care works closely with County staff and State Department of Human Services to ensure that there are housing solutions in place before a resident is discharged from a mental health treatment facility. Additionally, the Saint Paul Opportunity Center features partner organizations, such as Catholic Charities, Ramsey County, and Minnesota Community Care, to provide physical, mental and chemical healthcare services, housing search and placement services, access to Veteran's benefits, SNAP, Medical Assistance, and other supports. The County also administers the state-funded Housing Support Program, which aims to reduce and prevent people from living in institutions or becoming homeless.

Extended Care facilities provide housing for individuals with mental illness who had multiple Rule 36 placements and need supportive services. Extended Care facilities enable clients to live independently in their own apartment while receiving supportive services and illness

management support from the Rule 36. The level of service the individual receives under Rule 36 is based on each client's individual desires and needs.

**Bridges Rental Assistance Program:** Bridges, a statewide program, provides temporary rental assistance payments and security deposits paid directly to property owners on behalf of participants with serious and persistent mental illnesses who are on a waiting list for a permanent rent subsidy. Other eligible uses include utility deposits, contract rent for up to 90 days during a medical or psychiatric crisis, and payments to utility companies for up to 90 days during medical or psychiatric hospitalization.

**Crisis Housing Assistance:** The Minnesota Department of Human Services provides a flexible pool of money to provide short-term housing assistance to persons receiving in-patient psychiatric care. Persons must have a serious and persistent mental illness requiring less than 90 days of assistance and be able to retain their current housing.

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

Saint Paul has residents that are not homeless, but have special needs that require supportive services to allow them to remain in their current housing situations or find supportive housing. While Ramsey County is the primary provider of most social services, the City will continue to provide funding for public services, including supportive services that assist those with special needs. Additionally, the City finances multi-family affordable housing developments that must also comply with ADA requirements - which provides additional opportunities for persons with physical challenges. It is anticipated that the City will continue to do so during the next year. The City is also exploring options for supportive housing with community agencies and may be working with private housing developers and non-profit housing developers to develop senior housing alternatives. Goals of this Consolidated Plan include Development of New Housing, which includes housing for special needs and Public Services, which includes supportive services.

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

Saint Paul has residents that are not homeless, but have special needs that require supportive services to allow them to remain in their current housing situations or find supportive housing. While Ramsey County is the primary provider of most social services, the City will continue to provide funding for public services, including supportive services that assist those with special needs. Additionally, the City finances multi-family affordable housing developments that must also comply with ADA requirements - which provides additional opportunities for persons with physical challenges. It is anticipated that the City will continue to do so during the next year. The

City is also exploring options for supportive housing with community agencies and may be working with private housing developers and non-profit housing developers to develop senior housing alternatives. Goals of this Consolidated Plan include Development of New Housing, which includes housing for special needs and Public Services, which includes supportive services.

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## **MA-40 Barriers to Affordable Housing – 91.210(e)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

Saint Paul has approximately 17,000 publicly-assisted affordable housing units (including supportive housing units and shelter beds) and approximately 4,804 Housing Choice vouchers, such that approximately 34% of all City renters receive some affordable housing benefit. The most significant barriers for households securing affordable housing units are insufficient income and the lack of affordable housing units. The greatest gap in affordable housing units is for household with income below 30% AMI. Not only is the supply of units few, but many of the units are occupied by households that could afford a unit at a higher rent. This is due to the insufficient number of available rental units. Barriers for developing affordable housing include the lack of funding and land.

Housing data for the city demonstrates that the greatest needs and highest housing priorities are affordability, choice, and supply. Consistent with the City's 2040 Comprehensive Plan-Housing Chapter, affordable housing priorities are: preservation and production of rental housing affordable for those at or below 30% of AMI; create homeownership opportunities for households with low and moderate incomes, 60-80% AMI; housing preservation for low-income elderly homeowners between 0-50% of AMI; provide housing for special needs populations.

The 2040 Comprehensive Plan supports affordable housing development. Policy H-32 states "Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least: 10% of all units being affordable to households earning 30% of AMI; 10% of all units being affordable to households earning 50% of AMI; and 10% of all units being affordable to households earning 60% of AMI."

The City's Locational Choice Policy and Low Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. Even with significant barriers, during 2018-2019, the City has partially financed the preservation and new construction of 1,268 multi-family units including 746 affordable units (623 new construction, 73 affordable units preserved, and 50 units refinanced). The City also financed the rehabilitation of a vacant 4-unit rental property and rehabilitation of 40 owner-occupied housing units.

Affordable housing development requires multiple funding sources including the City local funds, TIF LIHTC, State dollars, federal funding from HUD (CDBG, HOME), and redevelopment property acquired and assembled by public entities. To keep pace with increasing demand for affordable housing and to balance development to ensure locational choice, continued federal and state funding is needed. The lack of sufficient funding and insufficient allocation of LIHTCs has negative bearing on the City's ability to provide and invest in affordable housing. The City receives only about 36% of the CDBG funding it received in 1975. Similarly, the City receives

about 75% of the HOME funding it received in 2000. The City's LIHTC allocation also continues to shrink.

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## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

This section discusses the non-housing community development assets and needs in terms of employment sectors and business activity, workforce and infrastructure needs, workforce training initiatives, and economic development initiatives. The City of Saint Paul works to support businesses that create jobs and ensure that city residents are competitive for those jobs. This work is funded with a combination of discretionary City dollars and state and federal funding, including CDBG funds for eligible activities.

### Economic Development Market Analysis

#### Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	347	45	0	0	0
Arts, Entertainment, Accommodations	15,237	16,682	14	11	-3
Construction	3,261	4,985	3	3	0
Education and Health Care Services	30,096	48,192	27	33	6
Finance, Insurance, and Real Estate	9,510	13,462	8	9	1
Information	3,010	4,750	3	3	0
Manufacturing	11,507	7,811	10	5	-5
Other Services	5,172	6,826	5	5	0
Professional, Scientific, Management Services	14,293	27,998	13	19	6
Public Administration	0	0	0	0	0
Retail Trade	12,244	9,254	11	6	-5
Transportation and Warehousing	3,089	1,234	3	1	-2
Wholesale Trade	5,066	6,340	4	4	0
Total	112,832	147,579	--	--	--

**Table 40 - Business Activity**

Data Source: 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

## Labor Force

Total Population in the Civilian Labor Force	161,215
Civilian Employed Population 16 years and over	147,080
Unemployment Rate	8.77
Unemployment Rate for Ages 16-24	29.43
Unemployment Rate for Ages 25-65	5.54

**Table 41 - Labor Force**

Data Source: 2011-2015 ACS

Occupations by Sector	Number of People
Management, business and financial	38,830
Farming, fisheries and forestry occupations	6,930
Service	16,880
Sales and office	32,340
Construction, extraction, maintenance and repair	6,445
Production, transportation and material moving	7,170

**Table 42 – Occupations by Sector**

Data Source: 2011-2015 ACS

## Travel Time

Travel Time	Number	Percentage
< 30 Minutes	96,975	71%
30-59 Minutes	33,745	25%
60 or More Minutes	5,860	4%
<b>Total</b>	<b>136,580</b>	<b>100%</b>

**Table 43 - Travel Time**

Data Source: 2011-2015 ACS

## Education:

### Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	9,805	1,720	8,700
High school graduate (includes equivalency)	20,430	2,150	7,585

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Some college or Associate's degree	31,980	3,110	7,265
Bachelor's degree or higher	55,025	1,650	6,175

**Table 44 - Educational Attainment by Employment Status**

Data Source: 2011-2015 ACS

### Educational Attainment by Age

	Age				
	18-24 yrs	25-34 yrs	35-44 yrs	45-65 yrs	65+ yrs
Less than 9th grade	690	2,685	3,400	5,375	2,860
9th to 12th grade, no diploma	4,560	2,890	2,395	3,480	1,550
High school graduate, GED, or alternative	9,425	8,915	6,025	15,225	8,670
Some college, no degree	16,545	10,625	6,985	12,785	4,295
Associate's degree	1,060	4,380	2,805	4,790	1,055
Bachelor's degree	5,340	15,855	8,365	13,495	4,415
Graduate or professional degree	210	7,070	6,390	11,705	4,590

**Table 45 - Educational Attainment by Age**

Data Source: 2011-2015 ACS

### Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	18,687
High school graduate (includes equivalency)	26,720
Some college or Associate's degree	32,080
Bachelor's degree	43,259
Graduate or professional degree	61,093

**Table 46 – Median Earnings in the Past 12 Months**

Data Source: 2011-2015 ACS

### Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The major employment sectors include: Education and Health Care Services (employs 30,096 employees), Arts, Entertainment, Accommodations (employs 15,237 employees), Professional, Scientific, Management Services (employs 14,239 employees), Retail Trade (employs 12,244) Manufacturing (employs 11,507 employees) and Finance, Insurance and Real Estate (employs 9,510 employees).

## **Describe the workforce and infrastructure needs of the business community:**

The reported 2011-2015 ACS unemployment rate of 8.8% is outdated. The State of Minnesota Department of Employment and Economic Development (DEED) reports an unemployment rate for 3.6% in June 2019. This low unemployment rate means that businesses in growing sectors are having difficulties attracting and retaining talent. In Saint Paul, this low unemployment rate also masks racial disparities in unemployment. According to the 2013-2017 ACS estimates, the City's overall employment was 6.7%, while the unemployment rate for people of color was 11%.

These disparities persist. The Metropolitan Council has identified Areas of Concentrated Poverty (ACP50) – Census Tracts where at least half of the residents are people of color and at least 40% of the residents live below 185% of the federal poverty line – and has committed to using its public resources to catalyze investment in these areas. Saint Paul's ACP50 areas show a concentration of the highest percentages by Census Block Group of carless households, families living in poverty, non-English speaking households, severely cost-burdened households, and population 25 years and older with no bachelor's degree. The ACP50 areas also exhibit the lowest high school graduation rates in Saint Paul. The City's 2040 Comprehensive Plan supports the equitable geographic allocation of public funding and investment (especially for land use, housing, transportation, community wealth creation, public utilities and parks) to ensure that residents in these areas have the resources they need to thrive and prosper.

Greater MSP, our regional economic development partnership, projects the greatest job growth over the next five years will occur in Health Care and Social Assistance (12% job growth) and the Education Services Industry (8.8% growth). In terms of occupations, healthcare practitioners and technical occupations are projected to increase by 8%, management positions are projected to increase by 2%, and personal care and service occupations are projected to increase by 13% over the next 5 years. The occupations projected for the greatest growth, personal care and service occupations, have average hourly earnings of \$14.29. In fact, Saint Paul passed a local minimum wage ordinance in 2018 that will require all employers within the city to pay workers at least \$15/hour, phased in over the next few years. For most families, this wage is not enough to secure affordable housing and pay for necessities.

There is a large gap in the changing economy to improve workforce development to match job skills with ever-increasing job requirements. The State of Minnesota has a priority to grow the technology sector, which often results in higher, family-supporting wages. Workforce-specific skills are needed for the high-tech economy due to technology growth in the use of computers and robotics. Employees with these skills are in high demand. In 2017, the City of Saint Paul launched a tech sector growth initiative called Full Stack that uses City funds for scholarships to low-income residents to tech credentialing programs with high rate replacement rates and significant increases in hourly wages. In other employment sectors the City works with Ramsey

County and other partner organizations to provide employment and training services to businesses and job seekers.

Infrastructure needs of businesses also continue to grow more complex. The need for optic fiber and other high-speed access to the internet connections and data analysis will continue to put pressure on existing systems. Other infrastructure needs of businesses include transit expansion, roadway and utility upgrades to aging infrastructure, and freight transportation. Plans are underway for transit lines serving Saint Paul and the surrounding metro area, connecting workers to jobs more efficiently.

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

The City supports initiatives to provide business assistance and develop strategies aimed at building an environment where more innovative businesses can locate, start up, and continue to grow. Ongoing initiatives include:

**Commercial Vitality Zone Program (CVZ)** – Invests in neighborhood commercial districts where projects leverage other investments and opportunity to build off existing plans. Targeted areas have concentrated poverty and/or where 50 percent or more of residents are people of color (ACP or ACP50) and investment will strengthen and grow commercial tax base.

**Full Stack** – A public/private partnership co-led by the City and St. Paul Area Chamber of Commerce, provides services to help tech/innovation sector businesses start-up/scale up and attract, retain, and expand tech/innovation jobs. Workforce Innovation and Opportunity Act (WIOA) dollars granted to Ramsey County have supported scholarships and wrap-around services since 2019. The State of MN has provided grant funds to augment City and Federal dollars, and the City is pursuing foundation funds as well.

**Job Opportunity Fund** – Incentivizes businesses in areas of concentrated poverty (ACP50) to hire residents. These neighborhoods are 50 percent or more people of color and 40 percent or more have household incomes less than 185 percent of poverty.

**Minimum Wage** – City Council passed an ordinance creating a City minimum wage of \$15/hour; initial phase-in January 1, 2020.

**Open for Business** – A one-stop shop for start-up and existing businesses to get information and leverage resources to start, grow, and thrive. Services and resources are: pocket guide (in multiple languages) to starting a business in Saint Paul; connection with information and resources to start, move or expand a business; and assistance from a Business Project

Facilitator as a guide through the permitting and licensing process of opening, expanding or relocating to the city.

**Strategic Investment Fund** – Attracts businesses to relocate to the city. Target businesses are ones with local operations that will expand the city's economy, have a record of profitability, and are willing to participate in the Metropass Program to promote public transit use.

**Techstars Accelerator Program** – A partnership with Cargill and Ecolab, Farm to Fork, will bring startup food safety and agricultural technology companies to downtown from 2018-2020.

**Cultural Destination Area initiative** – Providing support for business development and job growth in Cultural Destination Areas, building on rich cultural assets through investments in creative placemaking and public realm and in business operations and expansion.

As a result of these initiatives, there is a continued need for business support, infrastructure, including transportation networks to accommodate job growth, and workforce development. A major area of workforce development is preparing applicants for the increased needs of employers as the economy evolves, emphasizing technology. There is need for a more educated workforce to meet the demand of the future business community, for focused skills-based training to address disparities in education and employment, and for programming to alter employer hiring practices to ensure all residents have access to living wage jobs and employers have access to skilled staff.

### **How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

There is a need for a skilled and educated workforce in the city. There are eleven colleges and universities located within City boundaries, including the University of Minnesota and the nationally ranked St. Paul College. Our educational institutions are a strength of our region. However, despite very low unemployment rates overall in both Saint Paul and the region, unemployment rates are much higher and labor force participation rates are much lower for people of color. At the same time, employers report difficulty recruiting and retaining staff with the needed skills and job posting boards demonstrate tens of thousands of unfilled jobs at any given time. All of this points to a gap in needed training. This can result more difficulty to secure employment opportunities. There is a general need to increase the number of people with Bachelor's degrees and two-year degrees (Associate's and technical degrees) and skill credentialing programs.

### **Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

Ramsey County is the lead agency that handles job training for Saint Paul. The City will continue to work with the County as its partner. The Workforce Innovation Board (WIB) of

Ramsey County, a legislatively mandated Workforce Board that works to help maintain the economic health of Ramsey County, identifies current and emerging workforce issues and needs, creates partnerships to serve the needs of businesses and job seekers, and oversees publicly-funded workforce programs in Ramsey County. Workforce services are offered by Ramsey County Workforce Solutions, the Minnesota Department of Employment and Economic Development (DEED), and a network of dedicated partner organizations. Workforce Solutions is overseen by the WIB and provides employment and training services to businesses and job seekers in Ramsey County. These efforts support the City's Consolidated Plan by providing thousands of Saint Paul residents with employment resources and job skill training. In 2018, Ramsey County Workforce Solutions provided service to 8,124 Saint Paul residents.

Other workforce training opportunities and business development services are available through Full Stack Saint Paul, Construction Careers Foundation, YWCA Saint Paul, Latino Economic Development Center, Neighborhood Development Center, local Chambers of Commerce and Trade Associations, as well as other community organizations and community colleges.

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

No

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

While not a CEDS, the goals identified in the most recent Saint Paul Economic Development Strategy (2016-2018) include: increase the number of jobs, increase the sales tax revenue of commercial/industrial properties, residential, and sales tax revenue, and reduce unemployment for low-income residents and people of color. These goals, along with the six strategies – expand business attraction, retention, and expansion activities, support innovative entrepreneurship and small business development, build and market the Saint Paul brand, direct new development to high-priority geographies and sites in the city, invest in Downtown, align resources around spotlight neighborhoods – are coordinated with the Consolidated Plan.

The City also supports other regional economic development initiatives which are coordinated with the Consolidated Plan. Greater MSP is a regional economic development effort that brings the regional planning focus on development. This effort takes as given that economic development in the region supports all the communities in the region. The Center of Economic Inclusion is a cross-sector organization committed to strengthening the Minneapolis-St. Paul region's civic infrastructure and collective capacity to disrupt systems and influence market forces to catalyze shared prosperity and advance an inclusive economy. Thrive MSP is a vision for the Twin Cities region that includes strategies for creating regional economic competitiveness and promoting equity, which align with the City's priorities.

## Discussion

The City and its subgrantees have used CDBG funding to assist eight to twelve economic development activities per year over the last five years, and it is anticipated that we will continue to do so over the next five years. CDBG funding for economic development has been used for the rehabilitation and/or development of commercial properties or for direct financial assistance to businesses. The activities help to retain and attract businesses to the city and create jobs for city residents. The businesses that are assisted with CDBG funding must either have a low/moderate income service area or create jobs for low/moderate income persons. CDBG dollars under the Public Service spending category are also invested in the City's youth workforce development internship program. The City also invests local dollars in commercial real estate development and business loans to support job creation and tax base growth and places a strong priority on investing City contracting dollars in doing business with certified Disadvantaged Business Enterprises. The State of Minnesota also provides loans and grants to support job growth.

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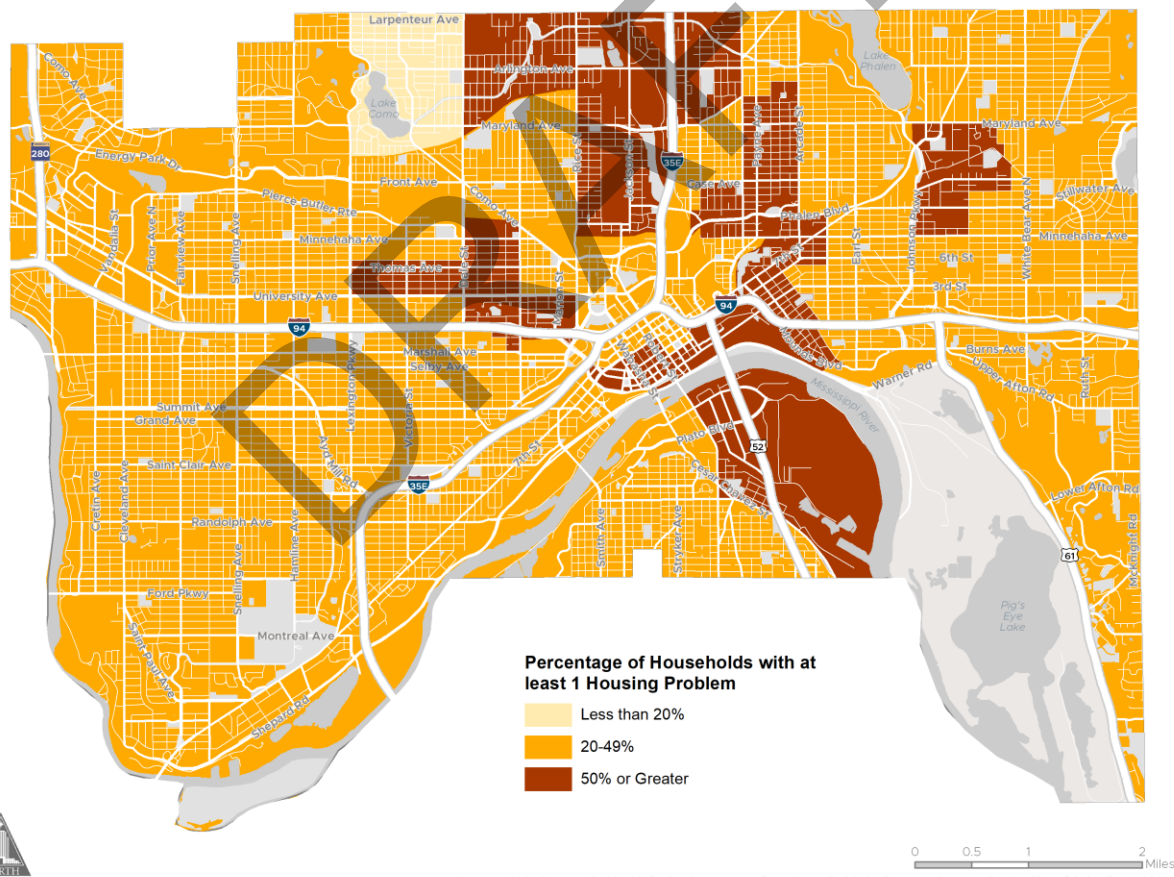


## MA-50 Needs and Market Analysis Discussion

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

2011-2015 CHAS data includes location of households experiencing 1 or more housing problems (lacks kitchen or plumbing, more than 1 person per room, or cost burden greater than 30%). Shown in Map MA-50-1 below, there are areas in Saint Paul where concentrations of households with housing problems exist. These are census tracts where 50% or more households experience at least 1 housing problem, which are primarily located in the central part of the City, which includes downtown and its surrounding neighborhoods, including along the northern segment of Interstate 35E (I-35E) in the North End and Payne-Phalen neighborhoods, Dayton's Bluff, Greater East Side, and West Side neighborhoods, along Interstate 94 (I-94) in the Summit-University neighborhood, along University Avenue in the Frogtown neighborhood.

**City of Saint Paul Concentrations of Households with Housing Problems**



**Map MA-50-1: City of Saint Paul Concentrations of Households with Housing Problems**

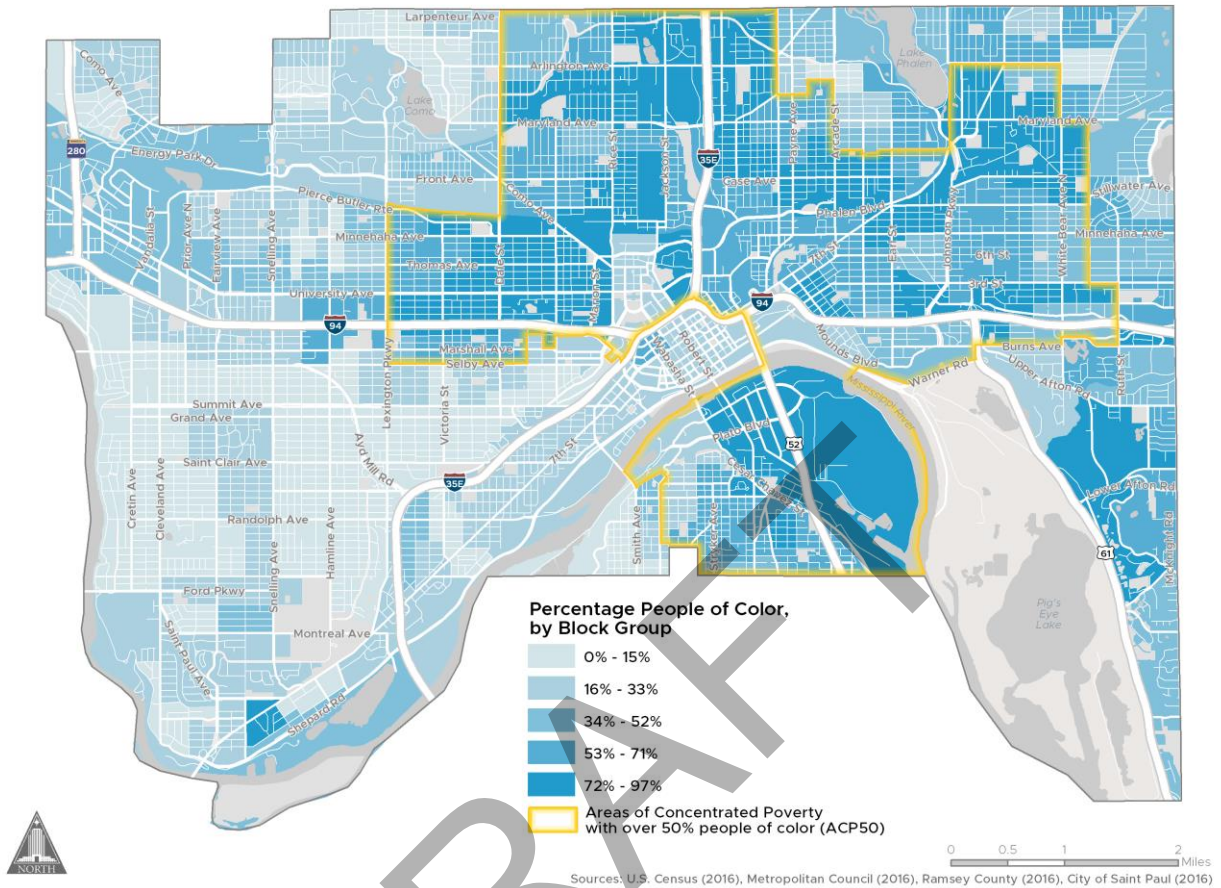
**Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

The Metropolitan Council has further identified Areas of Concentrated Poverty where 50% or more of the residents are people of color (ACP50), census tracts where at least half of the residents are people of color and at least 40% of the residents live below 185% of the federal poverty line. Saint Paul's ACP50 areas have a concentration of the highest percentages by block group of carless households, families living in poverty, non-English speaking households, cost-burdened households, and population 25 years and older with no bachelor's degree. The ACP50 area also has the lowest high school graduation rates in Saint Paul.

Saint Paul's ACP50 tracks patterns of historic redlining and housing discrimination. Recent immigrants from countries from around the world over the last decade has followed this historic residential pattern for people of color, and has contributed to the concentration of racial and ethnic communities. Furthermore, the lack of availability of lower cost housing in higher income parts of the City has also contributed to the concentration. Shown in Map MA-50-2 below, ACP50 areas are in the central part of the City just outside of downtown, including along the northern segment of Interstate 35E (I-35E) in the North End and Payne-Phalen neighborhoods, Dayton's Bluff, Greater East Side, and West Side neighborhoods, along Interstate 94 (I-94) in the Summit-University neighborhood, and along University Avenue in the Frogtown neighborhood.

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**City of Saint Paul Areas of Concentrated Poverty**



**Map MA-50-2: City of Saint Paul Areas of Concentrated Poverty**

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

In general, these areas are locations where the most affordable housing options are available. Rents and home values are lower than other areas in the City. These are also areas of older homes that often suffer from deferred maintenance, absentee owners, and areas of disinvestment. Several of these areas are currently experiencing reinvestment, particularly in the areas adjacent to the Green Line, Allianz Field at University and Snelling, Metropolitan State University, and revitalizing commercial corridors, which are described in more detail below.

## **Are there any community assets in these areas/neighborhoods?**

A major community asset for the Union Park, Frogtown, and Summit-University neighborhoods is the Green Line, which is the City's first light rail line that connects downtown Saint Paul to downtown Minneapolis. The City has funded several affordable housing projects within this corridor and other private investment, in particular, small, minority and immigrant-owned businesses, has occurred. In addition, the Minnesota United FC Major League Soccer stadium at I-94 and Snelling Avenue, Allianz Field, opened in 2019. The new stadium and surrounding redevelopment projects serve as a community asset for the Union Park and Hamline-Midway neighborhoods. The master plan sets a framework for reinvestment. Other assets for this area include two Cultural Destination Areas – Little Mekong in Frogtown and Rondo in Summit-University. The Cultural Destination Area initiative is place-based economic development and wealth building strategy that builds upon an area's cultural assets to create a compelling, authentic destination for residents and visitors to eat, shop, play, learn and engage with one another. Little Mekong has a mix of retail, restaurant and service businesses that allow for visitors to experience the authentic flavors of Southeast Asia. Rondo includes various nodes such as Golden Thyme, Walker West, Penumbra Theatre, Rondo Commemorative Plaza, the Brownstone Reading Room and Western U Plaza and the Central Selby Cultural Corridor and the community continues to celebrate Rondo's history through annual events like Rondo Days and the Selby Avenue Jazz Festival.

Community assets for the North End neighborhood include Rice Street, a major commercial corridor, the Trout Brook Nature Sanctuary, and the emerging North End Cultural Destination Area with creative placemaking and cultural activities. The Payne-Phalen and Greater East Side neighborhoods includes assets such as Phalen Creek, Lake Phalen, anchor institutions, Phalen Village, and Payne Avenue, the area's major commercial corridor. The City's Dayton's Bluff neighborhood has experienced some new development with the expansion with key institutional anchors and community assets, Metropolitan State University, Comunidades Latinas Unidas en Servicio (CLUES), and the Mexican Consulate. Swede Hollow Park also remains a community asset for this neighborhood and the emerging Near East Side Cultural Destination Area that builds on the existing cultural energy along East 7th Street, Arcade, Payne Avenue, and the Bruce Vento Nature Sanctuary and to reflect the rich identity and culture of the area.

Assets of the West Side neighborhood include the Mississippi River, Harriet Island Regional Park and Marina, and the Cultural Destination Area called District del Sol that is heart of the Latino business and cultural community.

### **Are there other strategic opportunities in any of these areas?**

Many of these areas are designated as Opportunity Zones by the City of Saint Paul Department of Planning and Economic Development. Through the Tax Cuts and Jobs Act of 2017, Congress incentivized investment in lower-income areas through the Opportunity Zones program. The program provides tax relief for investors who re-invest their unrealized capital gains into specific low-income communities. By providing tax breaks to investors, the program attracts investment dollars into low income communities. The City will work in partnership with Opportunity Funds, developers, investors, and the community, to leverage capital gains equity and other investments in projects that meet City and community values.

Opportunity Zones are areas full of community assets that present strategic opportunities for redevelopment. The Union Park neighborhood includes the Midway, Soccer Stadium & Little Africa commercial district/Focus Area. A master plan has been developed to guide development on the site surrounding Allianz Field. The Frogtown neighborhood includes the Green Line East Focus Area, which is bound together by the Green Line light rail project and poised for growth and investment to reflect the diverse culture of the area's residents. The North End neighborhood includes the North End Nexus Focus Area, an area that provides opportunities for coordinated redevelopment with Roseville and Maplewood in the area surrounding the intersection of Rice Street and Larpentuer Avenue and redevelopment of vacant or underutilized industrial sites. The Rice-Larpentuer Vision Plan provides a strategy to manage future growth of the area surrounding that intersection. The Dayton's Bluff and Greater East Side neighborhoods includes the Phalen Corridor Focus Area, which has seen significant revitalization, while presenting additional opportunities for redevelopment, especially at the East 7th and Arcade business district. The West Side neighborhood contains City Center and Riverfront Focus Area, which includes the West Side Flats area adjacent to the Mississippi River and home to the city's riverfront esplanade. The West Side Flats Master Plan and Development Guidelines set a framework for reinvestment in the West Side neighborhood that includes sites for new housing and job opportunities.

In addition, leveraging planned and future transit improvements within these neighborhoods to help spark reinvestment and provide connection to residents and jobs is a key strategic opportunity. Many transit investments are planned outside of the associated neighborhoods around the Green Line. The Gold Line is a planned Bus Rapid Transit (BRT) line connecting Saint Paul, Maplewood, Landfall, Oakdale, and Woodbury generally along I-94. Three Gold Line stations are planned in the Dayton's Bluff neighborhood. The Rush Line BRT is a proposed transit line between Union Depot in Saint Paul and downtown White Bear Lake. There are stations planned near the Greater East Side and Dayton's Bluff neighborhoods and within the Payne-Phalen neighborhood. A transitway is planned along the Riverview-West Seventh

Corridor, connecting the downtown to the Highland neighborhood, and further west to the Minneapolis–Saint Paul International Airport.

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## **MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)**

### **Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.**

According to the State of Minnesota Office of Broadband Development, broadband refers to Internet connections that can transfer data and information (like web pages) at high speeds. Broadband service is delivered through the fiber and coaxial networks of cable providers; DSL service over the telephone network; optical fiber to the home or business; mobile and fixed wireless systems; and satellite connections. Broadband plays a vital role in connecting people to employment, health care, education, and the global economy.

According to State of Minnesota Office of Broadband Development 2019 data, 99.94% of Saint Paul households have broadband availability or access to at least 25Mbps download/3Mbps upload speeds. For Ramsey County, broadband availability is 99.86%. Current State statute sets a deadline of 2022 to achieve universal access to 25Mbps download/3Mbps upload, and another deadline of 2026 to achieve universal access to 100Mbps download/20Mbps upload.

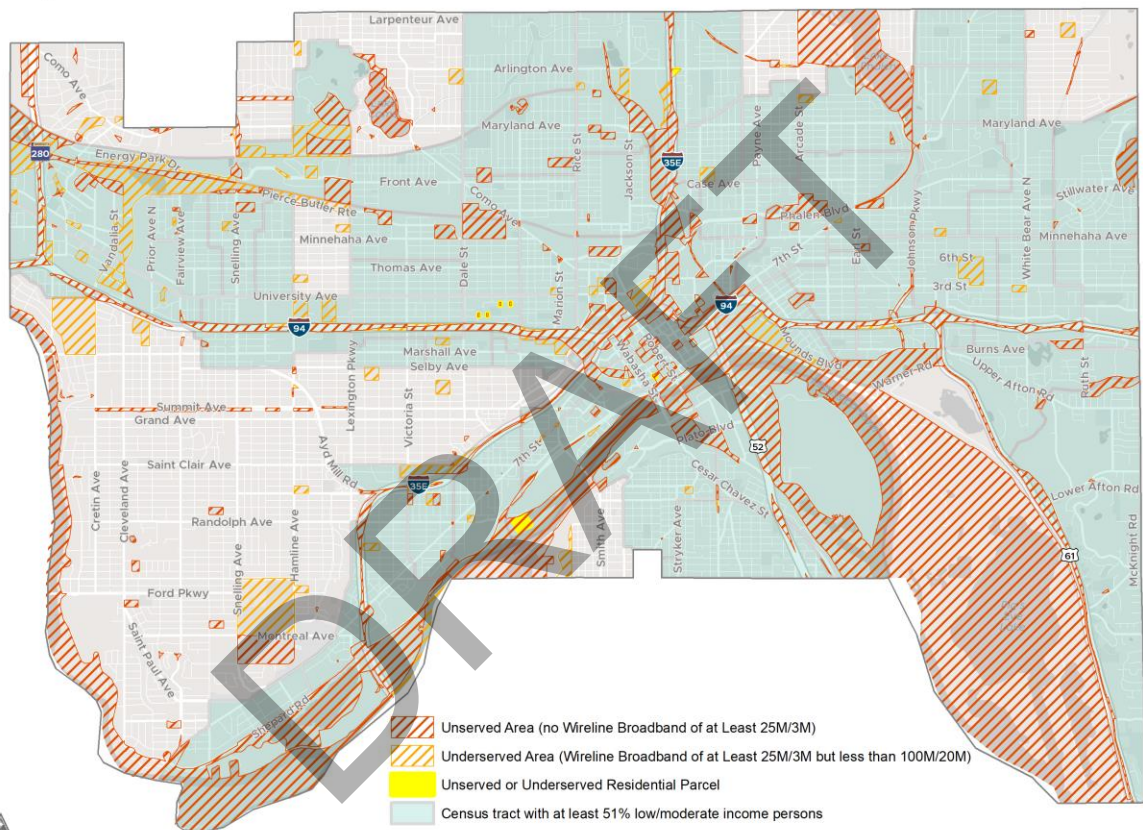
The Office of Broadband Development provides data on underserved or unserved broadband service areas. Underserved is defined as having wired service of at least 25Mbps download and 3Mbps upload, but less than 100Mbps download and 20Mbps upload. The definition for unserved remains at the FCC definition of not having broadband service of at least 25Mbps download and 3Mbps upload, and via a wired connection. As shown in Map MA-60-1, there are areas in Saint Paul that are unserved or underserved in terms of wired access to broadband, many of which are within areas with at least 51% low/moderate income persons (earning up to 80% of AMI). However, there are very few residential properties that are within the unserved or underserved areas. While Saint Paul is well connected regarding access to wired connectivity infrastructure, other barriers exist, including the cost of internet service and devices and digital literacy. Many Saint Paul households are unable to afford the cost of internet service as well as the devices, including a modem and computer, tablet, or smart phone required to access the service. In addition, many households lack digital literacy about how to connect to broadband and use a computer and/or the importance of broadband in staying connecting to family and friends, employment, health care, education, and the global economy.

There are organizations that are working towards reducing barriers to broadband connectivity by providing low-cost internet and computers to low-income households. PCs for People is a nonprofit organization with a mission to offer affordable technology to provide a bridge across the digital divide that offers employment and educational opportunities to low-income individuals and non-profits. PCs for People offers low-cost computers and nationwide high-speed LTE internet service for households below the 200% poverty level or be currently enrolled in an income-based government assistance program. Comcast's Internet Essentials Program offers low-cost computers and affordable home internet to households that are eligible for public

assistance programs such as the National School Lunch Program, Housing Assistance, Medicaid, SNAP, SSI, and others. Comcast also offers training and support to Saint Paul Public Libraries and other community organizations offering computer classes.

In addition, Saint Paul Public Libraries provide free wireless internet access and public internet computers that do not require a library card to use at all Library locations, as well as trained staff to provide computer assistance and classes. Saint Paul residents can also check out a wireless internet hotspot for free, high-speed Internet service.

**City of Saint Paul Wireline Broadband Underserved and Unserved Areas**



0 0.5 1 2 Miles  
Sources: State of Minnesota Office of Broadband Development (2019), U.S. Census (2017), City of Saint Paul (2019)

**Map MA-60-1: City of Saint Paul Wireline Broadband Underserved and Unserved Areas**



**Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.**

According to the Federal Communications Commission, 100% of Saint Paul residents have access to two or more broadband providers and 99.17% have access to three or more broadband providers. The largest providers for the city are CenturyLink and Comcast Xfinity. However, increased competition can lead to lower service costs for customers. It was also learned through agency consultation that residential property owners can limit broadband connectivity to one service provider, thus restricting residents' ability to shop around and select their own service provider.

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## **MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)**

**Describe the jurisdiction's increased natural hazard risks associated with climate change.**

The City of Saint Paul has been experiencing climate change for many years and increased natural hazard risks as a result. Building on decades of Saint Paul's framework for community resilience, the City has developed a Climate Action & Resilience Draft Plan (CARP), which focuses on achieving carbon neutrality in city operations by 2030, and citywide by 2050 with a suite of targets and actions to decrease emissions across every sector in the city. It also identifies ways to cultivate long-term resilience, enhance the natural infrastructure of the city, and promotes a vision for Saint Paul's future with diminished threats of climate change.

The CARP references a report from the Interagency Climate Adaptation Team prepared by the Minnesota Pollution Control Agency, which identifies warmer summers and winters and more frequent and intense weather events as the hallmarks of climate change in Saint Paul, which can impact health, livability, landscape, and the environment. The report states that the frequency and severity of extreme cold conditions are declining rapidly, adding that the heaviest snow storms have also become larger even as winter has warmed. Heavy downpours in Minnesota are now twice as frequent as they were a hundred years ago, and scientists expect events like these to become an increasingly common part of our daily lives.

In April of 2016, Saint Paul-Ramsey County Public Health developed a climate change vulnerability assessment, which identified populations and geographic areas that may be particularly vulnerable to climate hazards. As documented in the CARP, the climate hazards likely to impact Saint Paul are:

**Extreme Heat Events:** Heatwaves are expected to become more common by the middle of the 21st century. Extreme heat will be exacerbated in urban areas where impervious pavement and limited vegetation result in the urban heat island effect.

**Poor Air Quality:** Air pollutants, such as ozone, particulate matter, and allergens pose acute and chronic respiratory and cardiovascular threats. Rising temperatures and changes in precipitation patterns may lead to increased air pollution. Increased frequency of wildfires in the western United States and Canada have also impacted local air quality.

**Changes in Precipitation:** Increased precipitation has already been observed in Minnesota and is likely to increase into the future. This increase occurs in all seasons, but spring and summer are becoming wetter at a faster rate than fall and winter. Changes in precipitation patterns will likely lead to more river and flash flooding.

**Ecological Changes:** Vector-borne disease transmission is expected to increase due to changes in the distributions of ticks, mosquitoes, and other insect vectors as a result of warming temperatures and changing precipitation patterns. Diseases include West Nile Virus, Lyme disease, and human anaplasmosis. The urban forest is directly impacted by invasive species

like Emerald Ash Borer, that can lead to changes in the canopy and reduce the benefits that a healthy forest provides.

In 2019, the City updated the All-Hazard Mitigation Plan which addresses how to mitigate against hazards such as dam/levee/floodwall failure, damaging winds/thunderstorms, drought, extremely heat/cold, flood, human infectious disease, landslide/slope failure, severe winters storm, tornado, urban fire/wildfire. Hazard mitigation planning ultimately helps to protect Saint Paul residents. By working with city, county, state, and federal departments and agencies, we can identify vulnerabilities and develop strategies to reduce or eliminate the effects of a potential hazard.

**Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.**

A natural hazard due to climate change that may impact housing occupied by low- and moderate-income households is flooding. The risk of flash flooding varies across Saint Paul and is influenced by topography, watershed, and land use. Areas that are more susceptible to flash flooding tend to be low-lying with high levels of impervious surfaces, like roads and parking lots. Areas with greater biomass and vegetation coverage, as well as higher elevation, are at a relatively lower risk.

Saint Paul has a long history of flood events. Based on historical occurrences, federal disaster declarations, and analysis of impacts and consequences, flooding is one of the most frequent and costliest natural hazards impacting Saint Paul. With the availability of flood mitigation assistance in recent years, large tracts of the flood-prone riverfront have been mitigated by relocating structures from repetitively flooded areas and converting areas to permanent open space and recreational sites. Saint Paul faces risks and vulnerabilities associated these heavy precipitation events that will continue to increase in frequency and duration as the climate changes. Although Saint Paul's previous flood mitigation projects have reduced the impacts of flooding along the Mississippi River, the area's topography continues to make it prone to flooding and flash flooding during significant rain events.

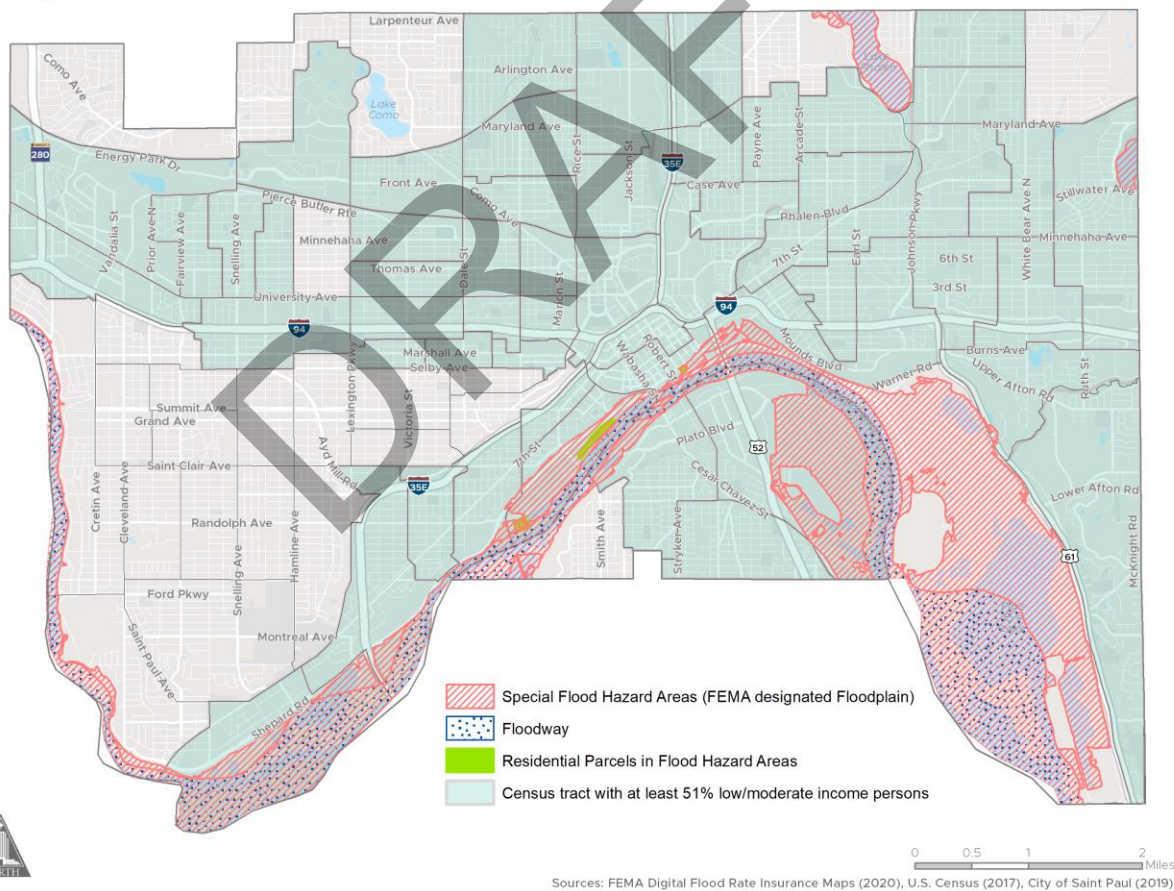
Floods often cause damage to homes and businesses if they are placed in natural flood plains of rivers. Floods can result in partial or complete loss of facilities. Most property losses occur to residential structures, which would cause an economic hardship for people who do not have flood insurance. Flooding events may also result in a temporary loss of power and/or phone service lasting from a few hours to several days. Results of these impacts often complicate communications with responders, which could affect availability of personnel and the ability to continue operations at acceptable levels.

People and buildings located in or near a floodplain are at the greatest risk, and although there is still a risk, people and businesses located outside of a floodplain are considered to be at a lower risk. The density of downtown is a vulnerable aspect in the event of a major flooding event

for both residents, visitors, and responders as flooding is dangerous to navigate in and around. Vulnerable populations identified by the City include people who speak limited English, the elderly, lower socioeconomic status, disabled (physical and mental) and people who do not have access to traditional methods of communication in order to receive warnings (i.e., no TV, radios or internet; or are vision or hearing impaired).

The City has conducted modeling on historic flooding events and continues to monitor the risk of flooding by evaluating and understanding infrastructure. Based on this analysis, Saint Paul's highest risk areas for flooding are those near the Mississippi River, particularly in the FEMA designated floodplain which includes areas like Lowertown, Childs Road, Barge Channel Road, and Harriet Island. Outside of these areas, risk of flooding in Saint Paul is largely dependent on circumstances. As shown in Map MA-65-1 below, some of the areas of highest risk to flooding (Special Flood Hazard Areas designated by FEMA) are also areas occupied with at least 51% low/moderate income persons (earning up to 80% of AMI). However, most of these areas are industrial or park land, and there are very few residential properties located within the floodplain.

**City of Saint Paul Flood Hazard Areas**



**Map MA-65-1: City of Saint Paul Flood Hazard Areas**

# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

Saint Paul is an older, fully developed city with infrastructure, housing, and commercial properties that are in constant need of repair and replacement. As described in the needs assessment, the City also has several other housing and community development needs for its residents. The process of prioritizing these improvements, addressing needs, and allocating scarce resources is a difficult task. The City utilizes plans, policies, and resident and organizational input to help make these decisions. The priorities reflect the needs of the entire City, and are based on the assumption that all funding sources, including HUD funding, will not change significantly over the next five years. The City will undertake a variety of strategies to address its priority needs:

- Continue to provide community services through an institutional delivery structure based on strong partnerships among public, private, and nonprofit partners. The City, Ramsey County, and community service agencies work together to use community-wide gaps analysis to assess needs and provide comprehensive services to assist homeless residents and residents with special needs.
- Address barriers to affordable housing through city policies and initiatives, including creating and preserving housing that is affordable at all income levels; addressing racial, social and economic disparities in housing; creating infrastructure needed to stabilize housing; funding an Affordable Housing Trust Fund; and funding down payment assistance for first-time homebuyers). The City is also, requiring that at least 20% of the new housing at the Ford redevelopment site be affordable, in an area of the city that currently has very little affordable housing.
- Address homelessness by working with Ramsey County and the Ramsey County COC to ensure that comprehensive homelessness prevention and rapid rehousing services can be provided to all people experiencing homelessness. The City has a Joint Powers Agreement with the County to allocate its ESG funds to provide funding support to emergency shelters, transitional housing services, street outreach to residents experiencing homelessness, homelessness prevention, and rapid re-housing programs that support the needs of residents experiencing homelessness or those at risk of becoming homeless. Saint Paul nonprofit organizations and service providers provide community outreach, drop-in centers, meals, and other direct services to reach out to residents experiencing homelessness and those at-risk of becoming homeless. In addition, Ramsey County provides programs and counseling to previously-institutionalized or homeless residents through partnerships with nonprofit service providers to aid in the transition to permanent housing, and the City has provided financing to supportive housing facilities citywide.
- Address lead-based paint hazards by complying with HUD regulations concerning lead-based paint (LBP), including notifying applicants of the lead requirements, performing

lead screening, requiring abatement by certified workers, and completing clearance testing on HUD-funded housing projects.

- Work towards reducing poverty by implementing programs and policies with a goal of reducing the number of families living in poverty, funding youth workforce activities and public services, and working with partners such as Ramsey County and community organizations to carry out programs that aid businesses and create jobs for low/moderate income persons.

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## SP-10 Geographic Priorities – 91.215 (a)(1)

### Geographic Area

Table 47 - Geographic Priority Areas

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

### General Allocation Priorities

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

Investments are allocated city-wide based on needs. The highest-need areas are identified on the attached map image that shows the CDBG-qualified areas, where at least 51% of persons are low/moderate income persons. The City has a strong focus on racial and social equity and reducing disparities. A core value in the City's 2040 Comprehensive Plan is Equity and Opportunity, which includes the equitable distribution of opportunities in education, employment, housing, health and safety, and creating opportunities for all residents to achieve their highest potential. The Comprehensive Plan includes policies about equitable public investments:

- Policy H-56. Improve the stability and health of communities of concentrated disadvantage by implementing place-based investments, such as public infrastructure, improvements and maintenance.
- Policy LU-3. Prioritize equitable public investments relative to areas of concentrated poverty as defined by the Metropolitan Council.

## SP-25 Priority Needs - 91.215(a)(2)

### Priority Needs

Table 48 – Priority Needs Summary

1	<b>Priority Need Name</b>	Preservation of existing affordable housing
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Rental Housing Rehabilitation
	<b>Description</b>	Working with public- and private-sector affordable housing providers to preserve existing contractually obligated affordable housing that is set to expire between 2020 and 2024; providing housing rehabilitation assistance for existing affordable housing units.
	<b>Basis for Relative Priority</b>	The housing market analysis demonstrates that the contractual obligations for an estimated 923-1,232 rent subsidized and contractually obligated affordable housing units may expire or be up for renewal between 2020 to 2024. It is one of the City's top housing priorities to preserve affordability in existing units. In addition, 96% of homeownership units were built before 1980 with 64% being built before 1950 and 91% of rental units were built before 1980 with 37% built before 1950. The age of existing housing suggests that rehabilitation is needed to provide decent affordable housing into the future. This was corroborated through the citizen participation process and agency consultation.
2	<b>Priority Need Name</b>	Development of new affordable housing
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents



	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Development of New Housing
	<b>Description</b>	Supporting the development of new affordable housing for low/moderate income households.
	<b>Basis for Relative Priority</b>	The housing market analysis demonstrates that there is not sufficient affordable housing for households at all income levels in Saint Paul. There are only 8,880 rental housing units affordable to households earning 0-30% of AMI with 26,460 households at this income level. At income levels up to 100% of AMI, over half of renter households are identified as being cost burdened with 26% cost burdened (with housing costs greater than 30% of income) and 27% severely cost burdened (with housing costs greater than 50% of income). For homeownership households, 24% of households earning up to 100% of AMI are cost burdened and 18% are severely cost burdened. In addition, the Saint Paul Public Housing Authority's extensive waiting lists for public housing and housing vouchers demonstrate insufficient amount of subsidized rental units to meet the demand. This was corroborated through the citizen participation process and agency consultation.
<b>3</b>	<b>Priority Need Name</b>	Support stable, affordable, safe homeownership
	<b>Priority Level</b>	High
	<b>Population</b>	Low Moderate Large Families Families with Children Elderly
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Homeowner Housing Rehabilitation
	<b>Description</b>	Providing access to low-interest loans and down-payment assistance for new/prospective homeowners and housing rehabilitation assistance for homeownership units.

	<b>Basis for Relative Priority</b>	The housing market analysis demonstrates that 96% of owner-occupied units (primarily single-family homes) were built before 1980 with 64% being built before 1950. The age of the single-family housing stock coupled with the level of cost burden experienced by low-to-moderate income owners makes home maintenance issues critically important in the Saint Paul. In addition, it was evident through the citizen participation process and agency consultation that many Saint Paul residents would like to own their own home, but up-front costs like a down payment can be a barrier to homeownership.
4	<b>Priority Need Name</b>	Affordable housing for special needs populations
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Development of New Housing
	<b>Description</b>	Supporting the development of affordable housing for special needs populations and affordable supportive housing.
	<b>Basis for Relative Priority</b>	The non-homeless special needs assessment demonstrates a need for affordable housing options for Saint Paul residents with special needs, which may include supportive housing or services. This was corroborated through the citizen participation process and agency consultation.
5	<b>Priority Need Name</b>	Homeless prevention, rapid re-housing, and supportive services
	<b>Priority Level</b>	High

	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Chronic Homelessness Individuals Mentally Ill Chronic Substance Abuse Veterans Victims of Domestic Violence Unaccompanied Youth
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Homeless Prevention
	<b>Description</b>	Providing services such as low- and no-interest rehabilitation loans, credit counseling, mortgage foreclosure prevention, and short-term emergency financial assistance to keep families in their current housing or prevent them from homelessness; providing rapid re-housing services for those currently experiencing homelessness to help obtain housing quickly and stay housed.
	<b>Basis for Relative Priority</b>	Ramsey County CoC cites homeless prevention and rapid re-housing as priorities for ESG funds. The homeless needs assessment demonstrates that over half of homeless adults are considered long-term homeless and that there is a need for more rapid re-housing and supportive services to assist with transitioning into permanent housing. Through agency consultation, it was learned that keeping residents in their existing housing and preventing homelessness is important for maintaining quality of life. This was corroborated through the agency consultation process.
6	<b>Priority Need Name</b>	Emergency shelters and transitional housing
	<b>Priority Level</b>	High

	<b>Population</b>	Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Victims of Domestic Violence Unaccompanied Youth
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Homeless Prevention
	<b>Description</b>	Supporting the development and operation of emergency shelters and transitional housing opportunities.
	<b>Basis for Relative Priority</b>	The homeless needs assessment demonstrates a need for more shelter beds, especially for families. This was corroborated through agency consultation. Ramsey County CoC cites shelter capacities and assessors and navigators for the Coordinated Entry System as priorities as well as families with dependent children experiencing homelessness as the priority group.
7	<b>Priority Need Name</b>	Fair Housing and anti-discrimination efforts
	<b>Priority Level</b>	High

<b>Population</b>	Extremely Low Low Moderate Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Mentally Ill Chronic Substance Abuse Veterans Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Victims of Domestic Violence
<b>Geographic Areas Affected</b>	Other
<b>Associated Goals</b>	Public Services

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<p><b>Description</b></p>	<p>Supporting activities that Affirmatively Further Fair Housing and provide legal assistance to residents who have housing discrimination claims and/or are at risk of losing their housing.</p> <p>In 2019, the City formed a new Office of Financial Empowerment, including a full-time Fair Housing Coordinator position who works with several city departments and residents as well as with the regional Fair Housing Implementation Committee to establish policies, regulations, and programs to proactively ensure that Saint Paul residents do not experience housing discrimination and to affirmatively further fair housing. The Office of Financial Empowerment developed a framework for the Fair Housing strategy with overarching goals of decreasing housing displacement, increasing housing access and focusing on Affirmatively Furthering Fair Housing. To achieve these goals, the citywide fair housing strategy will align community and department work in four core areas: Preservation and Production, Education and Engagement, Enforcement and Compliance and Tenant Protections. In 2019, OFE focused on Tenant Protections, hosting a series of community engagement events to identify strategies and policy priorities (see attachment/engagement report). In 2020, the City will introduce S.A.F.E. Housing St. Paul, a suite of tenant protections policies geared at ensuring stable, accessible, fair and equitable housing opportunities for all.</p> <p>When housing discrimination occurs, the City’s Human Rights and Equal Economic Opportunity (HREEO) Department investigates complaints. The City also supports Southern Minnesota Regional Legal Services (SMRLS), which provides legal assistance to tenants-at-risk of losing their housing and the City has signed on to a national effort to increase equity in housing, hiring and other avenues.</p>
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	<b>Basis for Relative Priority</b>	<p>Housing discrimination can be a significant barrier for individuals and families seeking affordable housing. While discrimination is often difficult to detect, discrimination against persons on the basis of race/ethnicity, familial status, language, gender, age, disability and receipt of public assistance can prevent access to safe and decent housing. The City remains committed to Affirmatively Furthering Fair Housing and anti-discrimination efforts, evident in the creation of the Office of Financial Empowerment to address root causes of poverty and inequity by connecting low/moderate income residents to financial education/counseling, helping establish savings and build credit, supporting fair housing protections, policies, and practices for all residents, and providing tools for financial stability. The City and its regional partners are working together to affirmatively further fair housing within the Twin Cities metro area with the development of the Analysis to Impediments to Fair Housing Choice (AI). The importance of supporting Fair Housing and anti-discrimination efforts was corroborated during the citizen participation process and agency consultation.</p>
8	<b>Priority Need Name</b>	Tenant and landlord education
	<b>Priority Level</b>	High
	<b>Population</b>	<p>Extremely Low  Low  Moderate  Large Families  Families with Children</p>
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Public Services
	<b>Description</b>	<p>Educate landlords and tenants on issues related to maintenance of rental housing units, and represent tenants, particularly those who are members of, or serving, new American communities. The City's Department of Safety and Inspections holds monthly workshops for landlords on property maintenance, safety standards, and city permit requirements.</p>

	<b>Basis for Relative Priority</b>	Through the citizen participation process and agency consultation, it was evident that some landlords need to be educated on becoming responsible landlords and maintaining safe housing. In addition, tenants, especially of immigrant communities, may need assistance through the rental process and benefit from education on tenants' rights.
<b>9</b>	<b>Priority Need Name</b>	Public service needs
	<b>Priority Level</b>	High
	<b>Population</b>	Non-housing Community Development
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Public Services
	<b>Description</b>	Providing additional public services that supplement existing services including health services, senior services, crime prevention, community organizing, youth employment training, other youth services.
	<b>Basis for Relative Priority</b>	While Ramsey County is the primary provider of social services in Saint Paul, there is more need for these types of services in the city than the County can provide. Through the non-homeless special needs assessment and non-housing community development asset analysis, it was evident that there is an increasing need for public services for Saint Paul residents, especially services related to health, youth, and workforce skills. This was corroborated through the citizen participation and agency consultation process.
<b>10</b>	<b>Priority Need Name</b>	Public facilities and infrastructure
	<b>Priority Level</b>	Low
	<b>Population</b>	Non-housing Community Development
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Public Improvements



	<b>Description</b>	Renovation of existing public facilities in need of improvement; repair and replacement of infrastructure such as sidewalks and street, and sewer improvements. City general fund dollars supported by property taxes are used for capital investments and operating expenses, but CDBG funding is also used to finance facilities, such as parks and recreational facilities that primarily serve low and moderate-income areas of the City.
	<b>Basis for Relative Priority</b>	Although public infrastructure and facilities were highly rated by survey respondents and community input, the City of Saint Paul has a variety of other funding sources that are used for infrastructure and facility projects.
11	<b>Priority Need Name</b>	Economic development and job growth
	<b>Priority Level</b>	High
	<b>Population</b>	Non-housing Community Development
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Economic Development
	<b>Description</b>	Economic development activities including job creation, assisting businesses with expansion, property acquisition, demolition, and clearance, rehabilitation, energy conservation improvements, leasehold improvements, and development citywide.
	<b>Basis for Relative Priority</b>	The strategies in the most recent Saint Paul Comprehensive Economic Development Strategy include expand business attraction, retention, and expansion activities, support innovative entrepreneurship and small business development, build and market the Saint Paul brand, direct new development to high-priority geographies and sites in the City, invest in Downtown, align resources around spotlight neighborhoods. The City's anti-poverty strategy and economic development initiatives include supporting businesses and building an environment where more innovative businesses can locate, start up, and continue to grow. The importance of economic development efforts and business support was corroborated through the agency consultation process.
12	<b>Priority Need Name</b>	Community planning needs
	<b>Priority Level</b>	High
	<b>Population</b>	Non-housing Community Development

	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Community Engagement
	<b>Description</b>	Promoting the social, physical, and economic wellbeing of residents, property owners, and business owners through implementation of the Comprehensive Plan and neighborhood plans, administering zoning and land use regulations, completing HUD-required environmental reviews for property investments, and providing local data and mapping resources.
	<b>Basis for Relative Priority</b>	Planning efforts support the goals of the Consolidated Plan and its implementation priorities, strategies, and programming.
13	<b>Priority Need Name</b>	Lead-based paint abatement plan implementation
	<b>Priority Level</b>	High
	<b>Population</b>	Families with Children
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Rental Housing Rehabilitation
	<b>Description</b>	Implementation of the action plan which developed program procedures to address the HUD regulations on lead-based paint hazards in federally-owned housing and housing receiving federal assistance.
	<b>Basis for Relative Priority</b>	The lead based paint found in many homes and buildings built before 1978 are a health risk, especially for young children. Ninety percent of owner occupied homes and 75% of renter-occupied units were built before 1980. Addressing lead based paint hazards and increasing access to housing without these hazards is important for the health of city residents.
14	<b>Priority Need Name</b>	Acquisition, demolition, and clearance of property
	<b>Priority Level</b>	High
	<b>Population</b>	Non-housing Community Development

	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Remediation of Substandard Properties
	<b>Description</b>	Purchase and/or demolish and/or dispose of and/or clear vacant, underutilized, and/or hazardous properties for neighborhood redevelopment and revitalization.
	<b>Basis for Relative Priority</b>	Vacant buildings and nuisance properties can pose a threat to the public health and safety of City residents. Since Saint Paul is fully developed with limited land available, removal of these properties can be important for neighborhood redevelopment and revitalization.
15	<b>Priority Need Name</b>	Community outreach to underserved populations
	<b>Priority Level</b>	High
	<b>Population</b>	Non-housing Community Development
	<b>Geographic Areas Affected</b>	Other
	<b>Associated Goals</b>	Community Engagement
	<b>Description</b>	Outreach to underserved populations regarding community needs and available programs, services, and resources.
	<b>Basis for Relative Priority</b>	Through the citizen participation and agency consultation process, it was evident more outreach is needed, especially to underserved communities. It was learned that many residents and businesses do not know about the programs and services available to them and lack the ability to share their needs.

**Narrative (Optional)**

## SP-30 Influence of Market Conditions – 91.215 (b)

### Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	The City of Saint Paul does not participate in this program. The Saint Paul Public Housing Agency undertakes this type of activity.
TBRA for Non-Homeless Special Needs	The City of Saint Paul does not participate in this program. The Saint Paul Public Housing Agency undertakes this type of activity.
New Unit Production	Through analysis completed in both the Housing Needs Assessment and Market Assessment portion of this Consolidated Plan, the City has a substantial need for housing affordable to low-income households. As discussed in the Housing Market Analysis Section, the 2011-2015 CHAS data shows that there are only 8,880 rental housing units affordable to households earning 0-30% of AMI with 26,460 households at this income level. For owner-occupied housing, there is a lack of housing that is affordable to households earning 50% of AMI—approximately 7,055 ownership units are affordable to 17,815 households at 30-50% of AMI.
Rehabilitation	Ninety percent of owner-occupied units (primarily single-family homes) were built before 1980 with 64% being built before 1950. The age of the single-family housing stock coupled with the level of cost burden experienced by low-to-moderate income owners makes home maintenance issues critically important in the city. From a rental perspective, 75% of the units were built before 1980 with 37% built before 1950. Property maintenance and rehabilitation of is critical to ensure the ongoing stability and revitalization of the City's neighborhoods.
Acquisition, including preservation	In areas where reinvestment is needed, the use of strategic property acquisition is critical to facilitate redevelopment and revitalization efforts.

**Table 49 – Influence of Market Conditions**

## SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

### Introduction

The City anticipates receiving \$6,892,568 in CDBG funding, \$1,895,972 in HOME funding, and \$594,358 in ESG funding from HUD in 2020. In addition, the City estimates using about \$507,432 in CDBG program income and approximately \$1,100,758 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments). Based on the previous funding allocation and anticipated future direction, City staff anticipates steady funding over the next five years from the CDBG program, HOME program, and ESG program.

### 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	6,892,568	507,432	0	7,400,000	29,600,000	Assumes steady funding.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,895,972	1,100,758	0	2,996,730	8,783,888	Assumes steady funding.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	594,358	0	0	594,358	2,377,432	Assumes steady funding.

**Table 50 - Anticipated Resources**

**Notes:** The assumption of \$300k in PI annually after 2020, based on average of PI received 2001-2019 to-date.

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

HUD continues to require that all participating jurisdictions (PJ) match, with non-federal funds, no less than 25 cents for each dollar of HOME funds spent on affordable housing. The City again received a match reduction of 50 percent due to fiscal distress and is only required to match each dollar spent with 12.5 cents non-federal match. The City will continue to leverage other private and public funds in the development of HOME-funded affordable housing and accumulate additional match.

ESG grant regulations require that grant funds be matched 100 percent or dollar for dollar. Match requirements will be satisfied, as well ESG grant regulations require that grant funds to be matched 100 percent or dollar for dollar.

Match requirements will be satisfied, as follows, when paid with non-ESG funds:

- Cash
- Value or fair rental value of any donated material or building
- Value of any lease on a building
- Salary paid to staff to carry out the program of the recipient or sub-recipient
- Volunteers providing professional services such as medical or legal services are valued at the reasonable and customary rate in the community

The City actively pursues and/or requires developers to apply for State funding programs to include: Minnesota Housing Finance Agency, Minnesota State General Obligation (GO) Bonds, Metropolitan Council, the Minnesota Department of Employment and Economic Development (DEED), and the Federal Home Loan Bank's Affordable Housing program. Private funding is derived from foundations, fund raising, conventional loans, and developer cash and equity. City funding may include the local Housing Trust Fund, Housing and Redevelopment Authority (HRA) funds, LIHTC, TIF, Conduit Revenue Bonds, local sales tax dollars (STAR program), and discounted City/HRA owned land.

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

The City owns property which may be suitable for development and offers these properties for sale for redevelopment through request for proposal processes or other mechanisms to solicit competitive offers.

**Discussion**

Saint Paul strategically leverages financing tools including TIF, housing revenue bonds, LIHTCs, Federal and State Historic Tax Credits, Housing and Redevelopment Authority (HRA)

tax levy dollars, HRA earned income and private development dollars, with the State and regional funding programs listed above, to maximize the investment impact. The City's work in housing affordability and stability is specifically oriented to deepening and widening the positive impact for the most disadvantaged residents. The City's business and job growth investments are targeted toward jobs that combine low barriers to entry with a living wage and clear career ladder opportunities.

In addition to Federal, State and local affordable housing investment vehicles noted above, Saint Paul has several programs directed toward holistic community development including job growth. These include:

Saint Paul Neighborhood STAR awards loans and grants for capital improvement projects in Saint Paul neighborhoods, typically leveraging four times the City investment in real estate and business expansion projects. These funds are estimated to have generated more than \$1.2 billion dollars in private investment throughout the city.

The Commercial Vitality Zone (CVZ) program invests in neighborhood commercial districts to promote citywide vitality, growth and equity. Project areas are catalytic - projects within the zone leverage other investments and opportunity to build off existing plans; are targeted toward areas of concentrated poverty and/or where 50% or more of residents are people of color (ACP or ACP50); increase vitality, strengthen commercial areas and make them more vibrant; and funded projects that will grow tax base.

STAR funds in 2020 will be invested in targeted Cultural Destination Areas to celebrate Saint Paul's diversity as a Global City where visitors and residents can find attractive destinations embedded in Saint Paul's diverse neighborhoods. This strategy at its core is both a place making and an economic development strategy designed to support investments rooted in cultural assets to build wealth through jobs and business growth.

The Job Opportunity Fund, a forgivable loan program targeted toward growing businesses located within Areas of Concentrated Poverty where 50% or more of residents are people of color (ACP50) who commit to hiring residents of ACP50 areas.

Saint Paul has embraced the new federal Opportunity Zones (OZ) program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income and urban communities. The City has identified several Opportunity Zone census tracts and will proactively identify investment opportunities within these areas, marketing the areas and projects through an interactive web portal. OZ funds will help bring new investments to Saint Paul in areas of need that have investment potential. The City will work to guide OZ investments to align with core City values: equity; innovation, resilience; lifelong learning; economic inclusion and justice; and community-first public safety.

Saint Paul has a growth strategy focused on transit. Policy LU-1 of the 2040 Comprehensive Plan states, "Encourage transit-supportive density and direct the majority of growth to areas with the highest existing or planned transit capacity." Transit station areas are designated as Neighborhood Nodes, which are intended to be areas of higher intensity mixed-use



development that support walkable access to jobs and services. There is currently one operating LRT line and one BRT line and one street car line and three BRT lines in the planning stages. Development, including higher density and affordable housing, is supported along these transit routes through planning, regional and state grants and city resources.

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## SP-40 Institutional Delivery Structure – 91.215(k)

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

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Ramsey County Social Services	Government	Homelessness Non-homeless special needs	Jurisdiction
Saint Paul Public Housing Agency	PHA	Public Housing	Jurisdiction
City of Saint Paul Department of Planning and Economic Development	Government	Economic Development Planning neighborhood improvements	Region
Saint Paul Housing and Redevelopment Authority	Redevelopment authority	Economic Development Ownership Rental	Jurisdiction
Ramsey County Workforce Innovation Board	Other	Economic Development	Region
Ramsey County Continuum of Care	Continuum of care	Homelessness	Region

**Table 51 - Institutional Delivery Structure**

### Assess of Strengths and Gaps in the Institutional Delivery System

The institutional structure through which the City carries out its housing and community development plan consists of public, private, and nonprofit partners. The primary public entities are the City of Saint Paul De, the Housing and Redevelopment Authority, Saint Paul Public Housing Agency, and Ramsey County Social Services, Ramsey County Continuum of Care, and Ramsey County Workforce Innovation Board. Nonprofit organizations include nonprofit developers, Community Development Corporations (CDCs), and Community Housing Development Organizations (CHDOs). Private sector partners include local financial institutions, for-profit developers, and the foundation community.

Strengths of the institutional structure include the collaborative working partnerships among the City of Saint Paul, Ramsey County, and community organizations to address the community's needs. The City, in partnership with Ramsey County and social services agencies, collaboratively use community-wide gaps analysis to develop service protocols that are responsive to the needs of individuals, families, youth, and underserved populations such as

residents with limited English proficiency and veterans. The CoC and WIB governing boards, committees, and member organizations meet regularly, which includes City staff, to routinely review data, assess capacity, identify gaps, and analyze what programs are working successfully. The result culminates in refining services, strategies, and priorities to address community needs.

As the major funder of social services, Ramsey County allocates federal and state funds to community agencies that serve homeless residents and residents with special needs. On the other hand, the City of Saint Paul and the State of Minnesota finance the preservation or new construction of affordable housing and supportive housing in Saint Paul. The City works with Community Development Corporations (CDCs), other nonprofit organizations in the City, and the private sector (businesses, developers, social service agencies) to provide housing, economic development, and community development services.

The most significant gap in the institution structure is the lack of funding. The City receives only about 36% of the CDBG funding it received in 1975. Similarly, the City receives about 84% of the HOME funding it received in 2000. Decreases in funding equates to fewer financial resources that can be allocated to community agencies, including CDCs and CHDOs to address the community's needs.

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

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

Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X	X	

**Table 52 - Homeless Prevention Services Summary**

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

The City and Ramsey County have entered into a Joint Powers Agreement to administer the Emergency Solutions Grant Program (ESG) in partnership with Ramsey County Continuum of Care (CoC). The ESG program provides funding for homelessness initiatives which include homelessness prevention services, street outreach services, supportive services, shelter operations, and rapid re-housing programs. The City will continue to partner with Ramsey County CoC Governing Committee, and Ramsey County Family Homelessness Assistance Program (FHAP) Committee to implement *Heading Home Ramsey* – a comprehensive plan to end homelessness in Ramsey County. The City and County CoC will continue to partner with the State's Veterans Homelessness Advisory Committee to develop housing initiatives for homeless veterans.

ESG-funded community agencies provide resources to homeless or at-risk of being homeless citizens. For single adults, Higher Ground Saint Paul provides emergency shelter while providing supportive services, such as mental health counseling, during the day. Catholic Charities’ Family Service Center provided emergency shelter for families for up to 60 days – allowing time for families to seek more permanent housing. The City also owns St. Paul Residence, providing supportive housing for chronically-inebriated residents. Transitional housing is provided through the YWCA St. Paul (housing with supportive services for single-parent families), Theresa Living Center (housing for single women and single-parent families), Lutheran Social Services (LSS) Life Haven (housing for teen parents). Ain Dah Yung provides culturally-response emergency shelter for urban American Indian young adults; Face to Face’s SafeZone - day drop-in center/supportive services and RRH; and LSS’s Safe House - transitional housing services.

Housing services are complemented by community-based services for residents experiencing homelessness, such as Listening House (drop-in for homeless adults) and Interfaith Action’s Project Home Day Center (a day center for families experiencing homelessness). The YWCA St. Paul collaborates with Ramsey County Coordinated Entry, Public Housing Agency, Ramsey County Workforce Solutions, Saint Paul Public Schools and other partners to provide safe affordable housing; comprehensive support services; employment and educational training; and health & wellness initiatives to advance the mission of eliminating racism and empowering women. The First Lutheran Church Wellness Center (community nursing care to homeless

citizens or citizens living in extreme poverty) emerged from a collaboration among First Lutheran Church, Metro State College, RADIAS Health and other East Side service providers.

For homelessness prevention, HouseCalls (a collaboration of Minnesota Community Care and St. Paul-Ramsey County Health Department) and East Side Family Center – Neighborhood House provides emergency financial assistance, including emergency utility assistance. Southern Minnesota Regional Legal Services provides legal assistance to tenants-at-risk of losing their housing.

The City, through the Saint Paul Police Department (SPPD), is a committed partner in encouraging and supporting mental health and wellness. Through the SPPD's Community Outreach and Stabilization Unit (COAST) and its sub-teams, specialized officers conduct proactive and reactive services citywide to connect residents in need of services with available community resources, helping to significantly reduce mental-health-crisis-related arrests and repeat calls for service. With a concentration on community outreach, the unit seeks to be part of the conversation before tragedy occurs and possibly prevent behaviors that can lead to arrest or tragedy. Metro Transit's Homeless Action Team (HAT) provides street outreach, support and resources to help homeless get off the streets.

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

The City, Ramsey County Community Services, Ramsey County CoC, Saint Paul PHA, and community service providers provide support services responsive to the needs of special populations, persons experiencing homelessness (individuals, families, youth, and underserved populations), and veterans. The City/County allocate federal and state funds to provide street outreach, homelessness prevention, and rapid re-housing services to adults, families, youth, and underserved populations facing homelessness. The County provides services for elderly, frail elderly, developmentally-challenged, physically-challenged, mental-health challenged, persons with HIV, and persons with chemical dependency. Saint Paul PHA provides support services for elderly, frail elderly, persons with brain injury, and persons with physical challenges.

As the major social service provider, Ramsey County allocates federal and state funds to community agencies that serve residents experiencing homelessness and residents with special needs. On the other hand, Saint Paul and the State of Minnesota finance the preservation or new construction of affordable housing and supportive housing in Saint Paul. Together, the County (provider of social services) and the City (builder of affordable housing) can respond to needs of residents experiencing homelessness and residents with special needs. In the past, in face of overwhelming need of shelters, organizations have worked together to take action. The City, Ramsey County, Model Cities, Catholic Charities, and Saint Paul Foundation worked together to open an additional overflow emergency shelter to meet the increasing demands of single homeless adults. Catholic Charities, MHFA, the City, and private donors worked together

to develop the new Dorothy Day Center, Higher Ground Saint Paul and Dorothy Day Residence, which provides shelter beds and supportive housing units.

Through the Office of Financial Empowerment, the City is creating new tenant protections and a variety of financial empowerment programs to reduce evictions that can result in homelessness and to ensure that residents have access to stable housing.

The City, Ramsey County, and community agencies work together to provide comprehensive services to assist residents experiencing homelessness and residents with special needs. Gaps in service delivery include the lack of sufficient funds to pay for the necessary services and the lack of sufficient targeted outreach to residents that may benefit from services.

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

The City's institutional structure and service delivery system includes working with its partners to design service programs that work to address the needs of city residents. The City, in partnership with Ramsey County, the Public Housing Authority and social services agencies, collaboratively use community-wide gaps analysis to develop service protocols that are responsive to the needs of individuals, families, youth, and underserved populations such as residents with limited English proficiency and veterans. Still, gaps in the delivery of services occur including the lack of sufficient funds and sufficient targeted outreach to residents that may benefit from services.

The City will continue to grow its collaborative working partnerships to address the community's needs with limited financial resources. Saint Paul will continue to coordinate services with Ramsey County (the primary public service provider in the City), and the Saint Paul Public Housing Agency (the administrator of public housing and housing choice vouchers in Saint Paul), and community nonprofit organizations. In the past, these partnerships have also included the private sector; for example, in 2019, the Higher Ground Saint Paul (provider of emergency shelter, supportive housing, and supportive services) was the result of the City, MHFA, private foundations, private donors, and Catholic Charities working together, as well as coordination with institutional private and public health care providers.

In response to the lack of sufficient outreach to residents that may benefit from services, the City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources. The City, Ramsey County, and partner organizations

continue to look for better ways to work collaboratively and efficiently and align their strategies to comprehensively approach outreach and service gaps.

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## SP-45 Goals Summary – 91.215(a)(4)

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Prevention	2020	2024	Homeless	Citywide	Homeless prevention	CDBG: \$2,971,790	Homelessness Prevention: 15,000 Persons Assisted
2	Development of New Housing	2020	2024	Affordable Housing	Citywide	Development of new affordable housing	CDBG: \$2,560,000 HOME: \$11,780,618	Rental units constructed: 75 Household Housing Unit
3	Rental Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Preservation of existing affordable housing	CDBG: \$1,975,000	Rental units rehabilitated: 130 Household Housing Unit
4	Homeowner Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Support stable, affordable, safe homeownership	CDBG: \$13,050,000	Homeowner Housing Rehabilitated: 255 Household Housing Unit
5	Public Services	2020	2024	Non-Housing Community Development	Citywide	Public service needs	CDBG: \$1,260,000	Public service activities other than Low/Moderate Income Housing Benefit: 15,000 Persons Assisted



Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Community Engagement	2020	2024	Non-Housing Community Development	Citywide	Community outreach to underserved populations	CDBG: \$1,725,000	Public service activities other than Low/Moderate Income Housing Benefit: 905,500 Persons Assisted
7	Youth Employment	2020	2024	Non-Housing Community Development	Citywide	Public service needs	CDBG: \$1,855,000	Public service activities other than Low/Moderate Income Housing Benefit: 1,290 Persons Assisted
8	Economic Development	2020	2024	Non-Housing Community Development	Citywide	Economic development and job growth	CDBG: \$4,150,000	Businesses assisted: 75 Businesses Assisted
9	Remediation of Substandard Properties	2020	2024	Non-Housing Community Development	Citywide	Acquisition, demolition, and clearance of property	CDBG: \$1,157,500	Buildings Demolished: 85 Buildings
10	Public Improvements	2020	2024	Non-Housing Community Development	Citywide	Public facilities and infrastructure	CDBG: \$1,867,500	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 35,625 Households Assisted

**Table 53 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Homeless Prevention
	<b>Goal Description</b>	Homeless prevention, shelter operations, essential services, street outreach, rapid re-housing.
2	<b>Goal Name</b>	Development of New Housing
	<b>Goal Description</b>	Address the need for affordability of decent housing by supporting the development of new housing.
3	<b>Goal Name</b>	Rental Housing Rehabilitation
	<b>Goal Description</b>	Address the need of sustaining decent housing by providing rehabilitation assistance to rental housing occupied by low/moderate-income households.
4	<b>Goal Name</b>	Homeowner Housing Rehabilitation
	<b>Goal Description</b>	Address the need of sustaining decent housing by providing rehabilitation assistance to homeowner housing occupied by low/moderate-income households.
5	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Improve the availability of a suitable living environment by funding public service activities.
6	<b>Goal Name</b>	Community Engagement
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by providing funding for public information & crime prevention programs.
7	<b>Goal Name</b>	Youth Employment
	<b>Goal Description</b>	Address the availability of economic opportunity by providing employment opportunities and training to city youth.
8	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	Address the sustainability of economic opportunity by assisting businesses with rehabilitation or economic development activities.
9	<b>Goal Name</b>	Remediation of Substandard Properties
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by acquiring or demolishing substandard properties.
10	<b>Goal Name</b>	Public Improvements
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by renovating existing public facilities in need of improvements.

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

The City of Saint Paul preliminarily estimates investing CDBG and HOME program dollars to meet the unit goals for the following income groups in the period of 2020-24:

New Construction for Renters: Very Low-income 26; Low-income 34; Moderate-income 15

Rehabilitation for Renters: Very Low-income 49; Low-income 49; Moderate-income 32

Rehabilitation for Ownership: Very Low-income 67; Low-income 94; Moderate-income 94

Very low-income refers to incomes at 0-30% of AMI, low-income refers to incomes at 31-60% of AMI, and moderate-income refers to income at 61-80% of AMI.

We expect to leverage these funds and invest other Federal, State and local resources to significantly increase the units of safe affordable housing.

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## **SP-50 Public Housing Accessibility and Involvement – 91.215(c)**

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

It is the policy of the Saint Paul PHA to fully comply with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act and Title II of the Americans with Disabilities Act. The PHA has not been required to execute a Voluntary Compliance Agreement (VCA).

PHA also maintains past improvements at its hi-rises, community centers and other locations that made the common restrooms, common areas, corridors, elevators, parking lots and entries fully accessible as well as the PHA Central Administrative Office building meets all Section 504 ADA requirements.

### **Activities to Increase Resident Involvements**

**Resident Advisory Board** - As required by the Public Housing Reform Act of 1998 (QHWRA) since 1999, the SPPHA has convened a Resident Advisory Board (RAB) annually to update an Annual Agency Plan. The RAB membership has been comprised of the following:

- All members of the Hi-Rise Presidents Council (16 Hi-Rise buildings).
- All members of the Family Residents' City-Wide Residents Council (16 members, including the 4 officers from each of the 4 family housing developments).
- Section 8/HCV representatives who volunteered for the RAB.
- Two PHA Commissioners - 1 Commissioner represents the hi-rise residents and 1 Commissioner represents residents of the family housing developments and scattered site homes.

Each year PHA Senior Management has met with the RAB, including the Hi-Rise Presidents Council and the Family City-Wide Residents' Council, to discuss PHA policy changes, the Annual and 5-Year Agency Plan, and Capital Improvements. The PHA Resident Initiatives Department and the Resident Councils work together to form new partnerships with community service agencies for the benefit of residents.

The PHA annually updates its Agency Plan for the fiscal year; staff reviews the plan with the RAB and representatives from tenant advocacy organizations. The draft is then released for public comment and a public hearing is held in mid-November.

In Calendar Year 2020 and thereafter, only the PHA's 418 units remaining in the public housing program will be covered by the Agency Plan. The PBRA program does not have a comparable requirement.

**Section 3** – To promote economic opportunities, the PHA implements the Federal Section 3 mandate, to the greatest extent possible, by hiring qualified PHA residents and qualified Section

3 businesses. Section 3 provides employment and other economic opportunities generated using HUD funds to be directed to low- and very low-income citizens and businesses owned by PHA residents or other low-income persons. PHA has provided job skills training and employment opportunities for residents using a HUD Resident Opportunities and Self Sufficiency (ROSS) Grant. Thanks to the ROSS Grant Coordinators' hard work, public housing residents have been able to access job skills training and attend hiring fairs at PHA community centers. PHA residents were provided Workplace Essentials training by Avivo (formerly Minnesota Resource Center). Twenty (20) PHA residents have successfully completed small business training provided by African Economic Development Solutions (AEDS). Moving forward, these graduates will have access to unlimited counseling in business development, marketing insights, general support and financial advice, leads, and Sharia banking if relevant.

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

No

**Plan to remove the 'troubled' designation**

**Not applicable.** In 2019, the PHA earned HUD's High Performer rating for the 29th consecutive year under HUD's Public Housing Management Assessment Program (PHMAP). SPPHA has also maintained HUD High Performer status under HUD's Section 8 Management Assessment Program (SEMAP) for 18 years.

As explained elsewhere, the PHA has a continual need for stable Federal funding to maintain its high standards. The PHA received approval from HUD to convert most its public housing properties under the RAD Program. The debt-free conversion to Project-Based Rental Assistance (PBRA) is effective January 1, 2020.

## **SP-55 Barriers to affordable housing – 91.215(h)**

### **Barriers to Affordable Housing**

Saint Paul has approximately 17,000 publicly-assisted affordable housing units (including supportive housing units and shelter beds) and approximately 4,804 Housing Choice vouchers, such that approximately 34% of all City renters receive some affordable housing benefit. The most significant barriers for households securing affordable housing units are insufficient income and the lack of affordable housing units. The greatest gap in affordable housing units is for household with income below 30% AMI. Not only is the supply of units few, but many of the units are occupied by households that could afford a unit at a higher rent. This is due to the insufficient number of available rental units. Barriers for developing affordable housing include the lack of funding and land.

Housing data for the city demonstrates that the greatest needs and highest housing priorities are affordability, choice, and supply. Consistent with the City's 2040 Comprehensive Plan-Housing Chapter, affordable housing priorities are: preservation and production of rental housing affordable for those at or below 30% of AMI; create homeownership opportunities for households with low and moderate incomes, 60-80% AMI; housing preservation for low-income elderly homeowners between 0-50% of AMI; provide housing for special needs populations.

The 2040 Comprehensive Plan supports affordable housing development. Policy H-32 states "Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least: 10% of all units being affordable to households earning 30% of AMI; 10% of all units being affordable to households earning 50% of AMI; and 10% of all units being affordable to households earning 60% of AMI."

The City's Locational Choice Policy and Low Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. Even with significant barriers, during 2018-2019, the City has partially financed the preservation and new construction of 1,268 multi-family units including 746 affordable units (623 new construction, 73 affordable units preserved, and 50 units refinanced). The City also financed the rehabilitation of a vacant 4-unit rental property and rehabilitation of 40 owner-occupied housing units.

Affordable housing development requires multiple funding sources including the City local funds, TIF LIHTC, State dollars, federal funding from HUD (CDBG, HOME), and redevelopment property acquired and assembled by public entities. To keep pace with increasing demand for affordable housing and to balance development to ensure locational choice, continued federal and state funding is needed. The lack of sufficient funding and insufficient allocation of LIHTCs has negative bearing on the City's ability to provide and invest in affordable housing. The City receives only about 36% of the CDBG funding it received in 1975. Similarly, the City receives about 75% of the HOME funding it received in 2000. The City's LIHTC allocation also continues to shrink.

## **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

There are about 17,000 publicly-assisted affordable housing units. Of these, approximately 9,000 are subsidized through the PHA. Other units have resulted from citywide policies and efforts. Barriers to affordable housing are lack of funding and land. In response, the City finances preservation, renovation and construction of affordable housing citywide using city-owned land, local, state, and federal funds, and acquires discounted tax-forfeited property from Ramsey County. The City is actively promoting Opportunity Zone investment opportunities to funders and developers, through a website that identifies redevelopment sites and investment opportunities within the Zones and active engagement with developers and investors.

City Council passed Resolution 18-1204, calling for action to create and preserve housing that is affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund; and continue to fund down payment assistance for first-time homebuyers. Resolution 18-1204 also called for housing funded through the HRA to accept Section 8 vouchers; added points to the LIHTC scorecard for senior housing; and increased use of Tenant Remedies Actions (clearly outlines landlord/tenant rights/responsibilities). It also mandated housing production goals for the next 10 years with at least 1/3rd affordable to households at 30-50% AMI and required an equitable development scorecard for investment decisions to ensure community benefit and Section 8 training in Landlord 101 for new landlords.

The City has established sustainable building regulations funded by the city to increase the environmental and financial sustainability of development. Upfront investments in energy efficiency increases costs of new construction/major renovation but results in structures that are more sustainable and energy efficient which cost less to operate and maintain. Increased energy efficiency results in lower utility costs which directly benefit LMI tenants.

The City has also been working to increase flexibility to allow more types of housing to expand the supply of affordable units and to invest in different types of housing. A recent change to the city zoning ordinance now allows for Accessory Dwelling Units (ADUs), and \$1 million was recently allocated to invest in community land trust housing units to extend homeownership opportunities to lower-income residents. The City and State also recently allocated \$1.5 million to larger deferred down-payment assistance loans designed to make homeownership possible for lower income residents by reducing the private mortgage requirements. The City is also investing to preserve Naturally Occurring Affordable Housing and beginning work on an Inclusionary Zoning ordinance that would allow greater density for new construction in exchange for including affordable units.

Affordable housing is an important element of redevelopment sites with City investments in infrastructure. At the former Twin Cities Ford assembly plant site, the redevelopment is required to include 760 income-restricted affordable housing units, or 20% of the proposed 3,800 total units. 380 of these must be affordable to households earning 30% AMI, 190 affordable at 50% AMI and 190 affordable at 60% AMI.

Limited English proficiency (LEP) is a barrier to accessing city services and programs. One in 5 Saint Paul residents speak a language other than English. The City, through its LEP plan, makes its services, programs and information available to everyone, regardless of language. Written materials about City programs and services are routinely translated into primary languages spoken by residents, interpreters are provided at community meetings, and City offices have access to interpreters via a telephone service.

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## **SP-60 Homelessness Strategy – 91.215(d)**

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

In Saint Paul, outreach services to residents experiencing homelessness are provided on a routine basis and serve to locate and refer homeless households to the appropriate facilities and programs. Saint Paul nonprofit organizations and service providers provide community outreach, drop-in centers, meals, and other direct services to reach out to homeless residents and at-risk of being homeless residents. Many services are supported in part by the City's federally-funded Emergency Solutions Grant Program (ESG), City's Community Organization Partnership Program (COPP), Ramsey County Continuum of Care (CoC), Ramsey County Family Homelessness Prevention Assistance Program (FHPAP), and United Way. The City has a Joint Powers Agreement with the County to allocate its ESG funds.

To assess homeless needs citywide, Ramsey County CoC conducts the annual HUD Point-in-Time Count, which includes interviewing unsheltered homeless residents who may live outside, under bridges, and in places not designated for human habitation.

Outreach services to homeless persons (especially unsheltered persons) include, but are not limited to, the following:

Breaking Free – provides direct services to victims and survivors of prostitution and sex trafficking; up to 90% of whom are homeless or are without safe housing. Breaking free provides victim-centered services, referrals to appropriate community services, permanent housing placement, case management, educational support, and life skills, all of which provide the bridge to accessing and retaining permanent housing and a move out of the sex trade.

Community Resource Outreach Project (CROP) – offers weekly outreach to residents experiencing homelessness who can receive referrals for community resources in the stable, quiet environment of the Saint Paul Central Library. The Library added a case manager to their staff to assist in outreach and referrals for shelters, housing, supportive services such as health care, mental health/substance abuse, employment, and youth services.

Coordinated Access to Housing and Shelter (CAHS) – conducts intake assessments to determine the most appropriate referral for homeless families, individuals, and youth seeking emergency shelter. CAHS is completed through referrals from various participating organizations and community service providers throughout Saint Paul and Ramsey County through a central phone number.

People, Inc. - Metropolitan Homeless Street Outreach Program (MHSOP) – MHSOP provides street outreach services to unsheltered homeless adults with mental illness. Outreach provides basic survival gear, assistance in stabilizing symptoms of mental illness, benefit assistance, housing placement, and facilitating access to Ramsey County Housing Support Program for stable housing.

RADIAS Health - ACCESS Program – ACCESS staff visit homeless shelters and drop-in centers to provide outreach and case management services to assist homeless adults with serious and persistent mental illness and substance abuse disorders. RADIAS Health also works directly with the Saint Paul Police Department and the Police-Homeless Outreach Program to help residents experiencing homelessness connect with services and housing.

Streetworks – A collaboration of community agencies provide street outreach services to youth experiencing homelessness, including street outreach performed by Face to Face Health and Counseling Services' SafeZone program.

Safe Space Shelter – Safe Space Shelter started as Winter Safe Space, a partnership to address the immediate winter shelter needs of residents sleeping in downtown skyways or on transit or in transit stations. After two years, it expanded to allow for increased outreach and case management services, and Model Cities will operate the shelter year-round as Safe Space Shelter.

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

The City has a Joint Powers Agreement with the County to allocate its ESG funds to partially fund emergency shelters, transitional housing services, street outreach to residents experiencing homelessness, homelessness prevention, and rapid re-housing programs that support the needs of residents experiencing homelessness or those at risk of becoming homeless.

Saint Paul works with the Ramsey County CoC to ensure that comprehensive homelessness prevention and rapid rehousing services can be provided to all people experiencing homelessness, including underserved communities, including New Americans, and young adults and veterans experiencing homelessness. The City is a participating member of the Ramsey County CoC Governing Board and Ramsey County Family Homelessness Prevention Assistance Program (FHPAP). In addition, ESG-funded agencies often secure additional community resources, including emergency funds for Saint Paul residents experiencing homelessness or at risk from the Community Sharing Fund, a program of the Saint Paul & Minnesota Foundations.

**Emergency shelters:** ESG funds have funded the following shelter operations: Higher Ground Saint Paul, emergency shelter for adults; Catholic Charities Family Service Center, emergency shelter for families; Lutheran Social Services Safe House and emergency shelter for youth ages 16 to 20; Salvation Army Booth Brown House which operates an emergency shelter for homeless youth ages 18 to 21; Interfaith Action Project Home, which serves families experiencing homelessness by providing emergency shelter space, a day center, and volunteer support through faith communities and use of their facilities.

**Rapid Re-housing:** ESG funds have supported rapid re-housing services for homeless adults at Higher Ground Saint Paul emergency shelter; the Theresa Living Center which serves

families with children, particularly single-parent/single women with children; and the YWCA St. Paul rapid re-housing and supportive services program for homeless single adults and families which reduces the length of stay at emergency shelters.

**Transitional Housing:** ESG funds have supported a portion of operating costs for transitional housing services provided by the YWCA St. Paul's transitional housing program for single parents and their families, and Theresa Living Center's transitional housing programs which provides individualized case management and collaboration with existing agencies to address specific needs of homeless women with children.

**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 City's ESG and County CoC programs work together to fund community services, including homelessness prevention programs. The City has a Joint Powers Agreement with the County to allocate its ESG funds for these services. Additionally, the City's CDBG funds have been allocated to the Block Nurse Program which utilizes volunteer and professional staff to help seniors remain safely in their homes with an enhanced quality of life.

**Adults experiencing homelessness:** The City finances the construction of emergency shelters, supportive housing facilities, and affordable housing and allocates ESG funds to assist those in shelters move to into more permanent housing. The City's St. Paul Residence provides permanent supportive housing using the Housing First Model, which focuses on providing permanent, affordable housing as quickly as possible and then provides the supportive services and connections to community-based supports needed for individuals/families to keep their housing.

Breaking Free provides direct services to victims and survivors of prostitution and sex trafficking; up to 90% of whom are homeless or are without safe housing. Breaking Free provides victim-centered services, referrals to appropriate community services, permanent housing placement, case management, educational support, and life skills, all of which provide the bridge to accessing and retaining permanent housing and a move out of the sex trade.

The RADIAS Health ACCESS Program includes staff that visit homeless shelters and drop-in centers to provide outreach and case management services to assist homeless adults with serious and persistent mental illness and substance abuse disorders. RADIAS Health also works directly with the Saint Paul Police Department and the Police-Homeless Outreach Program to help homeless connect with services and housing.

**Families experiencing homelessness:** The City finances affordable housing, including supportive housing that provides more opportunities for at-risk of homeless families. The City's ESG program funds community agencies that provide housing and case management to homeless families and homelessness prevention initiatives to assist at-risk homeless families. Catholic Charities Family Service Center (FSC) provides up to 120 consecutive nights of shelter for families, activities for children, tutoring, and parenting education with life skills training. Additional services provided include housing and employment search assistance, three meals per day, transportation assistance, onsite medical and dental health services, laundry facilities, and computer lab. Housing and employment search resources and other services are provided to help families transition from homelessness to stable housing. FSC is able to serve as many as 65 adults and children on any given day.

**Youth experiencing homelessness:** The City supports emergency shelters for youth and rapid rehousing for unaccompanied homeless youth. In 2018 and 2019, the Saint Paul HRA allocated low-income housing tax credits for Ain Dah Yung Supportive Housing. In partnership with Project for Pride in Living, this project provides 42 new PSH units for at-risk for homelessness American Indian youth. In addition to classrooms, a technology center and seven units for people with disabilities are included in the development.

**Veterans experiencing homelessness:** The City's ESG funds partially fund Minnesota Assistance Council for Veterans (MAC-V) Supportive Services for Veteran Families, which provides street outreach services to homeless veterans in emergency shelters and places where homeless veterans congregate. These efforts are supplemented with Minnesota Department of Veterans Affairs Homeless Veteran Registry that seeks to ensure Veterans have access to appropriate housing and services.

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

Ramsey County provides programs and counseling to previously-institutionalized and residents experiencing homelessness through partnerships with nonprofit service providers to aid in the transition to permanent housing. This network provides security deposits, child care, job training, transportation, medical/dental care, mental health counseling, chemical dependency treatment, life skills training, and job search assistance.

**Supportive Housing:** The City has provided financing to supportive housing facilities citywide for at-risk individuals and families. Higher Ground St. Paul provides 177 supportive housing units for homeless adults. With additional support from area hospitals, Higher Ground provides medical respite shelter beds for homeless released from hospitals. It also includes an Opportunity Center, an integrated, one-stop location connecting citizens to critical services.

**The Community Stabilization Project (CSP):** CSP builds tenant stability by informing, educating, advocating for and organizing tenants to act to preserve and increase the supply of healthy, safe affordable housing. CSP works with tenants, landlords, and community stakeholders to stabilize families in their homes, prevent homelessness and displacement, and secure a households' capacity to become self-sufficient.

**Hmong American Partnership (HAP):** HAP, a community-based organization, empowers clients to move out of poverty. Through youth and family crisis intervention, health and wellness programs, economic and workforce development, it provides support and paths for growth for the Hmong, Southeast Asian, and greater immigrant/refugee communities through culturally sensitive social services.

**Minnesota Assistance Council for Veterans (MAC-V) Supportive Services for Veteran Families:** MAC-V provides street outreach services to homeless veterans in emergency shelters. These efforts are supplemented with Minnesota Department of Veterans Affairs Homeless Veteran Registry that seeks to ensure Veterans experiencing homelessness have access to appropriate housing and services.

**Neighborhood House:** Neighborhood House offers services for basic needs and lifelong learning. Its Family Centers provide families in crisis (at-risk of becoming homeless) help in meeting basic needs. Participants are provided with food, housing, early childhood education, adult education, and citizenship classes, with the goal of helping clients gain skills necessary to be economically stable and self-sufficient.

**Southern Minnesota Regional Legal Services (SMRLS):** SMRLS administers Project HOPE, which focuses on protecting the legal rights of homeless/at-risk of homeless by addressing legal issues that contribute to or place clients at risk of homelessness, and advocates for the rights of families with children seeking access to emergency shelters in Ramsey County.

**Minnesota Community Care (formerly West Side Community Health Services):** Offers primary medical care, mental health, dental, optometry and supportive services to help support patients in moving forward and working towards stable housing. The emphasis is education, prevention, and integrated services with a multi-lingual/multi-cultural approach. HouseCalls, a collaboration of Minnesota Community Care and the St. Paul-Ramsey County Health Department, provides emergency direct assistance to prevent homelessness for Ramsey County families who are facing sanitation orders and utility disconnection orders. HouseCalls serves as part of a network of community-based resources that aid in stabilizing and retaining housing.

**St. Paul Residence:** The City owns St. Paul Residence which provides 60 units of permanent supportive housing for chronically-inebriated residents and 60 units of permanent supportive housing for at-risk homeless residents.

## **SP-65 Lead based paint Hazards – 91.215(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

The City complies with HUD regulations concerning lead-based paint (LBP), including notifying applicants of the lead requirements, performing lead screening, requiring abatement by certified workers, and completing clearance testing on HUD-funded housing projects.

Ramsey County Public Health provides information on the prevention of lead poisoning and instructions on how to safely reduce lead hazards, including testing options for lead. Ramsey County also offers a window replacement program for homes and rental units with young children (most at risk of lead poisoning), identified lead paint issues, and whose gross household income is at or below 80% AMI. The program is available to both owner-occupied and rental property owners.

The State of Minnesota Department of Health also provides resources to address lead-based paint hazards. The department's website offers educational materials and resources for lead poisoning prevention and information targeted to lead abatement contractors, health care professionals, parents, and homeowners. Many of these resources are available in a variety of languages.

Federal funding has enabled the City of Saint Paul to continue its successful effort of lead hazard control. Through the Healthy Homes and Lead Hazard Control Program, many homes occupied by children with elevated blood lead levels or at risk to lead poisoning have had substantial lead hazard control work completed.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

Research indicates that the greatest lead risk to children is from the lead dust from deteriorated paint on window sills, sashes, jambs and wells (troughs). Correspondingly, the Public Health Department's lead hazard control activities continue to focus on windows in poor condition with deteriorated lead-based paint on their components. The use of this protocol continues to be very successful.

The required Lead Risk Assessment will identify all and any potential lead hazards present in the home and garage. All potential lead hazards are written into the scope of work for lead hazard reduction work with a final lead clearance test performed to confirm lead dust levels are below the regulatory dust-lead hazards standard.

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

An action plan was created to develop program procedures to address the HUD regulations on lead-based paint hazards in federally owned housing and housing receiving federal assistance.

### **Rehabilitation Programs:**

- Applicants receive the required lead-based paint information and understand their responsibilities.
- Staff properly determine whether proposed projects are exempt from some or all lead-based paint requirements.
- The level of federal assistance is properly calculated and the applicable lead-based paint requirements determined.
- Properly-qualified personnel perform risk assessments, paint testing, lead hazard reduction, and clearance services when required.
- Required lead hazard reduction work and protective measures are incorporated in project rehabilitation specifications.
- Risk assessment, paint testing, lead hazard reduction, and clearance works are performed in accordance with the applicable standards established in 24 CFR, Part 35, Subpart R.
- Required lead-based paint evaluation, presumption, and hazard reduction notices are provided to occupants and documented.
- Program documents establish the rental property owners' responsibility to perform and document ongoing lead-based paint maintenance activities, when applicable.
- Program staff monitors owner compliance with ongoing lead-based paint maintenance activities.

### **Home Ownership Programs:**

- Applicants for home ownership assistance receive adequate information about lead-based paint requirements.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.
- A proper visual assessment is performed to identify deteriorated paint in the dwelling unit, common areas serving the unit, and building exterior surfaces.
- Prior to occupancy, properly qualified personnel perform paint stabilization and ensure that the dwelling unit passes a clearance exam in accordance with the standards established in 24 CFR, Part, 35, Subpart R.
- The home purchaser receives the required lead-based paint pamphlet and notices.
- If rehabilitation is involved, program staff will also need to ensure the applicable rehabilitation requirements are addressed.

### **Special Needs Program:**

- Applicants for special needs housing assistance receive adequate information about lead-based paint requirements.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.
- A proper visual assessment is performed to identify deteriorated paint in the dwelling unit, common areas serving the unit, and building exterior surfaces.
- Prior to occupancy, properly-qualified personnel perform paint stabilization and ensure that the dwelling unit passes a clearance exam in accordance with the standards established in 24 CFR, Part, 35, Subpart R.
- Occupants receive the required lead-based paint pamphlet and notices.
- Required ongoing lead-based paint maintenance activities are incorporated into project operations if the assistance involves a continual relationship with HUD.
- If rehabilitation is involved, program staff will also need to ensure the applicable rehabilitation requirements are addressed.

### **Continuation of integrated housing policies and procedures**

#### **Tenant Based Rental Assistance Programs:**

- Rental assistance programs are administered by the Saint Paul Public Housing Agency and Metro HRA. These agencies have implemented the HUD regulation. A major focus is identifying deteriorated paint during the annual inspection of a property. These cited properties are referred to Saint Paul-Ramsey County Public Health for clearance testing following corrective actions. Safe lead abatement training is available to all property owners participating in the tenant based rental assistance programs.



## **SP-70 Anti-Poverty Strategy – 91.215(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

The City funds youth workforce activities including outreach, assessment, basic skills and job training, job placement, work experience, and follow up. Funded public services complement Ramsey County Community Services. The City and its partners carry out programs that aid businesses and create jobs for low/moderate income persons. CoC has on-going training for its members and other service agencies to increase client access to disability benefits for eligible homeless or at risk of becoming homeless.

The City's Department of Human Rights and Equal Economic Opportunity (HREEO) deals with issues of discrimination and provides a means to access economic opportunities through inclusive contracting practices and workforce development policies. City contracts can require use of Section 3 businesses and/or hiring Section 3 employees as part of job creation activities. The City's Vendor Outreach Program (VOP) opens up business opportunities to woman-owned, minority-owned, and small business enterprises (WBE, MBE, SBE) for City and City-funded projects. An annual procurement fair recruits Section 3 and W/M/SBEs – a way to learn how to do business with the City and meet with business assistance representatives from LegalCORPS and SCORE.

#### **Other City efforts:**

**Full Stack** – A public/private partnership co-led by the City and St. Paul Area Chamber of Commerce, provides services to help tech/innovation sector businesses start-up/scale up and attract, retain, and expand tech/innovation jobs.

**Job Opportunity Fund** – Incentivizes businesses in areas of concentrated poverty (ACP50) to hire residents. These neighborhoods are 50 percent or more people of color and 40 percent or more have household incomes less than 185 percent of poverty.

**Minimum Wage** – City Council passed an ordinance creating a City minimum wage of \$15/hour; initial phase-in January 1, 2020.

**Office of Financial Empowerment (OFE)** – Created to address root causes of poverty and inequity; it will connect low/moderate income residents to financial education/counseling, help establish savings and build credit, support fair housing protections, policies, and practices for all residents, and provide tools for financial stability. OFE combined with a city-sponsored college savings program, new City minimum wage, and implementation of an on-going affordable housing trust fund, form a multi-faceted approach to reversing poverty.

**Open for Business** – A one-stop shop for start-up and existing businesses to get information and leverage resources to start, grow, and thrive. Services and resources are: pocket guide (in multiple languages) to starting a business in Saint Paul; connection with information and

resources to start, move or expand a business; and assistance from a Business Project Facilitator as a guide through the permitting and licensing process of opening, expanding or relocating to the city.

**Strategic Investment Fund** – Attracts businesses to relocate to the city. Target businesses are ones with local operations that will expand the city's economy, have a record of profitability, and are willing to participate in the Metropass Program to promote public transit use.

**Techstars Accelerator Program** – A partnership with Cargill and Ecolab, Farm to Fork, will bring startup food safety and agricultural technology companies to downtown over the next 3 years.

**Additional efforts:** computer labs, free digital literacy programs at recreation centers; annual career fairs with the State of Minnesota; coordination with CoC and Wilder Foundation to support a Family Wellbeing and Resource Fair to connect citizens to essential resources/services; CoC provides information/connection to pro bono legal services; and Expungement Clinics at City recreation centers.

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

Saint Paul has a number of programs and policies which have the goal of reducing the number of poverty level families in the City. These programs complement the affordable housing programs being carried out by the City and assist in providing a suitable living environment for residents. Human/public service activities which provide assistance to City residents without the financial resources to meet their basic needs are provided primarily by Ramsey County. Services provided by the County include financial assistance through the Minnesota Family Investment Program, Diversionary Work Program, medical assistance, child care assistance, and food stamps. The City and its subgrantees provide additional services, which augment the work being done by the County. Health services, senior services, and employment training are all provided to low income City residents. All these programs assist in helping or reducing the number of poverty level families in the City. Despite funding cuts from virtually all sources, the City will continue to provide funding to as many of these activities as possible, and to serve households living below the poverty level.

## **SP-80 Monitoring – 91.230**

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

The City's Grants Management division of the Planning and Economic Development Department serves as the City's overall grant administrator ensuring compliance with all pertinent CDBG, HOME and ESG program regulations and requirements and ensuring all activities meet intended goals, including timely expenditure of funds. The City uses an outside consultant to assist in monitoring its CDBG subgrantees and to ensure that HOME-assisted units meet rent, occupancy, income and property standards requirements through the property's affordability period. Listed below are the major components of the City's ongoing monitoring system.

**Proposal Reviews** – All projects and programs proposed to receive HUD funding are reviewed by staff to determine if the activity is eligible, meets a national objective, and is in conformance with the Consolidated Plan.

**Contracts** – All non-City entities receiving CDBG, HOME or ESG funding are required to enter into a written agreement with the City. This agreement identifies all applicable federal, state and local regulations and compliance requirements associated with the activity. The agreement identifies specific activities to be carried out, timeline for carrying out the activities, and a detailed budget.

**Desk Monitoring** – Each time a reimbursement is requested for either a City or subgrantee administered activity, documentation of the expenses, and a report which updates the progress and accomplishments of the activity must be included. Reimbursement requests are reviewed for accuracy by the City project manager and accounting staff before reimbursements are made.

**On-Site Monitoring** – In addition to using an outside consultant, City staff conducts site visits to subgrantees receiving HUD funds for projects and programs. Selection of subgrantees is based on risk factors, including the amount of funding allocated, the complexity of the project or program being carried out, and the experience and capacity of the group receiving the funding. On-site monitoring examines subgrantees' financial systems and controls, cost reasonableness of activities, income and program eligibility of participants, project progress, and other applicable requirements. In accordance with HOME regulations, all HOME funded programs are reviewed each year, and HOME assisted properties with long-term compliance requirements are inspected as prescribed.

**Reporting** – The City prepares a Consolidated Annual Performance and Evaluation Report (CAPER) for submission to HUD annually. The CAPER details the progress and accomplishments of CDBG, HOME and ESG funded activities. CAPER data is taken from report forms submitted with each project or program reimbursement request, which allows for tracking

progress of HUD-funded activities on an on-going basis. The City also updates the HUD reporting system (IDIS) throughout the year.

**Labor Standards and Section 3** – The City monitors contract compliance for labor standards and Section 3 through B2GNow, which has a certification portal for CERT (a small business certification program recognized by Hennepin County, Ramsey County, the City of Minneapolis and the City of Saint Paul and certifies Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), and Small Business Enterprise (SBE)). Once a business certifies, the certification carries over to the compliance module, enabling contractors to search for certified subs. The system audits projects monthly to confirm payments to subcontractors. The Department of Human Rights and Equal Employment Opportunity (HREEO) staff monitor all compliance. Payment approval goes through HREEO, and HREEO holds draws until contractors are compliant. For Section 3, the City uses the same compliance monitoring program through B2GNow to ensure compliance.

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## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The City anticipates receiving \$6,892,568 in CDBG funding, \$1,895,972 in HOME funding, and \$594,358 in ESG funding from HUD in 2020. In addition, the City estimates using about \$507,432 in CDBG program income and approximately \$1,100,758 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments). Based on the previous funding allocation and anticipated future direction, City staff anticipates steady funding over the next five years from the CDBG program, HOME program, and ESG program.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation : \$	Program Income: \$	Prior Year Resources : \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	6,892,568	507,432	0	7,400,000	29,600,000	Assumes steady funding.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation : \$	Program Income: \$	Prior Year Resources : \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,895,972	1,100,758	0	2,845,972	8,783,888	Assumes steady funding.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	594,358	0	0	594,358	2,377,432	Assumes steady funding.

**Table 54 - Expected Resources – Priority Table**

**Notes:** The assumption of \$300k in PI annually after 2020, based on average of PI received 2001-2019 to-date.

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

HUD continues to require that all participating jurisdictions (PJ) match, with non-federal funds, no less than 25 cents for each dollar of HOME funds spent on affordable housing. The City again received a match reduction of 50 percent due to fiscal distress and is only required to match each dollar spent with 12.5 cents non-federal match. The City will continue to leverage other private and public funds in the development of HOME-funded affordable housing and accumulate additional match.

ESG grant regulations require that grant funds be matched 100 percent or dollar for dollar. Match requirements will be satisfied, as well ESG grant regulations require that grant funds to be matched 100 percent or dollar for dollar.

Match requirements will be satisfied, as follows, when paid with non-ESG funds:

- Cash
- Value or fair rental value of any donated material or building
- Value of any lease on a building
- Salary paid to staff to carry out the program of the recipient or sub-recipient
- Volunteers providing professional services such as medical or legal services are valued at the reasonable and customary rate in the community

The City actively pursues and/or requires developers to apply for State funding programs to include: Minnesota Housing Finance Agency, Minnesota State General Obligation (GO) Bonds, Metropolitan Council, the Minnesota Department of Employment and Economic Development (DEED), and the Federal Home Loan Bank's Affordable Housing program. Private funding is derived from foundations, fund raising, conventional loans, and developer cash and equity. City funding may include the local Housing Trust Fund, Housing and Redevelopment Authority (HRA) funds, LIHTC, TIF, Conduit Revenue Bonds, local sales tax dollars (STAR program), and discounted City/HRA owned land.

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

The City owns property which may be suitable for development and offers these properties for sale for redevelopment through request for proposal processes or other mechanisms to solicit competitive offers.

**Discussion**

Saint Paul strategically leverages financing tools including TIF, housing revenue bonds, LIHTCs, Federal and State Historic Tax Credits, Housing and Redevelopment Authority (HRA) tax levy dollars, HRA earned income and private development dollars, with the State and regional funding programs listed above, to maximize the investment impact. The City's work in housing affordability and stability is specifically oriented to deepening and widening the positive impact for the most disadvantaged residents. The City's business and job growth investments are targeted toward jobs that combine low barriers to entry with a living wage and clear career ladder opportunities.

In addition to Federal, State and local affordable housing investment vehicles noted above, Saint Paul has several programs directed toward holistic community development including job growth. These include:

Saint Paul Neighborhood STAR awards loans and grants for capital improvement projects in Saint Paul neighborhoods, typically leveraging 4 times the City investment in real estate and business expansion projects. Since 1995, Neighborhood STAR has assisted over 980 projects with over \$121 million in STAR dollars. These funds are estimated to have generated more than \$1.2 billion dollars in private investment throughout the City.

STAR funds in 2020 will be invested in targeted Cultural Destination Areas to celebrate Saint Paul's diversity as a Global City where visitors and residents can find attractive destinations embedded in Saint Paul's diverse neighborhoods. This strategy at its core is both a place making and an economic development strategy designed to support investments rooted in cultural assets to build wealth through jobs and business growth.

The Job Opportunity Fund, a forgivable loan program targeted toward growing businesses located within Areas of Concentrated Poverty where 50% or more of residents are people of color (ACP50) who commit to hiring residents of ACP50 areas.

Saint Paul has embraced the new Federal Opportunity Zones (OZ) program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income and urban communities. The City has identified several Opportunity Zone census tracts and will proactively identify investment opportunities within these areas, marketing the areas and projects through an interactive web portal. OZ funds will help bring new investments to Saint Paul in areas of need that have investment potential. The City will work to guide OZ investments to align with core City values: equity; innovation, resilience; lifelong learning; economic inclusion and justice; and community-first public safety.



Saint Paul has a growth strategy focused on transit. Policy LU-1 of the 2040 Comprehensive Plan states, “Encourage transit-supportive density and direct the majority of growth to areas with the highest existing or planned transit capacity.” Transit station areas are designated as Neighborhood Nodes, which are intended to be areas of higher intensity mixed-use development that support walkable access to jobs and services. There is currently one operating LRT line and one BRT line and one street car line and three BRT lines in the planning stages. Development, including higher density and affordable housing, is supported along these transit routes through planning, regional and state grants and city resources.

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## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Prevention	2020	2024	Homeless	Citywide	Homeless prevention	CDBG: \$594,358	Homelessness Prevention: 3,000 Persons Assisted
2	Development of New Housing	2020	2024	Affordable Housing	Citywide	Development of new affordable housing	CDBG: \$512,000 HOME: \$2,697,057	Rental units constructed: 15 Household Housing Unit
3	Rental Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Preservation of existing affordable housing	CDBG: \$395,000	Rental units rehabilitated: 26 Household Housing Unit
4	Homeowner Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Support stable, affordable, safe homeownership	CDBG: \$2,610,000	Homeowner Housing Rehabilitated: 51 Household Housing Unit
5	Public Services	2020	2024	Non-Housing Community Development	Citywide	Public service needs	CDBG: \$252,000	Public service activities other than Low/Moderate Income Housing Benefit: 3,000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Community Engagement	2020	2024	Non-Housing Community Development	Citywide	Community outreach to underserved populations	CDBG: \$345,000	Public service activities other than Low/Moderate Income Housing Benefit: 181,300 Persons Assisted
7	Youth Employment	2020	2024	Non-Housing Community Development	Citywide	Public service needs	CDBG: \$371,000	Public service activities other than Low/Moderate Income Housing Benefit: 258 Persons Assisted
8	Economic Development	2020	2024	Non-Housing Community Development	Citywide	Economic development and job growth	CDBG: \$830,000	Businesses assisted: 15 Businesses Assisted
9	Remediation of Substandard Properties	2020	2024	Non-Housing Community Development	Citywide	Acquisition, demolition, and clearance of property	CDBG: \$231,500	Buildings Demolished: 17 Buildings
10	Public Improvements	2020	2024	Non-Housing Community Development	Citywide	Public facilities and infrastructure	CDBG: \$373,500	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 7,125 Households Assisted

**Table 55 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Homeless Prevention
	<b>Goal Description</b>	Homeless prevention, shelter operations, essential services, street outreach, rapid re-housing.
2	<b>Goal Name</b>	Development of New Housing
	<b>Goal Description</b>	Address the need for affordability of decent housing by supporting the development of new housing.
3	<b>Goal Name</b>	Rental Housing Rehabilitation
	<b>Goal Description</b>	Address the need of sustaining decent housing by providing rehabilitation assistance to rental housing occupied by low/moderate-income households.
4	<b>Goal Name</b>	Homeowner Housing Rehabilitation
	<b>Goal Description</b>	Address the need of sustaining decent housing by providing rehabilitation assistance to homeowner housing occupied by low/moderate-income households.
5	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Improve the availability of a suitable living environment by funding public service activities.
6	<b>Goal Name</b>	Community Engagement
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by providing funding for public information & crime prevention programs.
7	<b>Goal Name</b>	Youth Employment
	<b>Goal Description</b>	Address the availability of economic opportunity by providing employment opportunities and training to city youth.
8	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	Address the sustainability of economic opportunity by assisting businesses with rehabilitation or economic development activities.
9	<b>Goal Name</b>	Remediation of Substandard Properties
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by acquiring or demolishing substandard properties.
10	<b>Goal Name</b>	Public Improvements
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by renovating existing public facilities in need of improvements.

# Projects

## AP-35 Projects – 91.220(d)

### Introduction

The project summary information provides a description and funding amount for each of the projects the City plans to undertake in HUD Fiscal Year 2020 with CDBG, HOME, and ESG funding. The Capital Improvement Budget Committee (CIB) recommended the FY2020 capital projects through the 2019-20 capital improvement budget process.

### Projects

#	Project Name
1	Acquisition Activities
2	Clearance Activities
3	Neighborhood Non-Profits
4	Community Engagement
5	Youth Employment
6	Housing Construction
7	Single-Unit Rehabilitation
8	Multi-Unit Rehabilitation
9	Commercial Corridor and Citywide Economic Development
10	Hamline Play Area
11	ESG20SaintPaul

Table 56 – Project Information

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

Capital project priorities for CDBG funding were recommended by the Capital Improvement Budget (CIB) Committee. Recommendations were based upon consolidated plan priority needs and goals, strength of proposals, staff rankings, public input, and available resources. The primary obstacle to addressing underserved needs continues to be the reduction in funding available and the increasing demand for services and affordable housing (single family, multi-family, for sale and rental).

HOME program funding partially finances the development of new affordable housing citywide. Through CDBG program funding, HOME and local sources, single-family development is planned for the upcoming year to provide much needed homeownership opportunities and fill the gap in available decent, safe, affordable housing for households below 80% AMI. The primary obstacle is limited or decreasing funding and developable land.

The City has a Joint Powers Agreement with the County to allocate its ESG funds to support emergency shelters, transitional housing services, street outreach to homeless residents, homelessness prevention, and rapid re-housing programs that support the needs of homeless

or those at risk of becoming homeless.

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## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Acquisition Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, and clearance of property
	<b>Funding</b>	CDBG: \$225,000
	<b>Description</b>	Funds are requested for the HRA to acquire strategic, hazardous and/or blighted properties for reuse as determined by input and support from the applicable recognized community organizations representing the neighborhood in which the property is located.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project will have an indirect benefit to neighboring residents.
	<b>Location Description</b>	Activities are available to eligible properties City-wide.
	<b>Planned Activities</b>	Acquisition of vacant, underutilized properties, and related demolition and/or relocation costs. This funding has historically been used for larger development sites. Substandard structures will be cleared, and the sites will be redeveloped.
2	<b>Project Name</b>	Clearance Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, and clearance of property
	<b>Funding</b>	CDBG: \$231,500
	<b>Description</b>	Citywide, multi-year program to provides resources to clear buildings are considered nuisance properties, and/or pose a threat to public health and safety. Properties must have been 1) vacant for at least 1 year; or 2) vacant and unfit for habitation for at least 90 days. These structures are typically identified on the City's vacant building list. The program is administered by City Code Enforcement staff in the Department of Safety and Inspections.

	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project will have an indirect benefit to neighboring residents.
	<b>Location Description</b>	Activities will be carried out citywide on a spot-by-spot basis.
	<b>Planned Activities</b>	Demolition of vacant buildings considered nuisance properties that pose a threat to public health and/or safety.
<b>3</b>	<b>Project Name</b>	Neighborhood Non-Profits
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$252,000
	<b>Description</b>	Public service activities to include fair housing activities, community engagement, domestic violence prevention, criminal restorative justice, health care, employment training, conflict resolution, and emergency shelter.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 3,000 low/moderate income persons will be assisted through programs funded with CDBG.
	<b>Location Description</b>	Activities will be carried out city-wide.
<b>Planned Activities</b>	Assistance to public service programs administered by nonprofit organizations throughout the City. Programs include services for children, youth, families, senior citizens, domestic violence prevention, citizen participation, conflict resolution, emergency shelter, and community restorative justice. Applications and work plans are evaluated and selected by City Council. This program also receives local funding.	
<b>4</b>	<b>Project Name</b>	Community Engagement
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Community Engagement
	<b>Needs Addressed</b>	Community outreach to underserved populations
	<b>Funding</b>	CDBG: \$345,000



	<b>Description</b>	The program provides funding for District Councils in Planning Districts 1-8, 11, and 17 for crime prevention, community outreach and development, and policy development activities. The program also receives City General Fund local funding.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	CDBG funds will be used for activities in the CDBG eligible areas of the City. Approximately 181,300 low- to moderate-income residents will be assisted with the CDBG funds. Local funding is available for non-CDBG eligible areas.
	<b>Location Description</b>	CDBG eligible districts 1-8, 11, and 17.
	<b>Planned Activities</b>	Crime prevention, community development, and policy development activities.
<b>5</b>	<b>Project Name</b>	Youth Employment
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Youth Employment
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$371,000
	<b>Description</b>	This multi-year program provides economically disadvantaged City of Saint Paul youth with educational and employment opportunities. Income eligible youth are referred to this program by the Saint Paul School District and other community organizations. Services include remedial education, classroom and occupational skills training, and part-time employment.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Youth from approximately 258 low/moderate-income families will benefit from employment training and internships.
	<b>Location Description</b>	All City of Saint Paul from low- to moderate- income households are eligible to participate.
<b>Planned Activities</b>	Services income remedial education, classroom and occupational skills training, and part-time employment.	
<b>6</b>	<b>Project Name</b>	Housing Construction
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Development of New Housing

	<b>Needs Addressed</b>	Development of New Housing
	<b>Funding</b>	CDBG: \$512,000 HOME: \$2,697,057
	<b>Description</b>	This project will produce new units of housing either by rehabilitating vacant structures or with new construction activities, both of which may include acquisition, demolition and relocation.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 15 low/moderate-income families will benefit from the investment in newly constructed affordable rental units.
	<b>Location Description</b>	Project sites to be determined.
	<b>Planned Activities</b>	New units of housing either by rehabilitating vacant structures or with new construction activities, both of which may include acquisition, demolition and relocation.
7	<b>Project Name</b>	Single-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeowner Housing Rehabilitation
	<b>Needs Addressed</b>	Support stable, affordable, safe homeownership
	<b>Funding</b>	CDBG: \$2,610,000
	<b>Description</b>	The City and local CDCs administer loan programs that assist low-income households to rehabilitate their homes by addressing CDBG eligible uses: (i.e. building code enforcement, lead paint abatement, hazardous waste treatment, handicap accessibility, energy improvements, and window, roof and siding replacement, etc.). Funds are also used for emergency repair of water/sewer lines, deficient furnaces and water heaters.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 51 low/moderate-income households will benefit from this activity.
	<b>Location Description</b>	CDBG eligible households throughout the City are eligible for this activity.

	<b>Planned Activities</b>	Financing to assist income eligible owner occupants of single family and duplex properties.
<b>8</b>	<b>Project Name</b>	Multi-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Rental Housing Rehabilitation
	<b>Needs Addressed</b>	Preservation of existing affordable housing
	<b>Funding</b>	CDBG: \$1,975,000
	<b>Description</b>	Assist in financing the preservation, rehabilitation or new production of affordable housing. Implement CDBG and HOME eligible activities related to acquisition and related costs (e.g. relocation, demolition, site preparation, and adjacent public improvements), rehabilitation, new construction, and related costs that are part of the total development cost of a housing project.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 26 low/moderate-income households will benefit from this activity.
	<b>Location Description</b>	Projects will be selected throughout the City.
	<b>Planned Activities</b>	Financing to assist in the preservation, rehabilitation or new production of affordable housing.
<b>9</b>	<b>Project Name</b>	Commercial Corridor and Citywide Economic Development
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Economic development and job growth
	<b>Funding</b>	CDBG: \$830,000
	<b>Description</b>	Activities carried out by the City or its CDC partners to assist businesses with expansion, property acquisition, rehabilitation, energy conservation improvements, leasehold improvements, and development citywide.
	<b>Target Date</b>	12/31/2021

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The activity will assist businesses that either serve low- to moderate-income areas or create jobs for low- to moderate-income persons. It is estimated that 4 jobs will be added/retained, 2 businesses will receive façade treatment/building rehabilitation assistance, and 9 businesses will receive other assistance.
	<b>Location Description</b>	This activity is available to eligible businesses city-wide.
	<b>Planned Activities</b>	Activities to assist businesses with expansion, property acquisition, rehabilitation, energy conservation improvements, leasehold improvements, and development citywide.
<b>10</b>	<b>Project Name</b>	Hamline Play Area
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Improvements
	<b>Needs Addressed</b>	Public facilities and infrastructure
	<b>Funding</b>	CDBG: \$373,500
	<b>Description</b>	Replacement of the existing equipment with new play equipment that meets current safety and accessibility guidelines, as well as, improvements to the playground safety surfacing. Additional site amenities such as benches, waste containers, signage, and landscaping will be provided as necessary and as funding allows.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area of this park includes 7,125 low- to moderate income persons.
	<b>Location Description</b>	1564 Lafond Ave, St. Paul, MN 55104
	<b>Planned Activities</b>	Removal/replacement of existing play equipment, other site improvements.
<b>11</b>	<b>Project Name</b>	ESG20SaintPaul
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless Prevention
	<b>Needs Addressed</b>	Homeless prevention, rapid re-housing, and supportive services
	<b>Funding</b>	ESG: \$594,358

<b>Description</b>	Activities to include homeless prevention, shelter operations, essential services, street outreach, rapid re-housing, and ESG administration. Funding for emergency shelter operations and street outreach will not exceed 60% of ESG funding award and no more than 7.5% for administrative costs. Ramsey County will manage the City's ESG program under the terms of a Joint Powers Agreement.
<b>Target Date</b>	12/31/2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 3,000 individuals and families experiencing homelessness or at risk of homelessness will be assisted.
<b>Location Description</b>	Citywide
<b>Planned Activities</b>	Activities include homeless prevention services, emergency shelters operating costs, essential services, street outreach, rapid re-housing, and ESG administration.

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## **AP-50 Geographic Distribution – 91.220(f)**

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

With the exception of the Hamline Play Area, none of the 2020 activities have an address-specific location. All of the activities described in the Action Plan are programs which are available citywide or have service areas that include one or more neighborhoods (districts) in the city.

A map which shows the areas of the city with at least 51% low/moderate income persons is titled as CDBG-Qualified Census Tracts is below. All activities providing an area benefit being carried out in 2020 will have a service area that is located primarily in a shaded portion of the map.

Activities carried out by the City which provide a direct benefit (primarily housing activities) are available citywide to income eligible households, while direct benefit activities carried out by sub-recipients are available to income eligible households located in the neighborhoods served by the sub-recipient.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Citywide	100

**Table 57 - Geographic Distribution**

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

By allocating investments citywide the City is working to prevent additional concentrations of low-income and minority populations through targeted affordable housing projects through the expansion of access to economic and employment, housing options for low- and moderate-income residents citywide.

### **Discussion**

HUD funding will continue to be used for housing activities citywide. Public infrastructure projects in low/mod areas will utilize CDBG funds in conjunction with local and state funds (local funding, local bonds, TIF), providing improvements citywide for the benefit of all residents.

# Affordable Housing

## AP-55 Affordable Housing – 91.220(g)

### Introduction

This section indicates the number of affordable units that are estimated to be provided through HOME and CDBG funding.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	0
Non-Homeless	92
Special-Needs	0
Total	92

**Table 58 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	0
The Production of New Units	15
Rehab of Existing Units	77
Acquisition of Existing Units	0
Total	92

**Table 59 - One Year Goals for Affordable Housing by Support Type**  
**Discussion**

In 2020, the City estimates providing funding for the construction of 15 new affordable rental units through HOME funding and CDBG funding. It is also anticipated that in late 2020, the City will provide HOME funding toward the acquisition of an existing 136-unit affordable rental property to preserve long-term affordability. The City will continue its citywide owner-occupied home rehab program as well as continuing to fund and work with its non-profit partners resulting in about 51 owner-occupied homes rehabilitated – a strategic effort to preserve affordable housing. Additional projects will include working with non-profit partners to rehabilitate and/or redevelop HRA-owned properties for resale or rental to low-income households. An estimated 26 affordable rental units will be rehabbed.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The Saint Paul Public Housing Agency (PHA) is an important provider of affordable housing for thousands of Saint Paul households with the greatest need (households at or below 30% of AMI). The PHA owns and manages 418 public housing units and 3,836 units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020. The PHA also administers 4,804 Housing Choice Vouchers (as of January 2020). These include 100 Family Unification Program (FUP) vouchers, 248 Mainstream Program/Disability vouchers, and 231 Veterans Affairs Supportive Housing (VASH) vouchers. PHA has allocated 516 project-based vouchers (PBVs); and more than half of those (328) are in supportive housing developments. In total, the PHA provides over 9,000 affordable homes to more than 21,000 people.

The Annual Agency Plan for Federal FY 2020 (PHA's Fiscal Year 2021, beginning April 1, 2020), and the Five-Year Capital Fund Plan are available on the PHA website at: <http://www.STPHA.org/>.

The PHA continues to move toward green and sustainable solutions. The City Council presented the 2017 Sustainable Saint Paul Award for Green Practices to the PHA in recognition of its green initiatives. PHA retains consultants to conduct energy audits of its properties and incorporates feasible recommendations for energy improvements into its capital needs planning. Xcel Energy, a valued partner, has borne most of the cost for energy audits. Ongoing green initiatives include installing water saving faucets, shower heads, and toilets; lighting retrofits; weather stripping, and additional attic insulation. The PHA has also installed a computerized energy management system (EMS) at all 16 public housing hi-rises which allows staff to monitor and control HVAC systems remotely resulting in increased energy efficiency and savings. The PHA also utilizes District Energy St. Paul at 4 of its hi-rise apartment buildings and central administrative office building, utilizing an alternative energy source for its residents and community spaces. The PHA executed a community solar agreement in 2018 that provides 10 of our hi-rises 100% solar power for electricity while saving \$120,000 per year for 25 years.

The PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 29 consecutive years. The PHA does not administer HOPE VI activities or Mixed-Finance Modernization and Development. PHA has also maintained its High Performer status under HUD's Section 8 Management Assessment Program (SEMAP) for 18 consecutive years. The PHA successfully implements and administers current agreements for Project-Based Vouchers (PBV); including PBV in supportive housing that supports the State of Minnesota, Ramsey County, and the City of Saint Paul with their plans to end homelessness.

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

Remaining Public Housing Program: Only 418 scattered site single family homes and duplexes remain in the public housing program as of 1/1/2020. The PHA will hold discussions with



residents, elected officials and community stakeholders about the best ways to preserve these homes as safe, affordable, quality housing for low income families.

Rental Assistance Demonstration Conversion (RAD) - The PHA will continue to refine its operational model for Project-Based Rental Assistance (PBRA) after the 1/1/2020 RAD conversion of 3,836 previous public housing units. The PHA strives to increase efficiency and customer service, with few changes in the rules that are familiar to residents and staff.

Capital Improvements - The PHA will use HUD Capital Fund Program funds (for public housing units) and Housing Assistance Payments (HAP, for the PBRA projects) to renovate and modernize units, with emphasis on improvements for fire and life safety, using green sustainable designs to conserve energy and water. The PHA will continue to seek forgivable loans from Minnesota Housing and grants from the Federal Home Loan Bank's Affordable Housing Program.

Project-Based Vouchers (PBV) - PBVs awarded by the PHA subsidize rental units in privately-owned mixed-income, supportive housing, and other affordable housing developments, in collaboration with community partners - City, Ramsey County, St. Paul Foundation, and others. The PHA Board will consider staff's recommendations for awarding more vouchers for PBV use.

In the coming year the PHA will continue administering the Housing Choice Vouchers from special HUD programs, including the following:

- VASH: Assisting homeless veterans receiving services from the Veterans Administration
- Mainstream Program-Housing Opportunities for Persons with Disabilities: Assisting households that included persons with disabilities, in collaboration with several community social service agencies.
- Family Unification Program Vouchers (FUP): In collaboration with Ramsey County's Child Protection Unit, helping families secure stable housing and be unified with their children. FUP also serves 18-24-year-olds who have aged out of or left foster care at age 16 or older, who are homeless or at risk of becoming homeless.

Tenant Protection/Preservation Vouchers (TPV): Prevent displacement of low-income residents when a previously-subsidized rental property is no longer subject to income-restrictions.

Public Housing and PBRA Waiting Lists - Closed since October 1, 2018. As of 1/1/2020 the list was divided following HUD guidelines for RAD conversions. The multifamily/PBRA waiting list (3,500 applicants) is for hi-rises and family townhome developments. The public housing waiting list (2,000 applicants) is for single family homes and duplexes. The PHA still accepts applications for two programs with special services in PHA-owned housing: Congregate Housing Services Program (CHSP) and the Wilder Assisted Living Program (ALP).

HCV waiting list - Closed since June 2019. By a random computer drawing, 3,500 applicants were placed on the waiting list from 13,000 applications received in the one week the list was

open. The PHA expects that the 3,500 on the new waiting list will last about 3 ½ years. As of 12/31/2019, about 3,000 applicants remained on the waiting list.

Even when the regular HCV waiting list is closed, clients can apply for vacancies at some housing projects with Project-Based Vouchers. Those vacancies are offered through the Ramsey County Coordinated Entry. The PHA describes other referral-based applications in the “How to Apply” section for HCVs, on the PHA’s website.

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

The PHA’s Resident Services and Resident Initiatives Departments support the Resident Councils in every hi-rise and family housing development. Each resident council works to increase resident involvement in their public housing communities and empower residents to take action to achieve personal goals of self-sufficiency. The leaders of the individual Resident Councils meet regularly as the Hi-Rise Presidents Council and the Citywide Residents Council.

Since 1999, the Saint Paul Public Housing Agency (PHA) Board of Commissioners has established the PHA’s Resident Advisory Board (RAB) with membership to be comprised of:

- All members of the Hi-Rise Presidents Council - 16 members, comprised of the president or other representative leader from each hi-rise.
- All members of the Family Residents’ Citywide Residents Council (CWRC) – 16 members, including the 4 officers from each family housing development.
- Section 8 representatives who volunteered for the RAB in response to mailings and flyers in the Rental Office.
- Two PHA Commissioners who are Public Housing residents: 1 Commissioner represents hi-rise residents and 1 Commissioner represents family residents. RAB membership fluctuates due to changes in Resident Council officers, residents moving out of public housing or leaving the Section 8 program, etc. There are also public housing resident leaders who are not currently members of the Presidents Council or CWRC but participate actively in RAB meetings. RAB meeting agendas are sent to all RAB members and Southern Minnesota Regional Legal Services, Inc. (SMRLS).

The PHA actively encourages discussions about planning capital improvements and PHA policies. During the year, PHA Senior Management meets with members of the RAB, including the Hi-Rise Presidents Council and CWRC, to discuss any significant PHA policy changes, the PHA Annual Plan, and PHA Capital Improvements. Additionally, the PHA’s Resident Initiatives Department and Resident Councils work together to form new partnerships with community and supportive service agencies.

**Section 3** - PHA provides economic opportunities for low-income residents, to the greatest extent feasible, by hiring qualified Section 3 PHA residents, contracting with Section 3 businesses, and including Section 3 requirements in all contracts. The PHA’s Resident

Initiatives Department also identifies resources and services to provide Section 3-related education and training to public housing residents.

**Family Self-sufficiency Program (FSS)** - Is a PHA resident initiative which includes working with various departments and resident councils to identify new partnership opportunities and/or collaborations to encourage resident economic development and self-sufficiency.

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

Not applicable.

As of 2018, The PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 28 consecutive years and its High Performer status under HUD's Section 8 Management Assessment Program (HMAP) for 17 consecutive years.

**Discussion**

The PHA has achieved High Performer status continuously for both its public housing and Section 8 Housing Choice Voucher Program.

The PHA has a continual need for stable federal funding to maintain its high standards. As explained above, the PHA received approval from HUD to convert most of its public housing properties to Project-Based Rental Assistance (PBRA) under the RAD Program, effective January 1, 2020. The PHA's near-portfolio-wide RAD conversion was debt-free. In RAD, units move to PBRA (a Section 8 platform) with a long-term contract that, by law, must be renewed. This ensures that the units remain permanently affordable to low-income households. Residents continue to pay 30 percent of their income towards the rent and retain the same basic rights as living in PHA owned housing. This program simply shifts units from the Public Housing program to the PBRA program. The PHA's RAD conversion is not "privatization" of public housing, since the same public agency will continue to own, manage, maintain and improve the properties.

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

### **Introduction**

Homelessness persist - those most at risk are youth, African Americans, Native Americans, veterans, new immigrants, and older adults. The primary causes: lack of affordable housing and living wage jobs with low barriers to entry, chronic health/mental health issues, and the ripple effects caused by discrimination in housing and other systemic inequities.

The City has a Joint Powers Agreement with the County to allocate its ESG funds. During 2020, the City will partner with Ramsey County and its Continuum of Care Coordinator and community agencies to create comprehensive homelessness prevention delivery services that can assist homeless single adults, homeless families, and homeless unaccompanied youth. The City will continue to participate in the Ramsey County Continuum of Care Governing Board and the Ramsey County Family Homelessness Prevention Assistance Program Advisory Committee to develop program services and program funding strategies in order to assist residents experiencing homelessness. Furthermore, in partnership with the Ramsey County, the ESG funding can respond to underserved residents, such as new refugee families and homeless veterans.

The City continues work with RUSH/Outside In Governance Team – RUSH - Re-directing Users of Shelter to Housing - a collaborative group focused on chronically homeless. It is comprised of public and private organizations which include the City, Ramsey County, Saint Paul Foundation, F.R. Bigelow Foundation, Saint Paul Area Chamber of Commerce, Regions Hospital, Catholic Charities, Guild Incorporated, RADIAS Health, People Incorporated, Union Gospel Mission, and Listening House.

Metro Transit's Homeless Action Team (HAT), 6 Metro Transit Police officers and a case manager, provides street outreach, support and resources to help homeless get off the streets.

The downtown library continues its weekly street outreach services through the Community Resource Outreach Project (CROP). Referrals to community resources are provided and a social worker assists with access to mental health supports. Rondo Community Library also provides a social worker to problem solve, provide resources and support. The CoC partners with the library and its case manager by recruiting social service agencies to provide information on available services.

The downtown YMCA offers homelessness prevention, housing, and supportive services that include: youth resource line; school, street and community-based youth outreach; one-time rental assistance; connections to community resources; youth parenting classes; transitional living programs for young adults; youth food shelves; and Enough in partnership with Safe Harbor Minnesota to assist youth leave the sex trade.

Winter Safe Space, a partnership of Ramsey County, the City, and St. Paul Foundation to address immediate winter shelter needs of residents sleeping in skyways, on transit or in transit

stations, was extended to be operated year-round as Safe Space Shelter by Model Cities.

Higher Ground Phase II was completed in 2019. It provides 177 supportive housing units and an Opportunity Center with wrap around services - medical, mental health, job counseling, and referrals to supportive services. The City continues to partner with Catholic Charities at city-owned St. Paul Residence for low-income, long-term homeless adults. Using the Housing First model, it provides affordable, permanent supportive housing: 60 single room occupancy (SRO) units and 60 SROs for chronic alcoholics and/or those with a mental health issues.

## **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**

In Saint Paul, outreach services to homeless persons (especially unsheltered persons) are provided on a routine basis and serve to locate and refer homeless households to the appropriate facilities and programs. In response to the lack of sufficient outreach to residents that may benefit from services, the City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources.

The City funds additional outreach services as follows:

**Breaking Free** – provides direct services to victims and survivors of prostitution and sex trafficking; up to 90 percent of whom are homeless or are without safe housing. Breaking free provides victim-centered services, referrals to appropriate community services, permanent housing placement, case management, educational support, and life skills, all of which provide the bridge to accessing and retaining permanent housing and a move out of the sex trade.

**Community Resource Outreach Project (CROP)** – offers weekly outreach to homeless residents who can receive referrals for community resources in the stable, quiet environment of the Saint Paul Central Library. The Central Library added a case manager to their staff to assist in outreach and referrals for shelters, housing, supportive services such as health care, mental health/substance abuse, employment, and youth services.

**Coordinated Access to Housing and Shelter (CAHS)** – conducts intake assessments to determine the most appropriate referral for homeless families, individuals, and youth seeking emergency shelter. CAHS is completed through referrals from various participating organizations and community service providers throughout Saint Paul and Ramsey County

through a central phone number.

**People, Inc. - Metropolitan Homeless Street Outreach Program (MHSOP)** – through an ESG grant, MHSOP provides street outreach services to unsheltered homeless adults with mental illness. Its street outreach provides basic survival gear, assistance in stabilizing symptoms of mental illness, benefit assistance, housing placement, and facilitating access to Ramsey County Housing Support Program for stable housing.

**Radias Health - ACCESS Program** – ACCESS staff visit homeless shelters and drop-in centers to provide outreach and case management services to assist homeless adults with serious and persistent mental illness and substance abuse disorders. Radias Health, through its City ESG grant, also works directly with SPPD and the Police-Homeless Outreach Program to help homeless connect with services and housing.

**Streetworks** – A collaboration of community agencies provide street outreach services to homeless youth, including street outreach performed by Face to Face Health and Counseling Services' SafeZone program.

**Safe Space Shelter** – Safe Space Shelter started as Winter Safe Space, a collaborative partnership to address the immediate winter shelter needs of homeless residents sleeping in downtown skyways or on Metro Transit trains and buses or in stations. After two years, it recently extended its hours to allow for increased outreach and case management services. Model Cities will operate the shelter year-round as Safe Space Shelter.

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

The City has a Joint Powers Agreement with the County to allocate its ESG funds to partially fund emergency shelters, transitional housing services, street outreach to residents experiencing homelessness, homelessness prevention, and rapid re-housing programs that support the needs of homeless or those at risk of becoming homeless.

Saint Paul works with Ramsey County CoC to ensure that comprehensive homelessness prevention and rapid rehousing services can be provided to all residents experiencing homelessness, including underserved communities, such as New Americans, young adults, and veterans. The City is a participating member of the Ramsey County CoC Governing Board and Ramsey County Family Homelessness Prevention Assistance Program (FHPAP). In addition, ESG-funded agencies often secure additional community resources, including emergency funds for Saint Paul residents experiencing homelessness or at-risk of becoming homeless from the Community Sharing Fund, a program of the Saint Paul & Minnesota Foundations.

**Emergency shelters:** ESG funds have funded the following shelter operations: Higher Ground Saint Paul, emergency shelter for adults; Catholic Charities Family Service Center, emergency shelter for families; Lutheran Social Services Safe House and emergency shelter for youth ages

16 to 20; Salvation Army Booth Brown House, which operates an emergency shelter for homeless youth ages 18 to 21; Interfaith Action Project Home, which serves families experiencing homelessness by providing emergency shelter space, a day center, and volunteer support through faith communities and use of their facilities.

**Rapid Re-housing:** ESG funds have supported rapid re-housing services for adults experiencing homelessness at Higher Ground Saint Paul; the Theresa Living Center which serves families with children, particularly single-parent/single women with children; and the YWCA St. Paul rapid re-housing and supportive services program for single adults and families which reduces the length of stay at emergency shelter.

**Transitional Housing:** ESG funds have supported a portion of operating costs for transitional housing services provided by the YWCA St. Paul's transitional housing program for single parents and their families, and Theresa Living Center's transitional housing programs which provides individualized case management and collaboration with existing agencies to address specific needs of women with children.

**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 City's ESG and County CoC programs work together to fund community services, including homelessness prevention programs. The City has a Joint Powers Agreement with the County to allocate its ESG funds for these services. Additionally, the City's CDBG funds have been allocated to the Block Nurse Program which utilizes volunteer and professional staff to help seniors remain safely in their homes with an enhanced quality of life.

**Adults experiencing homelessness:** The City finances the construction of emergency shelters, supportive housing facilities, and affordable housing and allocates ESG funds to assist those in shelters move to into more permanent housing. The City's St. Paul Residence provides permanent supportive housing for those with late stage chronic alcoholism and for long term homeless residents using the Housing First Model.

Breaking Free provides direct services to victims and survivors of prostitution and sex trafficking; up to 90 percent of whom are homeless or are without safe housing. Breaking Free provides victim-centered services, referrals to appropriate community services, permanent housing placement, case management, educational support, and life skills, all of which provide the bridge to accessing and retaining permanent housing and a move out of the sex trade.

The Radies Health ACCESS Program includes staff that visit homeless shelters and drop-in

centers to provide outreach and case management services to assist homeless adults with serious and persistent mental illness and substance abuse disorders. Radian Health also works directly with the Saint Paul Police Department and the Police-Homeless Outreach Program to help homeless connect with services and housing.

**Families experiencing homelessness:** The City finances affordable housing, including supportive housing that provides more opportunities for at-risk of homeless families. The City's ESG program funds community agencies that provide housing and case management to homeless families and homelessness prevention initiatives to assist at-risk homeless families. Catholic Charities Family Service Center (FSC) provides up to 120 consecutive nights of shelter for families, activities for children, tutoring, and parenting education with life skills training. Housing and employment search resources and other services are provided to help families transition from homelessness to stable housing.

**Youth experiencing homelessness:** The City supports emergency shelters for youth and rapid rehousing for unaccompanied homeless youth. In 2018 and 2019, the Saint Paul HRA allocated low-income housing tax credits for Ain Dah Yung Supportive Housing. In partnership with Project for Pride in Living, this project provides PSH units for at-risk for homelessness American Indian youth. In addition to classrooms, a technology center and units for people with disabilities are included in the development.

**Veterans experiencing homelessness:** The City's ESG funds partially fund Minnesota Assistance Council for Veterans (MAC-V) Supportive Services for Veteran Families, which provides street outreach services to homeless veterans in emergency shelters and places where homeless veterans congregate. These efforts are supplemented with Minnesota Department of Veterans Affairs Homeless Veteran Registry that seeks to ensure Veterans experiencing homelessness have access to appropriate housing and services.

**Affordable Housing: CDBG/HOME/Low Income Housing Tax Credits:** Saint Paul uses CDBG funds, HOME Funds, and Low-Income Housing Tax Credits, as appropriate, to construct or preserve affordable housing, including developing supportive housing for long-term homeless residents.

**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**

Ramsey County provides programs and counseling to previously-institutionalized or homeless individuals through partnerships with nonprofit service providers to aid in the transition to permanent housing. This network provides security deposits, child care, job training,



transportation, medical/dental care, mental health counseling, chemical dependency treatment, life skills training, and job search assistance.

**Supportive Housing:** The City has provided financing to supportive housing facilities citywide for at-risk individuals and families. Higher Ground St. Paul provides 177 supportive housing units for homeless adults. With additional support from area hospitals, Higher Ground provides medical respite shelter beds for homeless released from hospitals. It also includes an Opportunity Center, an integrated, one-stop location connecting citizens to critical services.

**The Community Stabilization Project (CSP):** CSP builds tenant stability by informing, educating, advocating for and organizing tenants to act to preserve and increase the supply of healthy, safe affordable housing. CSP works with tenants, landlords, and community stakeholders to stabilize families in their homes, prevent homelessness and displacement, and secure a households' capacity to become self-sufficient.

**Hmong American Partnership (HAP):** HAP, a community-based organization, empowers clients to move out of poverty. Through youth and family crisis intervention, health and wellness programs, economic and workforce development, it provides support and paths for growth for the Hmong, Southeast Asian, and greater immigrant/refugee communities through culturally sensitive social services.

**Minnesota Assistance Council for Veterans (MAC-V) Supportive Services for Veteran Families:** MAC-V provides street outreach services to homeless veterans in emergency shelters. These efforts are supplemented with Minnesota Department of Veterans Affairs Homeless Veteran Registry that seeks to ensure Veterans experiencing homelessness have access to appropriate housing and services.

**Neighborhood House:** Neighborhood House offers services for basic needs and lifelong learning. Its Family Centers provide families in crisis (at-risk of becoming homeless) help in meeting basic needs. Participants are provided with food, housing, early childhood education, adult education, and citizenship classes, with the goal of helping clients gain skills necessary to be economically stable and self-sufficient.

**Southern Minnesota Regional Legal Services (SMRLS):** SMRLS administers Project HOPE, which focuses on protecting the legal rights of homeless/at-risk of homeless by addressing legal issues that contribute to or place clients at risk of homelessness, and advocates for the rights of families with children seeking access to emergency shelters in Ramsey County.

**Minnesota Community Care (formerly West Side Community Health Services):** Offers primary medical care, mental health, dental, optometry and supportive services to help support patients in moving forward and working towards stable housing. The emphasis is education, prevention, and integrated services with a multi-lingual/multi-cultural approach. HouseCalls, a collaboration of Minnesota Community Care and the St. Paul-Ramsey County Health Department, provides emergency direct assistance to prevent homelessness for Ramsey County families who are

facing sanitation orders and utility disconnection orders. HouseCalls serves as part of a network of community-based resources that aid in stabilizing and retaining housing.

St. Paul Residence: The City owns St. Paul Residence which provides 60 units of permanent supportive housing for chronically-inebriated residents and 60 units of permanent supportive housing for at-risk homeless residents.

## **Discussion**

The City will continue its collaboration with Ramsey County CoC and social service organizations. This collaboration is essential to addressing the needs of homeless and those at risk of being homeless. Additional efforts to serve homeless include utilizing Wilder Research as a means to identify areas of greatest need. Every 3 years, Wilder Research, part of the Amherst H. Wilder Foundation, conducts a one-night statewide survey of homeless people in Minnesota to better understand the prevalence, causes, circumstances, and effects of homelessness. The most recent point-in-time (PIT) count was conducted on October 25, 2018. These triennial PIT counts provide Ramsey County CoC and the City with the most comprehensive data and analysis on the reasons City and County citizens are homeless, and barriers to obtaining and maintaining safe and stable housing. The data, analysis, and reporting help improve understanding about the prevalence, causes, circumstances and effects of homelessness in Ramsey County and Saint Paul, which then guides actions (i.e., funding priorities) to eliminate homelessness through CoC and City ESG resources.

DRAFT

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

### **Introduction:**

Housing policy must be thought of in the context of economic development (building household income/net worth), transportation (connecting people to jobs) and land use (locating parks, jobs, education, and essential services near housing). To begin, City Council passed resolution 18-1204, calling for action to create and preserve housing that is affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund; and continue to fund down payment assistance for first-time homebuyers. This resolution is a public acknowledgement that housing, especially affordable housing, is a priority for the City.

The most significant barriers to securing affordable housing are insufficient income and lack of affordable housing units. The greatest gap in affordable housing units is for households with income below 30% AMI. Not only are the number of units few, but many of these units are occupied by households with incomes that could afford a unit at a higher rent. This is due to the insufficient number of available rental units.

Housing data for the City demonstrates that the greatest needs and highest housing priorities are affordability, choice, and supply. Consistent with the City's 2040 Comprehensive Plan – Housing Chapter, affordable housing priorities are: preservation and production of rental housing affordable for those at or below 30% of AMI; create homeownership opportunities for households with low and moderate incomes; housing preservation for low-income elderly homeowners between 0-50% of AMI; provide housing for special needs populations.

The 2040 Comprehensive Plan supports affordable housing development. Policy H-32 states “Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least: 10% of all units being affordable to households earning 30% of AMI; 10% of all units being affordable to households earning 50% of AMI; and 10% of all units being affordable to households earning 60% of AMI.”

The City's Locational Choice Policy and Low Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. Even with significant barriers, during 2018-2019, the City has partially financed the preservation and new construction of 1,268 multi-family units including 746 affordable units. The City also financed the rehabilitation of a vacant 4-unit rental property and rehabilitation of 40 owner-occupied housing units.

Affordable housing development requires multiple funding sources including the City local funds, TIF LIHTC, State dollars, federal funding from HUD (CDBG, HOME), and redevelopment property acquired and assembled by public entities. To keep pace with increasing demand for affordable housing and to balance development to ensure locational choice, continued federal

and state funding is needed. The lack of sufficient funding and insufficient allocation of LIHTCs has negative bearing on the City's ability to provide and invest in affordable housing. The City receives only about 36% of the CDBG funding it received in 1975. Similarly, the City receives about 75% of the HOME funding it received in 2000. The City's LIHTC allocation also continues to shrink.

In response, the City's 2019-2020 budget included the establishment of a local housing trust fund (HTF) with \$10 million in initial funding and an ongoing \$2 million annual investment of HRA dollars and local sales tax funds. The HTF will be combined with existing city and federal resources for a \$71 million investment in housing.

**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**

There are about 17,000 publicly-assisted affordable housing units. Of these, approximately 9,000 are subsidized through the PHA. Other units have resulted from citywide policies and efforts. Barriers to affordable housing are lack of funding and land. In response, the City finances preservation, renovation and construction of affordable housing citywide using city-owned land, local, state, and federal funds, and acquires discounted tax-forfeited property from Ramsey County. The City is actively promoting Opportunity Zone investment opportunities to funders and developers, through a website that identifies redevelopment sites and investment opportunities within the Zones and active engagement with developers and investors.

City Council passed Resolution 18-1204, calling for action to create and preserve housing that is affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund; and continue to fund down payment assistance for first-time homebuyers. Resolution 18-1204 also called for housing funded through the HRA to accept Section 8 vouchers; added points to the LIHTC scorecard for senior housing; and increased use of Tenant Remedies Actions (clearly outlines landlord/tenant rights/responsibilities). It also mandated housing production goals for the next 10 years with at least 1/3rd affordable to households at 30-50% AMI and required an equitable development scorecard for investment decisions to ensure community benefit and Section 8 training in Landlord 101 for new landlords.

The City has established sustainable building regulations funded by the city to increase the environmental and financial sustainability of development. Upfront investments in energy efficiency increases costs of new construction/major renovation but results in structures that are more sustainable and energy efficient which cost less to operate and maintain. Increased energy efficiency results in lower utility costs which directly benefit LMI tenants.

The City has also been working to increase flexibility to allow more types of housing to expand the supply of affordable units and to invest in different types of housing. A recent change to the

city zoning ordinance now allows for Accessory Dwelling Units (ADUs), and \$1 million was recently allocated to invest in community land trust housing units to extend homeownership opportunities to lower-income residents. The City and State also recently allocated \$1.5 million to larger deferred down-payment assistance loans designed to make homeownership possible for lower income residents by reducing the private mortgage requirements. The City is also investing to preserve Naturally Occurring Affordable Housing and beginning work on an Inclusionary Zoning ordinance that would allow greater density for new construction in exchange for including affordable units.

Affordable housing is an important element of redevelopment sites with City investments in infrastructure. At the former Twin Cities Ford assembly plant site, the redevelopment is required to include 760 income-restricted affordable housing units, or 20% of the proposed 3,800 total units. 380 of these must be affordable to households earning 30% AMI, 190 affordable at 50% AMI and 190 affordable at 60% AMI.

Limited English proficiency (LEP) is a barrier to accessing city services and programs. One in 5 Saint Paul residents speak a language other than English. The City, through its LEP plan, makes its services, programs and information available to everyone, regardless of language. Written materials about City programs and services are routinely translated into primary languages spoken by residents, interpreters are provided at community meetings, and City offices have access to interpreters via a telephone service.

### **Discussion:**

The City of Saint Paul has strong working relationships with the federal and state governments to develop affordable housing in Saint Paul. Furthermore, the City has adopted Affordable Housing Policies that support the development of affordable housing citywide. That said, the City lacks the financial capacity to meet the affordable housing needs of all its citizens. Therefore, federal and state budgetary restrictions are a significant barrier to developing sufficient affordable housing in Saint Paul.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

This section identifies additional actions required as part of the Annual Action Plan.

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

In 2020, the City will address many of its underserved needs through the activities of the ongoing, multi-year HUD funded housing programs. Most important, the new construction or preservation of large family units, and units for very low- and extremely low-income households will be accomplished through the various homeowner, homebuyer, multi-unit, and new housing development programs carried out by the City and its partners using CDBG and HOME program funding, LIHTCs, TIF, local funds, and the City's newly established HTF. The City allocates its ESG funding to community agencies that serve those experiencing homelessness and at-risk of being homeless, including residents with mental health disorders.

As a result of community discussions, ESG funds will place a higher priority on street outreach to address the needs of residents experiencing homelessness. The City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources. The City, Ramsey County, and partner organizations continue to look for better ways to work collaboratively and efficiently and align their strategies to comprehensively approach outreach and service gaps.

The largest obstacle to meeting underserved needs is a lack of funding for these costly activities.

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

In 2020, the City will continue to use the majority of its CDBG funding, and all of its HOME and ESG funding for affordable housing activities. Projects and programs that provide assistance for homebuyers, homeowner rehabilitation, rental rehabilitation, and new construction of affordable housing will be carried out by the City, its sub-recipients, and non-profit and for-profit partners. Descriptions of the specific projects and programs can be found in the AP-38 Project Summary section of this document. In addition to the HUD-funded activities, the City will carry out housing projects in conjunction with the Minnesota Housing Finance Agency (MHFA), the Metropolitan Council, the Family Housing Fund, and the Saint Paul HRA.

As of December 1, 2019, the City estimates that there are approximately 497 vacant residential buildings in the City, down from approximately 1,800 in 2008. The City will use the 60 percent

tax credit rent for determining affordable rents for rental housing that is assisted with CDBG funding. HOME projects will use the established HOME rents.

The 2040 Comprehensive Plan supports affordable housing development. Policy H-32 states “Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least: 10% of all units being affordable to households earning 30% of AMI; 10% of all units being affordable to households earning 50% of AMI; and 10% of all units being affordable to households earning 60% of AMI.”

The City’s Locational Choice Policy and Low Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. The City’s 2019-2020 budget includes the establishment of a local housing trust fund (HTF) with an initial investment of \$10 million and a commitment to an ongoing \$2 million annual investment. The new HTF will be combined with existing city and federal resources for a \$71 million investment in housing over the next three years.

Consistent with the City’s 2040 Comprehensive Plan – Housing Chapter, affordable housing priorities are: preservation and production of rental housing affordable for those at or below 30% of AMI; create homeownership opportunities for households with low and moderate incomes; housing preservation for low-income elderly homeowners between 0-50% of AMI; provide housing for special needs populations.

### **Actions planned to reduce lead-based paint hazards**

The City will continue to comply with HUD regulations concerning lead-based paint (LBP), including notifying applicants of the lead requirements, performing lead screening, requiring abatement by certified workers, and completing clearance testing on HUD-funded housing projects. The City will also continue to work with Ramsey County through referrals to its Lead Window Replacement Program for homes and rental units with young children (most at risk or lead poisoning), identified lead paint issues, and whose gross household income is at or below 80% AMI. The program is available to both owner-occupied and rental property owners.

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

The City funds youth workforce activities including outreach, assessment, basic skills and job training, job placement, work experience, and follow up. Funded public services complement Ramsey County Community Services. The City and its partners carry out programs that aid businesses and create jobs for low/moderate income persons. CoC has on-going training for its members and other service agencies to increase client access to disability benefits for eligible homeless or at risk of becoming homeless.

The City’s Department of Human Rights and Equal Economic Opportunity (HREEO) deals with

issues of discrimination and provides a means to access economic opportunities through inclusive contracting practices and workforce development policies. City contracts can require use of Section 3 businesses and/or hiring Section 3 employees as part of job creation activities. The City's Vendor Outreach Program (VOP) opens up business opportunities to woman-owned, minority-owned, and small business enterprises (WBE, MBE, SBE) for City and City-funded projects. An annual procurement fair recruits Section 3 and W/M/SBEs – a way to learn how to do business with the City and meet with business assistance representatives from LegalCORPS and SCORE.

Other City efforts:

**Full Stack** – A public/private partnership co-led by the City and St. Paul Area Chamber of Commerce, provides services to help tech/innovation sector businesses start-up/scale up and attract, retain, and expand tech/innovation jobs.

**Job Opportunity Fund** – Incentivizes businesses in areas of concentrated poverty (ACP50) to hire residents. These neighborhoods are 50 percent or more people of color and 40 percent or more have household incomes less than 185 percent of poverty.

**Minimum Wage** – City Council passed an ordinance creating a City minimum wage of \$15/hour; initial phase-in January 1, 2020.

**Office of Financial Empowerment (OFE)** – Created to address root causes of poverty and inequity; it will connect low/moderate income residents to financial education/counseling, help establish savings and build credit, support fair housing protections, policies, and practices for all residents, and provide tools for financial stability. OFE combined with a city-sponsored college savings program, new City minimum wage, and implementation of an on-going affordable housing trust fund, form a multi-faceted approach to reversing poverty.

**Open for Business** – A one-stop shop for start-up and existing businesses to get information and leverage resources to start, grow, and thrive. Services and resources are: pocket guide (in multiple languages) to starting a business in Saint Paul; connection with information and resources to start, move or expand a business; and assistance from a Business Project Facilitator as a guide through the permitting and licensing process of opening, expanding or relocating to the city.

**Strategic Investment Fund** – Attracts businesses to relocate to the city. Target businesses are ones with local operations that will expand the city's economy, have a record of profitability, and are willing to participate in the Metropass Program to promote public transit use.

**Techstars Accelerator Program** – A partnership with Cargill and Ecolab, Farm to Fork, will bring startup food safety and agricultural technology companies to downtown over the next 3



years.

**Additional efforts:** computer labs, free digital literacy programs at recreation centers; annual career fairs with the State of Minnesota; coordination with CoC and Wilder Foundation to support a Family Wellbeing and Resource Fair to connect citizens to essential resources/services; CoC provides information/connection to pro bono legal services; and Expungement Clinics at City recreation centers.

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

Saint Paul's institutional structure gives the City the opportunity to partner with many organizations. In 2020, the City of Saint Paul Department of Planning and Economic Development (PED) will again work with other City departments, as well as other levels of government (County, State, Federal), non-profit organizations, and private sector developers to plan and implement housing, economic development, and community development activities.

Saint Paul will continue its partnership with the Saint Paul Port Authority, Saint Paul Area Chamber of Commerce and other economic development entities for business recruitment and expansion that will benefit Saint Paul residents and neighborhoods.

The City and its regional partners are also working together to develop responsive strategies to Affirmatively Further Fair Housing within the Twin Cities metro area. The Fair Housing Implementation Council (FHIC), whose members include the counties of Anoka, Dakota, Hennepin, Ramsey, and Washington, the Metropolitan Council, the Community Development Agencies of Scott and Carver Counties, and the cities of Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, Coon Rapids, Saint Paul, and Woodbury, is currently working with a consultant to develop a Regional Analysis of Impediments to Fair Housing Choice (AI). The AI identifies the causes for housing disparities, factors that reduce fair housing choice, the distribution of affordable housing (publicly funded and naturally occurring), displacement that disproportionately affects protected classes, the effects of gentrification on protected classes, integration and segregation, and disparities in access to opportunity as defined by HUD.

Further, there is sustained focus across Mayoral administrations and addressing racial inequities. Saint Paul's Fair Housing Work Group released a status update and policy and program options report in March 2018. The update outlined the City's role in Fair Housing, provided data on the current state of Fair Housing in Saint Paul and status of 11 goals previously outlined; and recommended next steps for implementation, which included the City hiring a Fair Housing Coordinator in the Office of Financial Empowerment in March 2019 to lead planning and implementation of a citywide fair house strategy. The City's equity initiative drives each department to identify equity goals for their workforce, programs, services and community impact and requires annual reporting on metrics.

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

## **and social service agencies**

Saint Paul will continue to coordinate services with Ramsey County (the primary public service provider in the City), and the Saint Paul Public Housing Agency (the administrator of public housing and vouchers in Saint Paul) in 2020. The City will also work with metro-wide governmental jurisdictions to affirmatively further fair housing regionally in the Twin Cities Metro Area.

Also, as part of the Ramsey County CoC Governing Board, the City, County, community agencies, and faith-based organizations, such as Catholic Charities and the YWCA St. Paul, are very involved with planning and implementing homelessness initiatives. Saint Paul Foundation is sponsoring a multi-partner task force, Outside In, to work collaboratively to address the unsheltered homeless population in and around downtown St. Paul – RUSH, Re-directing Users of Shelter to Housing.

The City will continue to work with Community Development Corporations (CDCs), other nonprofit organizations in the City, and the private sector (businesses, developers, social service agencies) to provide housing, economic development, and community development services. As an example, the City's Low-Income Housing Tax Credit Program encourages equity partnership between private housing providers and non-profit housing organizations. Additionally, this program encourages working partnerships among private housing providers, non-profit housing organizations, and community social services that serve low- and moderate-income residents and homeless residents.

As an example of public/private partnerships, the City, MHFA, private foundations, private donors, and Catholic Charities are working together to build the new Dorothy Day Center Phase II which will provide permanent supportive housing and a new Opportunity Center. At the same time, Catholic Charities' Higher Ground Saint Paul now has a medical respite program which requires coordination among institutional private health care providers, Catholic Charities, and public health care providers, such as Health Care for the Homeless.

City economic development programs provide gap financing, which requires businesses seeking assistance to secure other public and private financing from banks, the state, Metropolitan Council, and other private sector businesses, private foundations, personal capital, CDCs, and the Saint Paul Port Authority on commercial and industrial projects. This coordination ensures that funds leveraged are maximized and HUD-funding utilized where most needed. As a partner in workforce development through a Joint Powers Agreement with Ramsey County that establishes a joint Workforce Innovation Board, Saint Paul is regularly partnering with Ramsey County on training programs and wrap around social services for residents. The WIB is comprised of 50% business representatives, ensuring collaboration with employers. Through sector-based approaches, Saint Paul has entered into regional partnerships for job skills credentialing programs, providing scholarships to low-income

residents using City funds.

**Discussion:**

There are many initiatives within the City of Saint Paul in the Mayor’s Office, the Department of Planning and Economic Development, and its Housing Division. Like a diversified portfolio, a diversity of housing types and development strategies can increase local resiliency through changing economic times. Recently, the City has established a local housing trust fund; a minimum wage of \$15 per hour; broadened zoning flexibility to allow a greater variety of housing types; formed the Office of Financial Empowerment; and proactively promoted with Opportunity Zones to developers and investors.; The City continues to hold regular procurement fairs to recruit Section 3 and W/M/SBE businesses, requires use of Section 3 vendors for all construction/rehabilitation housing projects or other public construction projects; and has expanded fair housing outreach through Landlord 101 and online tenant training.

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## Program Specific Requirements

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

#### Introduction:

This section addresses the program-specific requirements for the City of Saint Paul's 2020 Annual Action Plan. The City is scheduled to receive \$6,892,568 in CDBG funding, \$1,895,972 in HOME funding, and \$594,358 in ESG funding from HUD in 2020. In addition, the City estimates using approximately \$499,932 in CDBG program income and has HOME program income of \$1,100,758 in-hand.

A consecutive period of three years: 2017, 2018, and 2019, is being used to determine that the minimum overall benefit of 70 percent of CDBG funds is used to benefit persons of low- and moderate-income.

#### 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	507,432
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>507,432</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.	80.87%

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

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

The City does not plan any additional forms of investment beyond eligible uses of HOME funds identified in 92.205.

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:

The City of Saint Paul HOME Program Resale/Recapture Policy is included in Attachment E.

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:

The City of Saint Paul HOME Program Resale/Recapture Policy is included in Attachment E.

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 City does not anticipate refinancing existing debt secured by multifamily housing that is rehabilitated with HOME funds.

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

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

The FY 2020 Saint Paul ESG Action Plan is the written standard for providing ESG assistance and will be included in Attachment H.

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

The Ramsey County CoC has an established centralized coordinated assessment that meets HUD requirements for families, single adults, and youth experiencing homelessness or at imminent risk of homelessness. Shelter beds for homeless in Ramsey County are in great demand, especially for families. Ramsey County Coordinated Access to Housing and Shelter (CAHS) conducts standardized assessments for homeless families and Coordinated Entry for Youth and Singles (CEYS) conducts standardized assessments for homeless individuals and youth to determine the most appropriate housing referral/housing alternatives before a homeless family, individual or youth enters emergency shelter. The assessment identifies the most appropriate housing program support based upon specific needs and barriers. For all homeless, and particularly families, completing the assessment may be referred to an emergency shelter, if available. However, due to an insufficient number of shelter beds, particularly for families, CAHS Diversion Specialists assist individuals and families identify alternatives to a shelter; the Shelter Diversion Services must maximize the use of emergency shelter beds for those individuals and families with no other housing options. As of December 2020, there were no family shelter beds open. Other options for referrals, include other housing programs such as rapid re-housing, transitional housing, or permanent supportive housing. Ramsey County CoC must use state homelessness prevention funds to pay for the CAHS operations for families and utilize local funding for CAHS as it relates to single adults and youth.

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).

The City has a Joint Powers Agreement with the Ramsey County to allocate its ESG funds to programs that 1) promote a comprehensive delivery of homeless services; 2) assist underserved communities; 3) provide services as needed to achieve the goals of the CoC, Ramsey County FHPAP, and ESG; 4) reduce the number of emergency shelter residents at the Dorothy Day Center-Higher Ground; and 5) address city concerns while meeting HUD's national housing objectives.

The City and the CoC recognize that City ESG funding is supplemental to the County's homelessness prevention initiatives, which are funded with HUD CoC funds and State FHPAP funds.

Prior to the issuance of an annual Request for Proposals for sub-recipient homeless services, Ramsey County consults with the CoC Coordinator, City staff, and CoC Governing Board to develop a preliminary gap analysis of services, which includes a review of the needs of underserved populations. Ramsey County staff also consults with the CoC Ranking Committee to determine City funding priorities in relationship to the CoC and FHPAP funded programs that assist homeless residents. City ESG funding fills gaps and does not duplicate funding already provided by the CoC.

An integral part of the annual funding process also includes County staff meeting with current and potentially new ESG sub-recipients to determine service level needs of the communities served by each. Approximately 18 community agencies apply for ESG funds annually. Final approval for allocation of ESG funds is given by Ramsey County after consulting with City staff and the CoC Governing Board.

Overall, ESG funding allocations take into consideration: 1) services to be provided to homeless adults, families, youth, and underserved populations such as new Americans, refugees, and veterans; 2) the supplemental funding needs of CoC programs (fills gaps); 3) risk rating and prior performance of ESG sub-recipients; 4) national HUD housing and homeless objectives; and 5) City housing and homeless objectives and priorities.

An RFP for subrecipient funding will be issued in late summer or early fall of 2020.

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

The City and County CoC supports the participation of residents experiencing homelessness on various issues and projects, such as the Ramsey County Continuum of Care and the Family Homelessness Prevention Assistance Program Committee. It is encouraging to see some homeless residents become empowered by their ongoing participation with the Homeless Advisory Board. Additionally, many ESG subgrantees have participant-driven programming, such that subgrantees encourage input from program participants, including individualized case management meetings, client satisfaction surveys, and group meetings during which program participants can review services, plan events and activities, and help provide solutions to problems and concerns.

City and the CoC support the participation of formerly homeless through their membership on the CoC Governing Board and the FHPAP Committee. Additionally, many ESG sub-recipients have participant-driven programming where input from program participants is encouraged and sought out. Efforts include individualized case management meetings, client satisfaction surveys, and group meetings during which program participants can review services, plan events and activities, and help provide solutions to problems and concerns. Several ESG sub-recipients are encouraging participation of homeless and formerly homeless residents on their respective Boards.

5. Describe performance standards for evaluating ESG.

Ramsey County will consult with the CPD Monitoring Handbook and consult with City Compliance Monitoring staff before conducting a compliance review. ESG program subrecipients are subjected to a risk rating to ensure that those with the highest risk are

identified for monitoring more frequently as required by HUD and provided technical assistance, as appropriate. When conducting an on-site monitoring review, City staff meets with sub-recipients, on-site, to review the following, as appropriate:

- A copy of the current counseling work plan
- An organizational chart and list of staff, counseling and/or outreach, as appropriate, indicating years of experience
- Staff training received in the prior 12 months
- Financial records, including independent audit and year-to-date financials
- List of community service referrals
- Copies of applications and forms, including disclosure forms, utilized by clients to receive services
- Access to client files including a list of clients counseled; services provided; description of participants needs (i.e. meeting HUD definition of homeless); screening process; review of case management services; and housing assistance provided; cultural competency, and participant-driven programming

A written response is provided to each sub-recipient monitored which summarizes the on-site visit and notes all concerns and findings, as appropriate. If there are areas of concern for which technical assistance is needed, City staff will ensure this is included and note how it will be provided. The written response also notes what the organization is doing well.

Desk reviews are typically completed as requests for reimbursement of contracted program costs are processed. As a part of the RFP and annual funding process; City staff applies a risk assessment tool to each organization previously funded and/or has submitted a proposal for funding. The risk assessment tool looks at the organization's experience with ESG funding; ESG-eligible programs and services; financial and accounting systems and controls; financial reports, and staff turnover.



## Alternate/Local Data Sources

1	<b>Data Source Name</b> Ramsey County CoC
	<b>List the name of the organization or individual who originated the data set.</b> Ramsey County CoC and Ramsey County Health and Wellness Administration's Research and Evaluation
	<b>Provide a brief summary of the data set.</b> This data came from Ramsey County CoC through their 2019 Point-in-Time survey, US HUD System Performance Measures for October 2018-September 2019 from Homeless Management Information System (HMIS) managed by Institute for Community Alliances (ICA) and Medware, and 2018 Coordinated Access to Housing and Shelter.
	<b>What was the purpose for developing this data set?</b> The point-in-time surveys and the annual HUD System Performance Measures are required by HUD. The Coordinated Access reports are required by HUD and Ramsey County CoC.
	<b>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</b> The data is comprehensive for Ramsey County.
	<b>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</b> Point-in-Time survey covers January 23, 2019. The HMIS system performance measures cover October 2018-September 2019. The Coordinated Access to Housing and Shelter covers 2018.
	<b>What is the status of the data set (complete, in progress, or planned)?</b> Complete.
2	<b>Data Source Name</b> Vacant Properties
	<b>List the name of the organization or individual who originated the data set.</b> City of Saint Paul Vacant Building List, Saint Paul Open Information Portal
	<b>Provide a brief summary of the data set.</b> Vacant buildings (category 0 - 3)
	<b>What was the purpose for developing this data set?</b> Maintain list of vacant buildings for code enforcement.

	<p><b>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</b></p> <p>Comprehensive, city-wide.</p>
	<p><b>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</b></p> <p>Number of vacant units as of 11/25/2019.</p>
	<p><b>What is the status of the data set (complete, in progress, or planned)?</b></p> <p>Complete</p>
<b>3</b>	<p><b>Data Source Name</b></p> <p>PIC through 10/31/2019</p>
	<p><b>List the name of the organization or individual who originated the data set.</b></p> <p>Saint Paul Public Housing Agency</p>
	<p><b>Provide a brief summary of the data set.</b></p> <p>PIC data that contained tenant information submitted to HUD/REAC/PIC through 10/31/2019.</p>
	<p><b>What was the purpose for developing this data set?</b></p> <p>Required by HUD for all PHAs administering Public Housing and Housing Choice Voucher/Section 8 programs.</p>
	<p><b>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</b></p> <p>Comprehensive for all participants in Public Housing and Housing Choice Voucher/Section 8 programs. Not applicable to Multifamily Housing programs (Project-Based Rental Assistance, etc.).</p>
	<p><b>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</b></p> <p>Effective Dates Included: July 01 2018 through October 31 2019.</p>
	<p><b>What is the status of the data set (complete, in progress, or planned)?</b></p> <p>Complete</p>

## ATTACHMENTS

Attachment A – Capital Improvement Board (CIB) Funding Recommendation Letter and Public Hearing Comments

Attachment B – Citizen Participation Process

Attachment C – CDBG Funding Calendar and Budget Processes

Attachment D – Fair Housing Strategies and Analysis of Impediments

Attachment E – The City of Saint Paul HOME Program Resale/Recapture Policy

Attachment F – City of Saint Paul New Construction and Rehabilitation Standards

Attachment G – City of Saint Paul Residential Anti-displacement and Relocation Assistance Plan

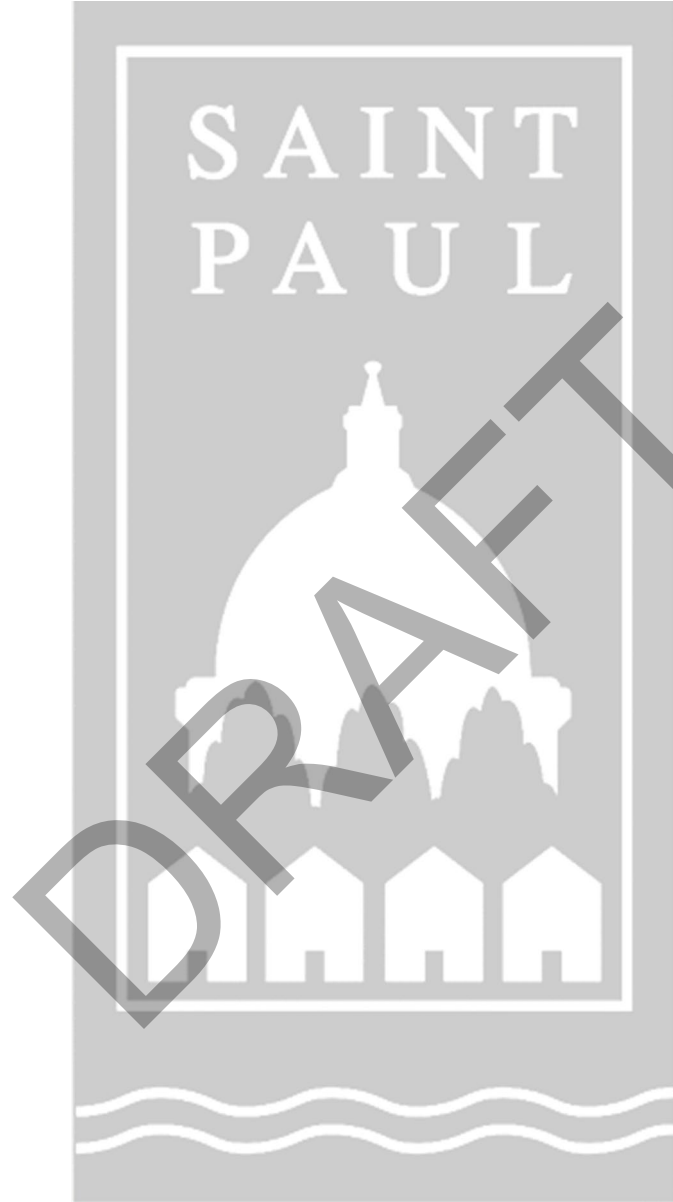
Attachment H – City of Saint Paul ESG Action Plan FY 2020-21 *(to be added)*

Attachment I – Consolidated Plan Mapping

Attachment J – Glossary of Terms, Acronyms, and Abbreviations

Attachment K – SF-424s, Assurances, and Certifications *(to be added)*

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CITY OF SAINT PAUL  
LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE  
OFFICE OF FINANCIAL SERVICES  
700 City Hall, Saint Paul, Minnesota 55102  
651-266-8800

*Melvin Carter III*  
*Mayor*

June 30, 2019

TO: The Honorable Melvin Carter III and Members of the Saint Paul City Council

FROM: Amy Huerta, Chair

**REPORT OF THE SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE**

The Saint Paul Long-Range Capital Improvement Budget (CIB) Committee hereby submits its recommendations for the 2020-2021 Capital Improvement Budgets. We recommend \$24,885,000 per year for both Fiscal Year 2020 and Fiscal Year 2021. This budget assumes approximately \$9.885 million of Capital Improvement Bonds, \$4 million of Community Development Block Grants (CDBG), and \$11 million of Municipal State Aid (MSA) each year.

The Saint Paul Capital Improvement Budget (CIB) process is designed to engage the public in evaluating capital needs in the City. 2019 marks the first year utilizing the new process as designed with the support of the CIB Committee and City staff. The following principles were considered in every step of the process and were used as guides in the decision making:

1. **Equity and inclusion:** Budgeting decisions reflect our commitment to equity. The CIB Committee supports identifying ways to invite more voices to the table and ensure investments are distributed equitably throughout the City.
2. **Strategic investments:** Capital investments all feed into a larger, more comprehensive strategic framework that takes advantage of data and ensures maximum return on investment.
3. **Fiscal responsibility:** Existing infrastructure such as roads, bridges and sidewalks – as well as existing parks and libraries facilities – are well-tended. Maintenance is prioritized.

This redesign work continues as we move into the next fiscal year as we wrap up the first year of a new process. Year one opened additional community dialogue as City staff and CIB Committee members attended District Council meetings and worked as a team to score City projects through a new scorecard. Year two will focus on community projects and continue to create open community dialogue and engagement.

The CIB Committee’s recommendations for funding are based on the principles of Equity and Inclusion, Strategic Investments, and Fiscal Responsibility coupled with the needs of the City and the risk ratings, scorecard ratings, and presentations of the project leads. CIB bond recommendations include allocating \$5 million towards the Fire Station 7 Replacement on the East Side over the two-year cycle. There was significant community support for this project and the need is great. The current station is 89 years old and is in the worst shape of any active fire station. Additionally, \$1.5 million was allocated for the McMurray Field, a highly used facility serving over 100,000 people per year. The Committee’s CDBG recommendations incorporated HUD risk ratings provided by PED staff and discussed the principles as they applied to the projects. Projects moving forward for recommendation include investments in affordable housing, homeownership improvement loans, and economic development across the city in the areas with the greatest need. The Committee encourages City staff to work closely with higher risk CDBG applicants to ensure that projects can meet HUD and City objectives.

The Committee would also like to note that there is some concern about the Oakdale Project Phase II proposal. This concern is raised given the Phase I project is behind schedule and the capacity to be ready for Phase II might not be fully realized.

The Committee would like to thank this year’s applicants for answering our many questions. We also would like to express our gratitude to City Staff for their active participation throughout the process.

As always, the Committee appreciates your support of our efforts. It is a pleasure to serve our City and its Residents.

**SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE MEMBERS**

- |                            |                   |                 |
|----------------------------|-------------------|-----------------|
| Amy Huerta, Chair          | Raymond Hess      | Paul Raymond    |
| Rebecca Airmet, Vice Chair | Samakab Hussein   | Corina Serrano  |
| Larvel Bunker              | Mary Morse Marti  | Darren Tobolt   |
| Joel Clemmer               | Patrick McQuillan | Elsa Vega Perez |

# ATTACHMENT A

## CIB Public Hearing 6.17.19

**Committee Members Present:** Mary Morse Marti, Larvel Bunker, Joel Clemmer, Darren Tobolt, Samakab Hussein, Ray Hess, Pat McQuillan, Amy Huerta

1. Greg Finzell – Rondo Community Land Trust
  - 10 units of affordable housing, support recommendations, appreciate being considered
  - Since last here, submitted proposal to housing finance agency for funding and still waiting on other STAR proposal
  - Feel good about other grants, hoping they come through as well so we can do the 10 units citywide
2. Gail Merriam – Neighborhood Development Alliance
  - 3 proposals – Acquisition Rehab Revolving Loan Fund, Oakdale, West side Commercial Rehab
  - West side has been ignored for a long time which is why we came in with these requests
  - Lack of affordable starter homes on west side
  - Only CDC on west side engaged in real estate development
  - Successful buying older homes and rehabbing to resell at or below 80% median value
  - Try to do things that make neighborhood look good, fit in
  - Important to us to give people quality, sustainable homes
  - Commercial rehab – want to bring money to parts of west side that have gotten money before (Smith, Stryker, etc.)
  - Lot of Smith business owners suffered w/ High Bridge being closed
  - District del Sol doing pretty well
3. Beth Hyser – Neighborworks Home Partners
  - 3 projects
  - A little surprised and concerned to be cut this time
  - Serving some of St Paul's core neighborhoods
  - Seen a lot of gentrification – fight by helping people stay in their homes
  - Deferred maintenance in low to moderate income exceeded \$750M in 2009.
  - Age of housing stock averages 1922 citywide, most neighborhoods served are closer to 1910 or older, including North End and Frogtown
  - 12 people on waiting list which is \$300,000. Can wipe out 1-year contract today.
  - Got a call from North End asking what happened when funding recommendations came out. Need is there, have a waiting list.
  - Leverage funds 3:1, pairing CDBG funds with MHFA funds
  - Typically CIB has been housing focus and STAR has been commercial focus. This year seems to be more commercial.
  - Folks can only get 1 CDBG loan ever. So these are all new customers.
4. Jason Peterson – Neighborworks Home Partners
  - Why cut now? We've improved our program, just hired more language skills, have worked to grow programs
  - Looking at geography served – North End, Green Line, Citywide is mostly west side and west end. Those are lowest income and most diverse neighborhoods, by far
  - Cuts coming on the backs of neighborhoods that really need these services

## ATTACHMENT A

- Concerned about displacement - CURA just put out a study – gentrification aligns with our service area
  - Poorest neighborhoods w/ less resources and older houses
  - Cut disproportionately compared to other organizations
5. Ben Johnson – Neighborhood Development Center
- Grateful to be included in recommended funding
  - Mixed use commercial building at University and Dale
  - Project is community inspired, at gateway to Frogtown
  - Focus on low income and people of color – future home of Big Daddy’s barbecue
  - Create job, serves as community space
  - \$500k ask goes directly to help neighborhood entrepreneurs build their spaces out in this building
  - Will create 87+ jobs, and house 8-12 new or existing businesses
  - NDC part of ecosystem that allows low income entrepreneurs to access loans, training, technical assistance, etc.
  - Lot of momentum for this project, businesses appreciate
  - Notice request was cut in half, would like to see other half come back in 2021.
  - Construction in Spring 2020, open in Summer 2021
6. Jonathan Oppenheimer – Friends of Hamline Park
- Lots of opportunities for folks to use this space
  - Speaking in favor of application for Hamline Park play area which has fallen into disrepair
  - Gets tremendous amount of use
  - Number of folks who don’t have outdoor spaces (small yard, rentals, etc.) who rely on this space
7. Dr. Bruce Corrie – City of Saint Paul
- Speak in support of community partners listed here, we engage with a number of them on good projects
  - This funding is important – multiple ways we have to put a deal together – CDBG is an essential component
  - Ask team: how can we go deeper and wider? How can we help build the city?
  - CDBG comes up when department is asked where community can get resources
  - Money being put to good use
  - Why are we applying for technical assistance money? Building up this program. People discovering they did not have right insurance or correct loans – need technical, legal, assistance to help these people
8. Anne DeJoy – ESND
- In support of North End Façade Improvement and Business Investment Fund
  - CDBG great resource for code remediation
  - Older buildings dealing with have code issues that need to be resolved before can get certificate of occupancy, not typically something a bank would finance
  - ESND provides technical assistance through whole process
  - Also do construction project management



## ATTACHMENT A

- Resource of CDBG and ESNDG helping business and building owners throughout the process is appreciated
  - We also got cut a little, probably everyone did, recognize there is always more need than resources available
  - We will make good use of resources we receive
  - Working in some of the neediest communities as well
9. Jessica Kopp – Friends of Hamline Park
- Support of Hamline Park playground
  - Long-time Hamline resident to do what neighbors can do to help make the space better through programming, gardening, litter collection, partnering w/ Parks and Rec, etc.
  - Park place where you can be in community w/o formal programming – important for building strong communities
  - New equipment is welcoming and tells kids we care about you and value you enough to have things that are beautiful and functional
10. John Bandemer – Saint Paul Police Department
- Request is for new patrol station in Central District
  - Dept is broken into 3 districts – Eastern district is in heavily residential, Western is mix of commercial and residential, Central was relocated into HQ at Grove Street
  - Police dept has been coming to CIB for many funding cycles to acquire property on North End so we can relocate patrol resources back into that neighborhood
  - Important to have building and officers accessible for small businesses and residents
  - Having visibility on North End is important mission for Chief Axtell to accomplish while he can
  - Building would be similar to Western District building – mix of public space and office space for investigators and patrol functions. Approx. 100 patrol officers and investigators
  - Community room for meetings and events
  - Funding request is for us to explore either property acquisition or building acquisition and do design work, working towards construction in 2022-2023
11. Laura Jones - resident
- Opposition to building Central District police station
  - Community has been weighing in for several years on the need for upstream interventions that would be more effective
  - Police stations don't meet the needs to offer community spaces
  - There have been workgroups that have come up with some ideas – day drop-in centers, alcove model out of California serving youth ages 12-25, spaces to reach young adult population
  - County has announced closing Totem Town
  - New station would be expensive, unnecessary, and at odds with County and City efforts to move prevention upstream
  - Research, evidence, and community input support prevention and community engagement not additional buildings for law enforcement
12. Bob Spaulding – resident and City staff

## ATTACHMENT A

- City code requires you to hold hearings including public hearing, notice on City website did not include funding recommendations
- Mayor Carter won elections based on community first public safety platform
- Would suggest that instead of new public safety investment, align with community first public safety

### 13. Danielle Swift - resident

- Live on the East Side – would like to see investment in our people
- A lot of people struggling with housing, could have more for youth
- Would hate to see more millions of dollars pumped into police when I don't know if this will solve issues that people are facing across the city
- Crime is a symptom but not root cause
- Struggle with access to food, programming, etc. If we were to invest in those areas, we might be able to see a change in those issues
- Racial disparities in occurrences with police
- Think outside the box – try to invest in other areas

### 14. Alice Messer – Parks and Recreation

- Thank residents for coming to speak in favor of Hamline Park
- Reference a couple letters that will be submitted that share concerns around deferred maintenance and reductions in annual programs that will impact ability to keep centers open and running

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# CITIZEN PARTICIPATION PLAN

CITY OF SAINT PAUL  
1400 CITY HALL ANNEX  
425 W FOURTH STREET  
SAINT PAUL, MN 55102



Building community  
wealth through  
business, housing, jobs,  
planning, financial and  
cultural assets.

# City of Saint Paul Citizen Participation Plan

As required by the U.S. Department of Housing and Urban Development (HUD) regulations found at 24 CFR 91.105, this Citizen Participation Plan sets for the City of Saint Paul's policies and procedures for providing citizens and other interested parties with opportunities to participate in an advisory role in the planning, implementation, and evaluation of the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) programs. The City receives CDBG, HOME, and ESG funds annually from HUD, and these programs are administered through the Department of Planning and Economic Development.

The objective of the CDBG program is the development of viable urban communities by providing decent housing and suitable living environment, and expanding economic opportunities. The CDBG program has a focus on low- and moderate-income persons and households earning less than 80% of the Area Median Income, or in predominately low- and moderate-income census tracts. The objective of the HOME program is to provide, develop, support, produce, and expand the supply of decent and affordable housing to serve low- and very low-income persons. The objective of the ESG program is to prevent homelessness and assist those already homeless.

As an entitlement community and recipient of CDBG, HOME, and ESG funds, the City is required to produce the following documents:

1. Consolidated Plan – a five-year plan that documents the City of Saint Paul's housing and community development needs, outlines strategies to address those needs, and identifies proposed program accomplishments.
2. Annual Action Plan (AAP) – an annual plan that describes specific CDBG, HOME, and ESG projects and programs that will be undertaken over the course of the fiscal year.
3. Consolidated Annual Performance and Evaluation Report (CAPER) – an annual report that evaluates the City's accomplishments and use of CDBG, HOME, and ESG funds.

The primary objectives of the Citizen Participation Plan are to:

1. Encourage citizen participation by all Saint Paul citizens in the development of the Consolidated Plan, Annual Action Plans, and CAPERs, emphasizing the involvement of low- and moderate-income residents, people living in CDBG target neighborhoods, people with disabilities, minorities, non-English speakers, and residents of assisted housing.
2. Give all citizens reasonable and timely access to meetings, information, and records related to the City's CDBG, HOME, and ESG programs.
3. Give all citizens the opportunity to identify and respond to proposed uses of funds.
4. Give all citizens the opportunity to review and comment on program performance.

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This Citizen Participation Plan, together with other materials relating to the City's CDBG, HOME, and ESG programs, are available on the City's website (which can be translated) and in alternative formats for persons with disabilities. For information, contact the Department of Planning and Economic Development at 651-266-6575.

### Capital Improvement Budget (CIB) Committee

The Saint Paul Capital Improvement Budget (CIB) process is designed to engage the public in evaluating capital needs in the City. As a part of this process, the CIB Committee, 18 Saint Paul residents representing each of the Minnesota senate districts located in Saint Paul, are involved with the annual allocation of the CDBG funds. These residents are charged with hearing project proposal presentations, scoring projects, and offering comments. A public hearing is held during the CIB funding cycle to solicit comments regarding funding selection and priorities prior to the Committee making its formal recommendations. The CIB Committee's recommendations are presented to the Mayor and Council and are the basis for the selection of projects and programs funded with CDBG funds.

### Public Hearings

The City will hold at least two public hearings each year to obtain citizen's views about housing and community development needs, proposed uses of funds and review of program performance. At least one public hearing will be held to obtain the views of citizens before the Consolidated Plan is published for comment.

The City will ensure adequate public notice before each public hearing, with sufficient information published about the subject of the hearing to facilitate informed comment. Public hearings will be announced online, via the City's Early Notification System, and in the *Pioneer Press*. Public notice will be given at least two weeks before a public hearing or public meeting is held.

The City will hold all public hearings at times and location accessible to potential and actual beneficiaries. Reasonable accommodations will be made for people with disabilities upon advance request. Interpretation services for non-English speaking citizens will be provided at public hearings upon advance request, provided such services are available.

### Development of the Consolidated Plan and Annual Action Plans

The City will make a concerted effort to notify residents, state and local health service providers, social service providers, fair housing organizations, state and local governments, public housing agencies, affordable housing developers, businesses, community and faith based organizations, and other stakeholders of the development of the Consolidated Plan and Annual Action Plans through email, online postings, and public notices in the *Pioneer Press*.

The City will conduct public open houses at convenient times and locations to inform and educate citizens on the development of the Consolidated Plan and Annual Action Plans as well as solicit input for the plans. Reasonable accommodations will be made for people with disabilities upon advance request. Interpretation services for non-English speaking residents will be provided at public hearings upon advance request, provided such services are available. The City also will solicit input from residents and stakeholders through online surveys, phone calls, focus groups, and interviews. Interpretation services for non-English speaking residents at

## ATTACHMENT B

public hearings and public meetings upon advance request, provided such services are available.

The City will also offer to attend a standing District Council Board of Directors or Committee meeting to inform members about the plans, answer questions, and solicit input regarding community needs. The District Councils are resident groups that engage and represent the people living in the district and the Board of Directors and Committees are made up of volunteers elected by the neighborhoods' residents.

The City invites proposals applying for CDBG funding through the CIB process. The CIB Committee hears proposal presentations, score projects, and provide recommendations to the Mayor and Council which are the basis for the selection of projects and programs funded with CDBG funds. The Saint Paul Housing and Redevelopment Authority (HRA) accepts applications for HOME funding, along with other federal and local sources, through an open pipeline process. Applications are reviewed by housing staff for each individual project prior to a funding recommendation. Ramsey County Continuum of Care, in conjunction with Ramsey County and the City, will issue a Request for Proposals (RFP) on an annual basis for projects applying for ESG funding.

The City will publish its draft Consolidated Plan and Annual Action Plans for review and comment on the City's website. The City will publish public notices in the *Pioneer Press* describing the purpose of the Consolidated Plan and Annual Action Plans and listing the locations where the plans may be examined. The Plans will be available for review at the Department of Planning and Economic Development, on its website, and at the Saint Paul Public Library Bookmobile. Posters requesting feedback will be displayed, and written instruction for accessing an online copy will be made available, at all Saint Paul public library branches and the Bookmobile (14 sites in all). Saint Paul public libraries do not require a library card to access public library computers.

Before the City adopts the Consolidated Plan or Annual Action Plans, the City will make available to residents and other interested stakeholders information that includes the amount of funds the City expects to receive and the range of activities that may be undertaken that will benefit low- and moderate-income citizens.

The City will receive and consider written comments on the draft Consolidated Plan and Annual Action Plans for a minimum period of 30 day and shall hold public hearings prior to adopting the final Consolidated Plan and Annual Action Plans and final acceptance by City Council.

### Substantial Amendments to the Consolidated Plan and Annual Action Plans

In accordance with 24 CFR 91.505, the City of Saint Paul has developed criteria to be used to determine what changes in HUD funding constitutes a substantial amendment, and therefore requires an amendment to the City's Consolidated Plan. These basic criteria have been incorporated since the City began receiving CDBG program funding, originally included as criteria for amendments to the City's Capital Improvement Budget Program and Process. These criteria were originally more stringent than federal requirements. The PED Grants Management division of the City of Saint Paul has determined that the following actions will be considered substantial amendments to its HUD-funded programs:

- The addition of a project not described in the Consolidated Plan;

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- The cancellation of a project described in the Consolidated Plan;
- An increase in the amount to be expended for a project, if the increase is great than \$50,000 and also exceeds 25 percent of the amount originally appropriated for the project;
- A change in the location of any public improvement or public facility described in the Consolidated Plan;
- A change in any project that will affect a majority of the intended beneficiaries or a majority of the planned activities.

If a substantial amendment is made, the City will follow all applicable HUD rules, as prescribed in the federal regulations. Written comments on the substantial amendment will be reviewed by City staff, the Mayor, and City Council before the decision to implement the amendment is made.

### Consolidated Annual Performance and Evaluation Reports (CAPERs)

The City will prepare a CAPER each year to notify citizens of the accomplishments of the previous program year and the progress made toward meeting the Consolidated Plan goals in accordance with HUD requirements. Citizens will receive notice of the CAPER through online postings and public notices in the *Pioneer Press*. The CAPER will be available for review at the Department of Planning and Economic Development, on its website, and at the Saint Paul Public Library Bookmobile. Posters requesting feedback will be displayed, and written instruction for accessing an online copy will be made available, at all Saint Paul public library branches and the bookmobile (14 sites in all). Saint Paul public libraries do not require a library card to access public library computers. The City will receive and consider comments on the CAPER for 15 days before the public hearing to authorize submission of the report to HUD.

### Access to Information and Records

Any resident, organization, or other interested party may submit written requests for information regarding the Consolidated Plan, Annual Action Plans and CAPERs, including the City's use of funds under the CDBG, HOME, and ESG programs. This Citizen Participation Plan, the Consolidated Plan, the current Annual Action Plan, the current CAPER, and any substantial amendments to these plans will be available for public review at the Department of Planning and Economic Development and on its website.

### Comments, Complaints and Appeals

The City is responsible for carrying out the development and implementation of the Annual Action Plans. Any person wishing to file a complaint regarding the Consolidated Plan, Annual Action Plans, amendments, and/or CAPERs may do so in writing to:

City of Saint Paul  
Planning and Economic Development Department  
Attn: Beth Ulrich  
City Hall Annex  
Suite 1100  
25 West 4th Street  
Saint Paul, MN 55102  
[beth.ulrich@ci.stpaul.mn.us](mailto:beth.ulrich@ci.stpaul.mn.us)

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The City shall respond to the complaint within 15 days of receipt of the complaint. All complaints and responses will be maintained for at least six (6) years. Accommodations and/or alternative filing methods will be allowed for persons with disabilities.

All records regarding the adopted Consolidated Plan, Annual Action Plan, and Substantial Amendments, along with use of funds and performance measurements are retained for a minimum of six (6) years at the above address. All residents or interested parties will be given reasonable access to these records upon request.

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City of Saint Paul

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### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The primary objective of the CDBG program is the development of viable urban communities accomplished by providing decent housing and suitable living environment and expanding economic opportunities. While other citizens can derive the benefits of such activities, either directly or indirectly, the focus of the program are principally for low/moderate income persons. Any eligible activity may be financed in whole or in part with CDBG funds only if it accomplishes one of the following national objectives:

1. Benefits low/moderate income individuals
2. Aids in prevention/elimination of slums or blight
3. Meets an urgent need

#### Who is eligible?

- 501(c)(3) Non-profit organizations
- Local development corporations
- For-profit businesses/sole
- Proprietorships
- City departments
- Low/moderate income persons
- Low/moderate income areas

#### What are eligible uses?

- Homeownership assistance
- Housing rehabilitation
- Acquisition of real property
- Public facilities/improvements
- Code compliance
- Removal of architectural barriers
- Public Services (*not to exceed 15% of Grant*)
- Relocation assistance
- Special economic development assistance to private for-profit entities
- Commercial / Industrial improvements by the City
- Planning/program oversight (*not to Exceed 20% of Grant*)
- Repayment of Section 108 Loans

### HOME INVESTMENT PARTNERSHIPS (HOME)

The purpose of the HOME program is to provide, develop, support, produce and expand the supply of decent and affordable housing to serve low- and very low-income persons.

#### Who is eligible?

- Eligibility is based on specific program requirements, but may include:
- 501(c)(3) Non-profit organizations
- Developers
- Low-income individuals seeking financial assistance to purchase a home

#### What are eligible uses?

- Mortgage assistance for purchase of single-family homes for low-income persons
- Acquisition/rehabilitation of single-family and multi-family housing
- New construction

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### EMERGENCY SOLUTIONS GRANT (ESG)

The purpose of ESG is to prevent homelessness and to assist those already homeless.

#### Who is eligible?

- Individuals must be homeless or at risk of becoming homeless
- Individuals cannot receive funds directly
- 501(c)(3) Non-profit organizations

#### What are the eligible uses?

- Rapid Re-Housing
- Emergency Shelter Services
- Street Outreach
- Homelessness Prevention

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**City of Saint Paul Annual Action Plan  
Program Year 2020-2021  
Project Summary Information**

<b>1</b>	<b>Project Name</b>	Acquisition Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, and clearance of property
	<b>Funding</b>	CDBG: \$225,000
	<b>Description</b>	Funds are requested for the HRA to acquire strategic, hazardous and/or blighted properties for reuse as determined by input and support from the applicable recognized community organizations representing the neighborhood in which the property is located.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project will have an indirect benefit to neighboring residents.
	<b>Location Description</b>	Activities are available to eligible properties City-wide.
	<b>Planned Activities</b>	Acquisition of vacant, underutilized properties, and related demolition and/or relocation costs. This funding has historically been used for larger development sites. Substandard structures will be cleared, and the sites will be redeveloped.
<b>2</b>	<b>Project Name</b>	Clearance Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, and clearance of property
	<b>Funding</b>	CDBG: \$231,500
	<b>Description</b>	Citywide, multi-year program to provides resources to clear buildings are considered nuisance properties, and/or pose a threat to public health and safety. Properties must have been 1) vacant for at least 1 year; or 2) vacant and unfit for habitation for at least 90 days. These structures are typically identified on the City's vacant building list. The program is administered by City Code Enforcement staff in the Department of Safety and Inspections.
	<b>Target Date</b>	12/31/2021

## ATTACHMENT B

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project will have an indirect benefit to neighboring residents.
	<b>Location Description</b>	Activities will be carried out citywide on a spot-by-spot basis.
	<b>Planned Activities</b>	Demolition of vacant buildings considered nuisance properties that pose a threat to public health and/or safety.
<b>3</b>	<b>Project Name</b>	Neighborhood Non-Profits
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$252,000
	<b>Description</b>	Public service activities to include fair housing activities, community engagement, domestic violence prevention, criminal restorative justice, health care, employment training, conflict resolution, and emergency shelter.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 3,000 low/moderate income persons will be assisted through programs funded with CDBG.
	<b>Location Description</b>	Activities will be carried out city-wide.
<b>Planned Activities</b>	Assistance to public service programs administered by nonprofit organizations throughout the City. Programs include services for children, youth, families, senior citizens, domestic violence prevention, citizen participation, conflict resolution, emergency shelter, and community restorative justice. Applications and work plans are evaluated and selected by City Council. This program also receives local funding.	
<b>4</b>	<b>Project Name</b>	Community Engagement
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Community Engagement
	<b>Needs Addressed</b>	Community outreach to underserved populations
	<b>Funding</b>	CDBG: \$345,000

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	<b>Description</b>	The program provides funding for District Councils in Planning Districts 1-8, 11, and 17 for crime prevention, community outreach and development, and policy development activities. The program also receives City General Fund local funding.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	CDBG funds will be used for activities in the CDBG eligible areas of the City. Approximately 181,300 low- to moderate-income residents will be assisted with the CDBG funds. Local funding is available for non-CDBG eligible areas.
	<b>Location Description</b>	CDBG eligible districts 1-8, 11, and 17.
	<b>Planned Activities</b>	Crime prevention, community development, and policy development activities.
<b>5</b>	<b>Project Name</b>	Youth Employment
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Youth Employment
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$371,000
	<b>Description</b>	This multi-year program provides economically disadvantaged City of Saint Paul youth with educational and employment opportunities. Income eligible youth are referred to this program by the Saint Paul School District and other community organizations. Services include remedial education, classroom and occupational skills training, and part-time employment.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Youth from approximately 258 low/moderate-income families will benefit from employment training and internships.
	<b>Location Description</b>	All City of Saint Paul from low- to moderate- income households are eligible to participate.
	<b>Planned Activities</b>	Services income remedial education, classroom and occupational skills training, and part-time employment.
<b>6</b>	<b>Project Name</b>	Housing Construction
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Development of New Housing
	<b>Needs Addressed</b>	Development of New Housing

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	<b>Funding</b>	CDBG: \$512,000 HOME: \$2,697,057
	<b>Description</b>	This project will produce new units of housing either by rehabilitating vacant structures or with new construction activities, both of which may include acquisition, demolition and relocation.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 15 low/moderate-income families will benefit from the investment in newly constructed affordable rental units.
	<b>Location Description</b>	Project sites to be determined.
	<b>Planned Activities</b>	New units of housing either by rehabilitating vacant structures or with new construction activities, both of which may include acquisition, demolition and relocation.
<b>7</b>	<b>Project Name</b>	Single-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeowner Housing Rehabilitation
	<b>Needs Addressed</b>	Support stable, affordable, safe homeownership
	<b>Funding</b>	CDBG: \$2,610,000
	<b>Description</b>	The City and local CDCs administer loan programs that assist low-income households to rehabilitate their homes by addressing CDBG eligible uses: (i.e. building code enforcement, lead paint abatement, hazardous waste treatment, handicap accessibility, energy improvements, and window, roof and siding replacement, etc.). Funds are also used for emergency repair of water/sewer lines, deficient furnaces and water heaters.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 51 low/moderate-income households will benefit from this activity.
	<b>Location Description</b>	CDBG eligible households throughout the City are eligible for this activity.
	<b>Planned Activities</b>	Financing to assist income eligible owner occupants of single family and duplex properties.
<b>8</b>	<b>Project Name</b>	Multi-Unit Rehabilitation
	<b>Target Area</b>	Citywide

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	<b>Goals Supported</b>	Rental Housing Rehabilitation
	<b>Needs Addressed</b>	Preservation of existing affordable housing
	<b>Funding</b>	CDBG: \$1,975,000
	<b>Description</b>	Assist in financing the preservation, rehabilitation or new production of affordable housing. Implement CDBG and HOME eligible activities related to acquisition and related costs (e.g. relocation, demolition, site preparation, and adjacent public improvements), rehabilitation, new construction, and related costs that are part of the total development cost of a housing project.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 26 low/moderate-income households will benefit from this activity.
	<b>Location Description</b>	Projects will be selected throughout the City.
	<b>Planned Activities</b>	Financing to assist in the preservation, rehabilitation or new production of affordable housing.
	9	<b>Project Name</b>
<b>Target Area</b>		Citywide
<b>Goals Supported</b>		Economic Development
<b>Needs Addressed</b>		Economic development and job growth
<b>Funding</b>		CDBG: \$830,000
<b>Description</b>		Activities carried out by the City or its CDC partners to assist businesses with expansion, property acquisition, rehabilitation, energy conservation improvements, leasehold improvements, and development citywide.
<b>Target Date</b>		12/31/2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>		The activity will assist businesses that either serve low- to moderate-income areas or create jobs for low- to moderate-income persons. It is estimated that 4 jobs will be added/retained, 2 businesses will receive façade treatment/building rehabilitation assistance, and 9 businesses will receive other assistance.
<b>Location Description</b>		This activity is available to eligible businesses city-wide.
<b>Planned Activities</b>	Activities to assist businesses with expansion, property acquisition, rehabilitation, energy conservation improvements, leasehold improvements, and development citywide.	

**ATTACHMENT B**

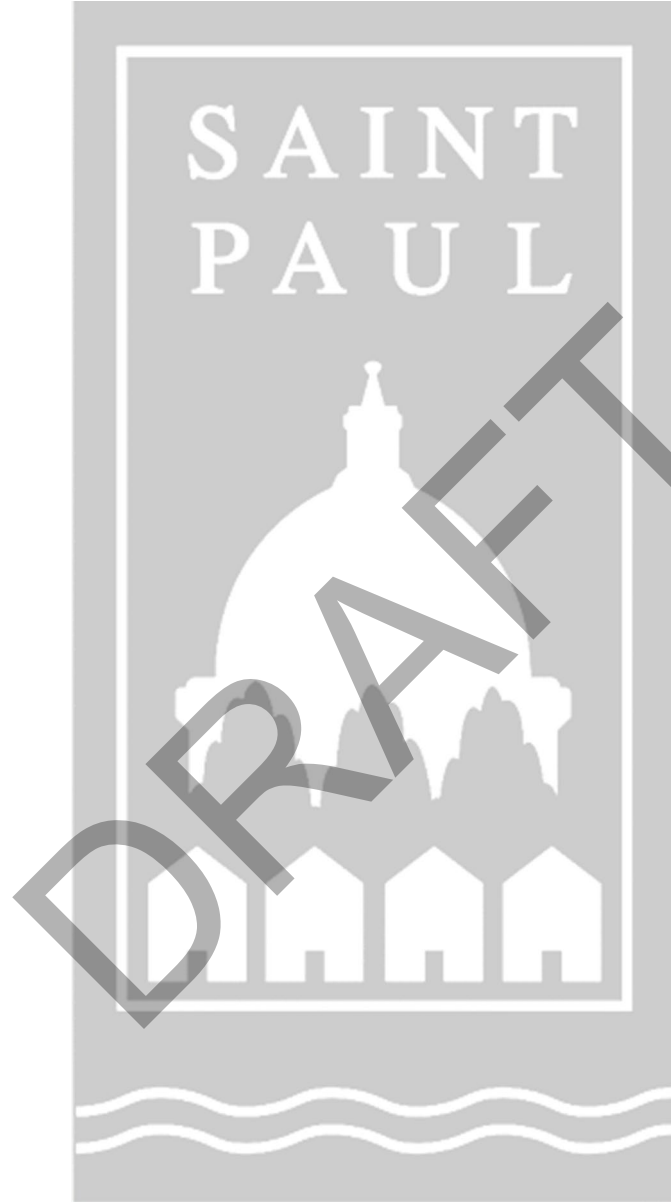
<b>10</b>	<b>Project Name</b>	Hamline Play Area
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Improvements
	<b>Needs Addressed</b>	Public facilities and infrastructure
	<b>Funding</b>	CDBG: \$373,500
	<b>Description</b>	Replacement of the existing equipment with new play equipment that meets current safety and accessibility guidelines, as well as, improvements to the playground safety surfacing. Additional site amenities such as benches, waste containers, signage, and landscaping will be provided as necessary and as funding allows.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area of this park includes 7,125 low- to moderate income persons.
	<b>Location Description</b>	1564 Lafond Ave, St. Paul, MN 55104
	<b>Planned Activities</b>	Removal/replacement of existing play equipment, other site improvements.
<b>11</b>	<b>Project Name</b>	ESG20SaintPaul
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless Prevention
	<b>Needs Addressed</b>	Homeless prevention, rapid re-housing, and supportive services
	<b>Funding</b>	ESG: \$594,358
	<b>Description</b>	Activities to include homeless prevention, shelter operations, essential services, street outreach, rapid re-housing, and ESG administration. Funding for emergency shelter operations and street outreach will not exceed 60% of ESG funding award and no more than 7.5% for administrative costs. Ramsey County will manage the City's ESG program under the terms of a Joint Powers Agreement.
	<b>Target Date</b>	12/31/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 3,000 individuals and families experiencing homelessness or at risk of homelessness will be assisted.
	<b>Location Description</b>	Citywide



## ATTACHMENT B

	<b>Planned Activities</b>	Activities include homeless prevention services, emergency shelters operating costs, essential services, street outreach, rapid re-housing, and ESG administration.
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DRAFT



## ATTACHMENT B

This form is provided for person who desire to make any written comment(s) on the City of Saint Paul's 2020-2024 Consolidated Plan and 2020-2021 Annual Action Plan, potential use of HUD funds, or suggest other project concepts for possible funding. This is not an application for funding.

*(Please Print)*

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone No. \_\_\_\_\_ E-mail Address: \_\_\_\_\_

My comment is in regards to: \_\_\_\_\_ CDBG \_\_\_\_\_ HOME \_\_\_\_\_ ESG

**COMMENTS:**

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## ATTACHMENT B

Esta forma es ofrecida para personas que desean hacer comentarios por escrito sobre el Plan Consolidado, uso potencial de los fondos de HUD o sugerir otros conceptos de proyectos para posible financiamiento. **Esta forma no es para solicitar.**

*(Letra de molde)*

Nombre: \_\_\_\_\_

Organizacion: \_\_\_\_\_

Direccion: \_\_\_\_\_

Ciudad: \_\_\_\_\_ Estado: \_\_\_\_\_ Codigo Postal: \_\_\_\_\_

Numero de Telefono: \_\_\_\_\_ Correo Electronico: \_\_\_\_\_

Mi comentario es sobre: \_\_\_\_\_ CDBG \_\_\_\_\_ HOME \_\_\_\_\_ ESG

**COMENTARIOS:**

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2019 - CDBG Process Calendar for 2020-2021 Funding

Date	Responsible Group	Meeting Purpose
4/15/2019	CIB Committee	PED staff gives overview on CDBG to CIB Committee Project proposers give background information on their organizations
4/22/2019	CIB Committee	First round of CDBG proposers present to CIB Committee
4/29/2019	CIB Committee	Second round of CDBG proposers present to CIB Committee
5/13/2019	CIB Committee	CIB Committee conducts first round of deliberations on CDBG funding recommendations
6/17/2019	CIB Committee	CIB Committee holds public hearing on CDBG proposals and initial recommendations
6/24/2019	CIB Committee	CIB Committee finalizes work on 2020-2021 recommendations
6/30/2019	CIB Committee	CIB Committee submits 2020-2021 CDBG funding recommendations to Mayor and City Council
8/15/2019	Mayor	Mayor proposes 2020 budget, including 2020 CDBG plan
12/4/2019	City Council	Council public hearing on 2020 budget
12/11/2019	City Council	Council adopts 2020 budget, including 2020 CDBG plan

# OUR CITY BUDGET

## Annual Budget Cycle

### ENGAGEMENT & DEVELOPMENT



**APRIL - JULY**  
The Mayor works with departments and the community to develop a budget for the upcoming year.

### PROPOSAL



**AUGUST**  
The Mayor proposes and presents the budget proposal

### REVIEW



**SEPTEMBER - OCTOBER**  
The City Council reviews the Mayor's proposed budget. Public meetings are held for feedback from residents and businesses.

### ADJUSTMENT



**NOVEMBER**  
Using the Mayor's proposed budget as starting point, the City Council may make adjustments.

### ADOPTION



**DECEMBER**  
The City Council adopts the upcoming year's budget and the Mayor signs it by mid-December.

**“How we budget and spend our money is our most important opportunity to demonstrate what we value as a community.”**

Mayor Melvin Carter

## Our City, Our Budget Engagement Process

This summer, we held *Our City, Our Budget* events across our city and engaged more than 200 residents in conversations about the values and priorities our budget should reflect.

## Here is What We Heard From Attendees:

### Top Investment Priorities:

- Affordable housing
- Mental health resources

### How To Fund New Investments:

- 59% supported a property tax increase
- 56% supported metered parking in commercial corridors

## ATTACHMENT D

### CITY OF SAINT PAUL ANNUAL ACTION PLAN – FY 2020-21 FAIR HOUSING

As a recipient of U.S. Department of Housing and Urban Development (HUD) funds including Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) funds, the City of Saint Paul (City) certifies that the City affirmatively furthered fair housing initiatives during the program year using an analysis that identifies impediments to fair housing choices within its jurisdiction.

To affirmatively further fair housing, the City of Saint Paul will:

- *Analyze and eliminate housing discrimination in the jurisdiction.*
- *Promote fair housing choice for all persons.*
- *Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability, and national origin.*
- *Promote housing that is structurally accessible to, and usable by, all persons, particularly persons with disabilities.*
- *Foster compliance with nondiscrimination provisions of the Fair Housing Act.<sup>1</sup>*

The City's obligation to affirmatively further fair housing applies to all housing and housing related activities in the grantee's jurisdictional area whether publicly or privately funded.<sup>2</sup> Correspondingly, the City's public policies and regulations were adopted to foster equal opportunity for all to obtain employment, education, real property, public accommodations, public services, contract and franchise without regard to their race, creed, religion, sex, sexual or affectional orientation, color, national origin, ancestry, familial status, age, disability, marital status or status with regard to public assistance, and strictly in accord with their individual merits as human beings.<sup>3</sup>

During the program year, the City will continue to use its housing policy and housing practices to determine whether its actions affirmatively further fair housing.

#### **ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING (AI)**

As a founding member of the Fair Housing Implementation Council (FHIC), the City participated with the process of drafting the *2014 Analysis of Impediments to Fair Housing Choice* (2014 AI), and the City also participated with drafting the *Addendum to the 2014 AI* which better addressed issues of racial equity within the regional Twin Cities area. Subsequently, HUD accepted the Addendum to the 2014 AI during July 2017 (FY17-18).

<sup>1</sup> *Fair Housing Guide* (Washington: U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, HUD-1582B-FHEO, March 1996), 1-3

<sup>2</sup> *Ibid.* Additionally, the Saint Paul Human Rights Ordinance prohibits discrimination by private parties, such as owners, lessee, managing agents, real estate brokers, real estate salespersons, appraisers, developers, banks, banking organizations, mortgage companies, insurance companies, or other persons having the right to sell, rent, lease, any real property City of Saint Paul Legislative Code, Chapter 183.06.

<sup>3</sup> City of Saint Paul Legislative Code, Chapter 183.01.

## ATTACHMENT D

*2014 Analysis of Impediments to Fair Housing Choice:*

<https://www.ramseycounty.us/sites/default/files/Departments/2014%20FHIC%20AI%20-%20FINAL.pdf>

In 2015, the Fair Housing Implementation Council's 2014 AI was the subject of a fair housing complaint filed with HUD. Local community organizations alleged that FHIC's 2014 AI and its findings to fair housing impediments was deficient.

Subsequently, the cities of Minneapolis and Saint Paul entered into a Voluntary Compliance Agreement with HUD and the complainants. Under the agreement, the cities were obligated to produce an addendum to the FHIC's 2014 AI through a process advised by community stakeholders, known as the Fair Housing Advisory Committee. Pursuant to the terms of the Voluntary Compliance Agreements, with partial funding from the City, the FHIC contracted with Mosaic Community Planning to produce the addendum, not to replace the 2014 AI, but to consider additional fair housing issues not covered in that document, update some of its data, and provide greater analysis of fair housing issues.

*Addendum to the 2014 Regional Analysis of Impediments:*

<https://www.ramseycounty.us/sites/default/files/Projects%20and%20Initiatives/Draft%20III%20Addendum.pdf>

*Appendix to Addendum to the 2014 Regional Analysis of Impediments*

[https://www.ramseycounty.us/sites/default/files/Departments/Addendum\\_Appendix\\_051617%20%282%29.pdf](https://www.ramseycounty.us/sites/default/files/Departments/Addendum_Appendix_051617%20%282%29.pdf)

During July 2017, HUD accepted the revised Analysis of Impediments to Fair Housing Choice and determined the City had resolved the issues of noncompliance. HUD continued to require the City to continue taking specific actions to overcome the impediments identified in the 2014 AI (see Attachment D, *HUD Letter of Determination of Compliance Under Voluntary Compliance Agreement - Saint Paul*).

During FY 2020-21, the City will continue to participate with the FHIC to develop the Analysis of Impediments to Fair Housing Choice (2020-2025). The FHIC is currently under contract with The Lawyers Committee for Civil Rights Under Law to draft the current AI (2020-2025).

### **CITY HOUSING PROGRAMS AND PROCEDURES THAT AFFIRMATIVELY FURTHER FAIR HOUSING CHOICE**

In the *Addendum to the 2014 Analysis of Impediments*, the following goals were identified:

1. Improve Opportunities for Mobility within the Region.
2. Reduce Resident Displacement.
3. Increase Access to Homeownership.
4. Expand Funding for Affordable Housing.
5. Improve Fair and Affordable Housing Planning.
6. Expand Locations of Affordable Housing.
7. Institute Effective and Meaningful Community Engagement.
8. Invest in Place-Based Community Improvements.



## ATTACHMENT D

9. Support Multicultural Housing Needs.
10. Support Residents' Fair Housing Rights.

The City's Consolidated Plan demonstrates the City's housing programs, housing policies, and procedures are proactively working towards responding to the goals, listed above, to further fair housing.

In anticipation of the *Addendum to the 2014 Analysis of Impediments*, City Housing staff developed the *Saint Paul HRA/PED's Fair Housing Project – Evaluation Tool* - an internal evaluation tool to be used prior to considering funding of housing projects. City Housing staff also developed a fair housing chart which identifies possible future Saint Paul Actions as recommended goals.

The City's the Department of Safety and Inspections (DSI) developed protocols and trainings using an equity model as follows:

### Provide Improved Customer Education

- Require all new Fire Certificate of Occupancy property owners attend the 8-hour Landlord 101 training program.
- Provide cheat sheet to property owners on how to receive highest score possible, which may result in fewer inspections and fees, prior to conducting the inspection.
- Updated the Fire Safety website to provide cheat sheet information to all owners prior to an inspection.
- Developed an interactive residential Fire Certificate of Occupancy [property map](#) on DSI website to allow tenants and landlords to see the letter grade properties received during the most recent inspection.
- All Fire Certificate of Occupancy inspection reports will be available online through the DSI website.
- Developed many fire safety Public Service Announcements in Multiple Languages.
- 2018 Annual Report, including Racial Equity Initiatives: see <https://stpaul.maps.arcgis.com/apps/Cascade/index.html?appid=c044ea0400ab4aedad7fa59018486600>

### Inspections must be addressed using an equity model rather than an equality one

- Implemented a DSI staff training module with a focus on improving the understanding around equity including city sponsored Beyond Diversity and Foundations of Racial Equity training, and participation in the RACE exhibit at the Science Museum of Minnesota.
- In 2015, DSI expanded the letter grade property scoring matrix to further incentivize property owners to maintain their properties to the highest standards possible, to the benefit of owners and occupants.
- Continue to evaluate all documents from a plain language perspective, e.g., how an appointment letter is worded.
- Partner with the Department of Planning and Economic Develop to create funding sources to help owners maintain their properties.
- Developed and provided Landlord 101 training program at no cost to new rental property owners.

## ATTACHMENT D

During June 2017, City Council-approved Council Resolution 17-994 which created a Fair Housing Working Group “to make policy and budget recommendations to the Mayor and Housing and Redevelopment Authority with the goal of eliminating housing disparities, lowering barriers to affordable housing and ensuring access to economic opportunity in the City of Saint Paul.” During December 2017, the Council Resolution 17-2064 reaffirmed its commitment to developing equitable policies through inclusive and thoughtful decision making regarding the allocation of resources toward city projects, programs, and provisions of city services.

At a minimum, the Fair Housing Workgroup will:

1. Engage renters, landlords, housing partners and other stakeholders for input and advice via public meetings and regular consultations;
2. Conduct a housing inventory of Naturally Occurring Affordable Housing buildings at risk of displacing tenants and proactively protect these assets;
3. Collaborate with the DSI to ensure that the Fire Certificate of Occupancy program is supporting and increasing the number of safe, high-quality housing units, equitably across the City;
4. Expand the Human Rights and Equal Employment Opportunity (HREEO) fair housing training program for landlords, property managers, realtors, homebuyers, tenants, and protected classes;
5. Create a comprehensive Saint Paul Fair Housing web portal to inform the public of the city is and its stakeholder’s Fair Housing work;
6. Continue to research and work with housing partners on strategies to further Fair Housing goals such as the 4(d)-tax policy, improved tenant protections, Tenant Remedies Actions, Advance Notice of Sale policy, gentrification studies, just cause eviction, non-discrimination policies, and others;
7. Monitor the effectiveness of the Rental Rehabilitation Loan Program and suggest adjustments to the program, as needed;
8. Research and support alternative affordable homeownership options such as limited equity cooperatives, Land Trusts, cluster housing, manufactured housing, and tiny home communities;
9. Support the continuation of the Commercial Vitality Zone (CVZ) fund which invests in neighborhood commercial districts to promote vitality, growth, and equity;
10. Continue to work with the Saint Paul Public Housing Agency to further the effective use of Section 8 vouchers and project-based housing; and
11. Evaluate the need for a formal position or prescribed role at the City which specifically works proactively to eliminate Fair Housing barriers, collaborates in the existing work in reducing the number of the unsheltered homeless in Ramsey County, coordinating the work of housing advocates and stakeholders, and generating Fair Housing policies.

In April 2018, City Council accepted the final report of the Fair Housing Work Group (see: Attachment D). In October 2018, the City also commented on the proposed Affirmative Furthering Fair Housing Rule. See attached file (see Attachment D - Docket No. FR-6123-A-01 RIN 2529-AA97 Affirmatively Furthering Fair Housing: Streamlining and Enhancements).

In 2019, the City formed a new Office of Financial Empowerment, including a full-time Fair

## ATTACHMENT D

Housing Coordinator position who works with several city departments and residents as well as with the regional Fair Housing Implementation Committee to establish policies, regulations, and programs to proactively ensure that Saint Paul residents do not experience housing discrimination and to affirmatively further fair housing. The Office of Financial Empowerment developed a framework for the Fair Housing strategy with overarching goals of decreasing housing displacement, increasing housing access and focusing on Affirmatively Furthering Fair Housing. To achieve these goals, the citywide fair housing strategy will align community and department work in four core areas: Preservation and Production, Education and Engagement, Enforcement and Compliance and Tenant Protections. In 2019, OFE focused on Tenant Protections, hosting a series of community engagement events to identify strategies and policy priorities (see attachment/engagement report). In 2020, the City will introduce S.A.F.E. Housing St. Paul, a suite of tenant protections policies geared at ensuring stable, accessible, fair and equitable housing opportunities for all.

### **AFFORDABLE HOUSING AND CITY COUNCIL'S LOCATIONAL CHOICE POLICY**

(See Goals #2, #4, #6, #8, #9)

Although affordable housing issues are not fair housing concerns per se, the lack of affordable housing in the Twin Cities effectively reduces housing choices for many protected class members. Many communities lack affordable housing opportunities and economic conditions discourage the development or preservation of affordable housing for these community members.

In response, City Council passed resolution 18-1204, calling for action to create and preserve housing that is affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund; and continue to fund down payment assistance for first-time homebuyers. This resolution is a public acknowledgement that housing, especially affordable housing, is a priority for the city. The 2040 Comprehensive Plan also supports affordable housing development. Policy H-32 states "Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least: 10% of all units being affordable to households earning 30% of AMI; 10% of all units being affordable to households earning 50% of AMI; and 10% of all units being affordable to households earning 60% of AMI." Currently, the City has approximately 17,000 publicly-assisted affordable housing units (including supportive housing units) and approximately 4,804 Housing Choice and Section 8 vouchers for city households. The City will continue to finance preservation, renovation and construction of affordable housing citywide using city-owned land, local, state, and federal funds, and acquire discounted tax-forfeited property from Ramsey County. The City is actively promoting Opportunity Zone investment opportunities to funders and developers, through a website that identifies redevelopment sites and investment opportunities within the Zones and active engagement with developers and investors.

The City Council's Locational Choice Policy and the Saint Paul HRA's Low-Income Housing Tax Credit Selection Priority Process continues to encourage economic integration citywide as it moves "the City toward a more equitable distribution of affordable housing throughout the City."

The City has limited financial capacity to produce affordable rental housing especially since the City only received Low-Income Housing Tax Credits (9% and 4% Credits) to sufficiently finance

## ATTACHMENT D

the production and preservation of affordable housing development necessary to keep pace with the need. Consequently, the City must partner with HUD, Minnesota Housing Finance Agency (MHFA), and various foundations to develop other comprehensive financing plans to develop affordable housing developments. It is important that MHFA allocate credits in a manner that equitably develops more affordable housing metro-wide<sup>4</sup> which may promote fair housing choice within the greater Twin Cities metro area.

### **ACCESSIBILITY ISSUES – ACCESSIBLE-DESIGNED HOUSING & CITY SERVICES**

(See Impediments #8, #9) (See Goal #10)

Saint Paul's affordable housing policies must comply with the American with Disabilities Act (ADA) when developing multi-family housing projects with five or more units; resulting in the creation of more accessibly designed rental housing units.

Persons with physical challenges also need city services that can encourage self-reliance. In response, the City continues to upgrade city services that can assist residents with disabilities, such as traffic lights designed to respond to the visually-impaired and Ramsey County's use of a Residential Emergency Response Information Form which collects information to lessen the response time for emergencies for citizens with disabilities.

The City's Complete Street policies considered the needs of all street users of all ages and abilities in the process of street design. The City's Transportation Committee (comprised of four Saint Paul Planning Commissioners and eight community members, including an accessibility representative) advises the Saint Paul Planning Commission to better integrate transportation planning and projects with land use decisions such as zoning, neighborhood and comprehensive planning, and infrastructure investments. The Transportation Committee reviews planning or design documents for consistency with Complete Streets approach and Universal Design guidelines.

The Mayor's Advisory Committee for People with Disabilities (MACPD) advised the Mayor and City Council on challenges facing people with disabilities.

### **AFFORDABLE SUPPORTIVE RENTAL HOUSING**

(See Goals #2, #4, #6, #8)

To further fair housing choice, the City recognizes the diverse needs of its residents by financing supportive housing citywide<sup>5</sup> that serve residents with challenges. During the program year, City

<sup>4</sup> Letter to Minnesota Housing, regarding the proposed distribution of low income housing tax credits metro-wide, dated May 21, 2015.

<sup>5</sup> Since 2015, the City has financed many affordable housing projects. The City's Housing goal is for all housing projects assisted with City funding that 10% on the units be affordable to households earning 60% AMI, 10% be affordable to households earning 50% AMI, and 10% be affordable to households earning 30% AMI. This is based on a citywide goal. Projects completed since 2015 include Lewis Park Apartments (preservation of 103 Project Based Section 8 assisted units), Maryland Park Apartments (preservation of 172 Project Based Section 8 assisted units), Elder Lodge (preservation of 43 units of senior housing primarily for tenants of Native American heritage), Cambric (202 new units of affordable senior housing), BROWNstone (35 units of affordable workforce housing); Cerenity (38 unit of independent affordable senior housing, 15 memory care units and 53 assisted living units), Cesar Chavez (40 new units of affordable housing), Wilson Ridge (119 new units of affordable housing), Hamline Station Phase I and II (108 new units of affordable housing), 2700 University (198 mixed income with 50 units affordable on University Avenue), Lonnie Atkins (preservation of 77 units affordable units with 57 units of Section 8 assistance), Pioneer Press Apartments (144 units of affordable workforce housing in downtown), Union Flats (217 new units of affordable housing) Selby/Victoria (35 units of affordable senior housing), Como by the Lake

## ATTACHMENT D

staff will continue to work with existing affordable supportive housing developments located citywide.<sup>6</sup> These include City-owned Saint Paul Residence; 60 units for at-risk of being homeless residents, and 60 units for long-term homeless units for late stage alcoholics.

The City continues to participate with the MHFA's Intergovernmental Stabilization and Stewardship Committees to facilitate the financing of supportive housing or assist with affordable housing developments at-risk of financial difficulties.

### **ZONING CODE.**

(See Impediments #10) (See Goal #6)

As a baseline, the City's zoning code supports the development of supportive housing because the zoning code does not require any special conditional use permits for supportive housing developments. The zoning code categorizes supportive housing as apartment buildings. The City's zoning code also allows single room occupancy facilities to be built in more areas which consequently facilitated the development of the City-owned Saint Paul Residence that serves late stage alcoholic homeless and at-risk of being homeless citizens. A recent change to the zoning ordinance now allows for Accessory Dwelling Units (ADUs). Finally, the Zoning Code encourages high density affordable rental housing along the transit corridors which allows for easy access major employment opportunities.

### **CITY'S HOUSING STRATEGIES TO END HOMELESSNESS.**

(See Impediments #6, #7, #8, #9, #10) (See Goal #7)

Homelessness is not a fair housing issue per se. However, many adults entering emergency shelters and transitional housing in Ramsey County are protected-class citizens.<sup>7</sup> Furthermore, the status of homelessness effectively has a disparate discriminatory impact because many long-term homeless citizens face housing barriers due to their challenges with mental health issues, brain injury, developmental disabilities, and cognitive learning disabilities. Consequently, there is a need to develop and maintain affordable supportive housing in Saint Paul.

For many homeless citizens, the lack of economic opportunities also is a major barrier to stable

(preservation of 99 Section 8 project based units) and 1500 Thomas (51 new units of affordable housing).

<sup>6</sup> During 2015-2019, the Saint Paul HRA also financed several supportive housing units, including Ain Dah Yung (42 units of supportive youth housing), Model Cities (supportive family housing), St. Christopher Place (single room occupancy supportive housing including some housing for individuals with HIV/AIDS), Jackson Street Village (supportive family housing with chemical dependency or mental health issues), Martin King Court (supportive housing for family households with AIDS), Western U Plaza (53 units of workforce housing with 7 units for long-term homeless residents), Jeremiah Project (supportive housing for women and children), Dorothy Day Higher Ground and Overnight Shelter for Homeless (193 single room occupancy supportive housing units and 278 shelter and pay-for-stay beds), Dorothy Day Opportunity Center (171 single room occupancy supportive housing units including 10 units for young adults), and Episcopal Homes and Midway Pointe (174 apartments, 64 assisted living units, 60 memory care units, and 50 affordable senior units), Jamestown Apartments (preservation of 73 affordable family housing units including housing with support services and project based Section 8), and Prior Crossing (affordable supportive housing for youth/young adults) – all available for occupancy.

<sup>7</sup> 47% of adults entering emergency shelters and 62% of adults using transitional housing in Ramsey County are African-American. *Counting on Shelter, Emergency Shelter and Transitional Housing Use in Ramsey County, 2004-2005*, September 2005. Wilder Research Center. This remains an ongoing concern in Saint Paul and Ramsey County as African-American and Native Americans disproportionately need emergency shelter. *Homelessness in Minnesota 2012 Study*, Wilder Research. April 2013.

## ATTACHMENT D

housing. Wilder Research reports that the median income for homeless adults in the Twin Cities metro area is \$600.<sup>8</sup> This income is not enough to afford the average monthly rent, \$864 for a one bedroom and \$1,089 for a two bedroom.<sup>9</sup> Another concern are the many single-parent households who lack sufficient education or job training skills are always at-risk of becoming homeless.

The City has a Joint Powers Agreement with the County to allocate its ESG funds to partially fund emergency shelters, transitional housing services, street outreach to residents experiencing homelessness, homelessness prevention, and rapid re-housing programs that support the needs of residents experiencing homelessness or those at risk of becoming homeless.

Saint Paul works with the Ramsey County Continuum of Care (CoC) to ensure that comprehensive homelessness prevention and rapid rehousing services can be provided to all people experiencing homelessness, including underserved communities, including New Americans, and young adults and veterans experiencing homelessness.

Initiatives and programs which the City either funds, in whole or part, or participates in includes:

*Heading Home Ramsey Governing Board.* City staff will continue to participate with the Homeless Advisory Board to implement the City/County's *Heading Home Ramsey – Plan to End Homelessness*.<sup>10</sup> The Ramsey County Continuum of Care (CoC) Governing Board will continue to develop HUD-required coordinated assessments and HMIS protocols so that the City/County can effectively respond to its homeless citizens while meeting HUD national objectives.

*Responding to needs of homeless adults.* The City will continue to partner with the Ramsey County CoC and community service providers to respond to homelessness issues facing Saint Paul residents. Efforts include financing the construction of emergency shelters, supportive housing facilities, and affordable housing and allocating ESG funds to assist those in shelters move into more permanent housing. The City's St. Paul Residence provides permanent supportive housing using the Housing First Model, which focuses on providing permanent, affordable housing as quickly as possible and then provides the supportive services and connections to community-based supports needed for individuals/families to keep their housing.

In addition, Saint Paul nonprofit organizations and service providers provide community outreach, drop-in centers, meals, and other direct services to reach out to residents experiencing homelessness and those at-risk of becoming homeless.

*Responding to the needs of homeless families.* The City will participate with various committees to address family homelessness such as the Ramsey County, State of Minnesota Family Prevention Assistance Program, and the CoC Governing Board. Additionally, City financed affordable housing developments will continue to provide more affordable housing opportunities for families at-risk of being homeless; these families often find that the lack of affordable housing is the major barrier to retaining housing or a family member has a disability – often

<sup>8</sup> *Homeless in Minnesota – 2015 Results*, Wilder Research, November 2016

<sup>9</sup> *Out of Reach Minnesota 2018*, Minnesota Housing Partnership

<sup>10</sup> *Heading Home Ramsey* had a five-year plan of creating goal of creating 920 permanent supportive housing units in Ramsey County for long-term homeless residents. As of Dec. 2011, the 738 chronically-homeless households were assisted in Saint Paul by securing financing for new construction of supportive housing; securing financing for additional rental assistance vouchers; and securing operating subsidy funding for supportive housing units.

## ATTACHMENT D

mental illness – which directly affects the family’s ability to sustain income sufficient to remain stably housed.

In addition to financing affordable housing, the City, working in collaboration with Ramsey County, allocates ESG funds to various organizations, such as Catholic Charities - Family Service Center, the YWCA transitional housing, and the YWCA rapid re-housing for families. Theresa Living Center transitional housing also assists single women and single-parent families and Lutheran Social Services Life Haven provides transitional housing for teenaged parents. In addition, the City has provided capital funding to Casa Guadalupana for building improvements and is currently working with YWCA St. Paul to fund capital improvements for transitional housing for families. *Responding to the needs of homeless youth.* The City and County recognize that affordable housing and the number of emergency shelter beds for homeless youth remains insufficient. The City supports emergency shelters for youth and rapid rehousing for unaccompanied homeless youth. The City will continue to consider funding of Salvation Army (emergency shelter), Lutheran Social Services (emergency shelter), and Face-to-Face Safe Zone – a youth drop-in center (referrals to emergency shelter and rapid re-housing programs) – all programs for unaccompanied homeless youth, some of whom have mental health challenges. In 2018 and 2019, the Saint Paul HRA allocated low-income housing tax credits for Ain Dah Yung Supportive Housing. In partnership with Project for Pride in Living, this project provides PSH units for at-risk for homelessness American Indian youth. In addition to classrooms, a technology center and units for people with disabilities are included in the development.

*Emergency Solutions Grant Program (ESG).* The City has a Joint Powers Agreement with Ramsey County to manage the City’s ESG program. ESG funding will continue to assist community agencies to support emergency shelter operations and costs of providing essential services, case management, legal services, and transportation to homeless families and individuals in emergency shelters and transitional housing, including underserved residents such as new refugee families and homeless residents. ESG funds will also fund street outreach and rapid re-housing programs.

ESG-funded community agencies provide “lifelines” to homeless citizens or those at-risk of being homeless residents. For single adults, Higher Ground Saint Paul provides shelter beds (including medical respite and pay-for-stay beds) and permanent supportive housing units. The Saint Paul Opportunity Center provides permanent housing units integrated with a one-stop location to connect people with critical services, including physical, mental, and chemical healthcare services. Catholic Charities’ Family Service Center provides emergency shelter for families for up to 120 days – allowing time for families to seek more permanent housing. These housing services also complement community-based services for homeless residents, such as Listening House (drop-in for homeless adults) and Interfaith Action’s Project Home Day Center (a day center for families experiencing homelessness). For transitional housing, the YWCA St. Paul provides transitional housing with supportive services for single-parent families; and Theresa Living Center transitional housing assists single women and single women with infant children.

For homelessness prevention, Minnesota Community Care’s HouseCalls, and East Side Family Center – Neighborhood House provided emergency financial assistance, including emergency utility assistance. Southern Minnesota Regional Legal Services provides legal assistance to tenants-at-risk of losing their housing. As a HUD-approved housing counseling agency, the City’s Mortgage Foreclosure Prevention Program (MFPP) assists households-in-mortgage default through individualized mortgage foreclosure prevention counseling with case

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management plans, budget counseling, and referrals to community resources, such as emergency assistance from Ramsey County Human Services. Most importantly, MFPP staff negotiates with lenders for modifications, forbearance agreements, or repayment plans.

ESG funds assist homeless youth with services, such as the culturally-responsive emergency shelter offered by Ain Dah Yung for Native youth/young adults, day drop-in center/supportive services offered by *SafeZone*, and transitional housing services offered by Lutheran Social Services' *SafeHouse*. *SafeZone* also provides rapid re-housing services for homeless youth.

Altogether, ESG-funded community agencies recognize the fact that homeless citizens often have multiple barriers to securing and retaining permanent housing. Although some residents experiencing homelessness lack sufficient funds for stable housing, many also have disabilities or health issues that limit their ability to earn a level of income required to secure and retain stable housing. In addition to providing housing services, ESG-funded agencies provide supportive services that enable homeless citizens to move toward self-sufficiency.

### **CITY'S HOME LOAN FUND**

(See Impediments #1, #2, #3, #4) (See Goal #3)

The City's Home Loan Fund will provide home improvement loans to CDBG-income eligible homeowners, including Deferred Payment Due-on-Sale Home Improvement loans, Energy Efficiency Deferred Payment Loans, and Saint Paul/Ramsey County Lead Paint Window Replacement Program. All of which allow low-income households maintain their homes.

To further promote fair housing choice, the City's Home Loan Fund staff provides multilingual home ownership services in Hmong<sup>11</sup> and the City will provide language translation services, as needed.

In addition to the City's Home Loan Fund program, the City provides financing to various community development corporations, such as Rondo Land Trust, Neighborhood Development Alliance (NeDA), NeighborWorks Home Partners, and Dayton Bluff Neighborhood Housing Services (DBNHS) - all provide neighborhood-based housing programs that are responsive to Saint Paul residents. As an example, NeDA's multi-lingual and multi-cultural housing services assisted Spanish-speaking residents living in the West Side neighborhood.

### **MORTGAGE FORECLOSURE PREVENTION PROGRAM**

(See Goal #3)

As a HUD-approved housing counseling agency, the City's Mortgage Foreclosure Prevention Program (MFPP) assists households in mortgage default (i.e., bring mortgage current, securing loan modifications, refinancing mortgages, deed in lieu of foreclosure, short sale options, or provision of basic default counseling).

During the program year, MFPP will provide individualized mortgage foreclosure prevention counseling with case management plans, budgeting, and referrals to community resources, such as emergency assistance from Ramsey County Human Services. Most importantly, MFPP staff negotiates with lenders for modifications, forbearance agreements, or repayment plans.

Working with these industry partners, the City can expedite loan modifications for homeowners

<sup>11</sup> City has housing staff that also speak Vietnamese and Russian as well as the City contracts for language translation services, as needed.



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– effectively shortening the time frame of the modification process from approximately six (6) months to 30-45 days.

Although predatory lending practices are not discriminatory per se, predatory lending practices may have disparate discriminatory impact on communities of color, such as Saint Paul neighborhoods of Frogtown, East Side, and Summit-University. Homebuyers of color can be proactive in avoiding predatory lending by participating in Minnesota Home Ownership Center (MNHOC) home buying classes. Classes are offered in Saint Paul and throughout the larger metro area in English, Hmong, Somali, Karen, and Spanish.

### **INSPIRING COMMUNITIES PROGRAM**

(See Goal #3)

The City of Saint Paul's *Inspiring Communities* program was created to consolidate properties, both for new construction and rehabilitation, acquired with NSP, CDBG, and HRA funds under one strategy. The *Inspiring Communities* program largely focuses investment on geographically defined cluster areas in neighborhoods most impacted by foreclosure and vacancy. As a neighborhood redevelopment program, *Inspiring Communities* also creates construction job opportunities for residents, Section 3 certified businesses, minority-owned businesses, women-owned businesses, and small businesses, and advances equity in contracting and workforce hiring.

#### Cumulative Impact of Inspiring Communities

Since 2008, the City allocated approximately \$44,000,000 of federal, state, and local funds to revitalize vacant and foreclosed properties in designated Saint Paul neighborhoods. Inspiring Communities also developed energy-efficient, sustainable, and affordable homes in areas of the city with the greatest need for stable housing. The quality of housing also increased the overall affordability, as these homes will not require major capital investments for at least 10-15 years which have been combined with energy efficient improvements to keep utility bills (i.e. overhead) affordable. Additionally, these investments encouraged neighboring homeowners to reinvest in their neighborhoods.

To-date, over 275 housing units have been developed for occupancy (77% owner-occupied units and 23% rental units). Of these 52% of homeowners were households of color and 69% of renters were households of color.

As compared to the City as a whole, *Inspiring Communities* homes serve larger households with higher rates of African American homeownership, and substantially higher rates of rental units with female headed households.

### **CITY'S EFFORT TO AFFIRMATIVELY FURTHER FAIR HOUSING BY ENSURE AVAILABLE HOUSING SERVICES TO LIMITED ENGLISH PROFICIENT RESIDENTS**

(See Impediment #4) (See Goals #3, #7)

The City recognizes that Limited English Proficient (LEP) residents are often unable to access housing service information in their primary languages. One in five Saint Paul residents speak a language other than English at home.

Pursuant to Title VI of the Civil Rights Act of 1964 and Executive Order 13166, as a recipient of federal funds, the City continues to take reasonable steps to ensure that LEP individuals have

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meaningful access to programs, services, and information provided by the City. The City's HREEO department coordinates and maintains the City's LEP program. PED has an LEP policy with multilingual staff to provide information about the following housing programs:

### Minnesota Home Ownership Center (MNHOC) Home Buying Classes

(See Goals #3, #7, #9)

Minnesota maintains a high homeownership rate at around 71% but has a 35.1 percentage point disparity in homeownership rates between white/non-Hispanic households and households of color, ranking 5<sup>th</sup> largest disparity in the country.<sup>12</sup>

That said, the City supports the Minnesota Home Ownership Center (MNHOC) which offers individualized home buyer counseling and home buying education classes (*Home Stretch* workshops), including multicultural and multilingual home buying classes. Classes are offered in Saint Paul and throughout the larger metro area in English, Hmong, Somali, Karen, and Spanish. MNHOC works with the African Development Center to outreach to Somali and African new Americans. MNHOC's *Framework* – an online educational program - is also offered in Spanish. MNHOC works hard to partner with other groups and organizations in order to focus awareness and outreach in communities of color. Because of these efforts, 63% of the households served during 2018 were households of color.<sup>13</sup>

Even with its budgetary constraints, the City reaffirms its funding of MNHOC – recognizing that MNHOC's home buying classes serve low- and moderate-income homebuyers and recognizes MNHOC's leadership role in responding to foreclosures.

### City's Home Loan Fund/Mortgage Foreclosure Prevention Program

(See Goals #3, #7)

To ensure access to housing programs, the City's Home Loan Fund staff continue to provide home ownership services and default counseling in English, Hmong, and other languages through translation services, as needed.

### Relocation Counseling

(See Goal #7)

The City will provide culturally-sensitive relocation assistance as needed. However, during the past program year, there was no need to provide any relocation services.

<sup>12</sup> *Key Trends in Housing*, Minnesota Housing Finance Agency, January 2018.

<sup>13</sup> 2018 Consumer Services Report, Minnesota Homeownership Center.

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### EMERGING HOUSING MARKET INITIATIVES

(See Goals #3, #7, #9)

During program year, the City will continue to participate with MNHOC's *Home Ownership Alliance* (HOA) initiative to develop strategies and actions that achieve outcomes that can lead to systemic changes that close Minnesota's homeownership gap. Since the fall of 2014, HOA members have met to develop a business plan which includes reviewing prior homeownership initiatives in serving emerging markets and analyzing the results of research into understanding the homeownership gap. While Minnesota consistently has one of the highest homeownership rates in the nation, it also has one of the largest gaps between homeowners of color and white homeowners.<sup>14</sup>

Emerging markets refers to those persons or groups who are underrepresented as homeowners compared to non-Hispanic whites. In general, emerging markets in Minnesota include: African American and recent African immigrants, American Indians, Asian and Pacific Islanders, and Latinos. In the housing industry, these "emerging markets" represent a growing segment of the housing market, especially as first-time homebuyers.

To meet this housing need, the City supports MNHOC in its development and compilation of best practices, and current research. In parallel with these efforts, MNHOC continues to work with the Homeownership Advisors Network to:

- Expand the number of culturally targeted Home Stretch classes;
- Identify and perpetuate best practices in delivering culturally competent programming; and
- Develop and implement a targeted outreach program that articulates and advances efforts to identify what successful homeownership looks like and expands support for MNHOC and the larger network with an emphasis on diverse communities.

### SAINT PAUL DEPARTMENT OF HUMAN RIGHTS AND EQUAL ECONOMIC OPPORTUNITY (HREEO)

(See Goals #7, #9)

Pursuant to the Saint Paul Human Rights Ordinance, Saint Paul HREEO responds to human rights complaints. During 2015, Saint Paul Human Rights Division was granted full certification as a HUD Fair Housing Assistance Partner which effectively increased the Saint Paul Human Rights Division's capacity to bring authority of the Fair Housing Act to eligible complaints. Discrimination cases falling under the Fair Housing Act and the Saint Paul Human Rights Ordinance were investigated by the Human Rights Division and cross-filed with HUD's Office of Fair Housing and Equal Opportunity (FHEO).

The Human Rights Division increases its visibility in the community by participating in outreach activities and events. Saint Paul has 4 Human Rights Specialists who are responsible for the investigations and outreach for HREEO. This team is fluent in Amharic, Oromo, Hmong, Spanish, and Tagalog. In the past, the Saint Paul Human Right's staff partnered with the Equal

<sup>14</sup> Minnesota Home Ownership Center report on the state of homeownership and homeownership gap provides a framework for informing the HOA alliance. With a Wells Fargo grant, HOC sponsored Dr. Kim Skobb, University of Georgia Housing and Demographic Research Center, whose report was entitled, 'Understanding Homeownership Disparities Among Racial and Ethnic Groups.' See <http://www.hocmn.org/reports-resources/stateofhomeownership> and <http://www.hocmn.org/2013/11/new-report-on-homeownership-disparities>.

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Employment Opportunity Commission (EEOC) and the U.S. Department of Labor to (DOL) coordinate and organize outreach to the Hmong Community through their vulnerable workers project. Moreover, Saint Paul Human Rights staff also worked with the Saint Paul Police Department and the Autistic Society of Minnesota to facilitate a collaborative effort to improve interactions with police and residents with autism.

### **LEGAL SERVICES: SOUTHERN MINNESOTA LEGAL REGIONAL SERVICES (SMRLS)** (See Goals #2, #9)

Often, legal representation is needed to enforce fair housing rights. Since 1997 the City has financially supported the Housing Equality Law Project<sup>15</sup> administered by Southern Minnesota Regional Legal Services (SMRLS), which provides fair housing enforcement services. With this grant, the City partially funds 1 attorney to assist Saint Paul citizens who are treated unfairly when seeking or maintaining housing. Legal services include negotiating settlements, assisting with filing complaints with enforcement agencies, and providing representation in court. Those who benefit from these services include low-income persons of color, immigrants and refugees, disabled persons, and female heads of households and their families who are treated unfairly, and in violation of anti-discrimination laws, by landlords when looking for housing, live in housing, or try to keep their housing.

The City provides ESG funds to partially fund SMRLS's Project Hope. This program provides emergency financial assistance to at-risk homeless residents, and legal representation (i.e. removing expungements, etc.), as necessary, to stabilize a household's housing.

### **CITY'S EFFORTS TO DEVELOP A REGIONAL APPROACH THAT AFFIRMATIVELY FURTHERS FAIR HOUSING – *Fair Housing Implementation Council (FHIC)***

The City recognized that a regional approach is necessary to effectively eliminate impediments to fair housing and promote fair housing opportunities. In response, Saint Paul will continue to partner with the counties of Anoka, Dakota, Hennepin, and Washington; the Metro HRA (Metropolitan Council); the Community Development Agencies of Scott and Carver Counties; and the cities of Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, and Woodbury, as participating members of the FHIC.

The FHIC recognized that the 2014 Analysis of Impediments (AI) did not sufficiently address racial disparities in the Twin Cities metro area. In response, During PY 2016, the FHIC, including the cities of Minneapolis and Saint Paul, worked with HUD Regional Fair Housing Office to develop the protocol as needed to draft an Addendum to the 2014 AI in order to provide a more robust analysis focusing on segregation and integration, areas of concentrated poverty, and areas of opportunity. The 2014 AI Addendum was subsequently accepted by HUD during PY 2017.

Following the addendum to the 2014 AI, the FHIC Contracted with Equity in Place to conduct community engagement around fair housing issues in local communities (2018-2019). In fall 2019, the FHIC contracted with The Lawyers Committee for Civil Rights Under the Law to

<sup>15</sup> Southern Minnesota Regional Legal Services (SMRLS) provides fair housing enforce services through its Housing Equality Law Project (HELP). As an example, a 2013 Case file: A St. Paul woman was treated differently because of her race (African-American). Apartment owner imposed additional terms and conditions to her tenancy including inspections, additional charges and rules. With assistance from HELP attorney, a fair housing complaint was filed with the St. Paul Department of Human Rights. The case was settled; the owner paid \$500 in damages to tenant and the owner had to complete fair housing training.

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prepare the 2020-2024 AI. The FHIC is currently working to complete the AI.

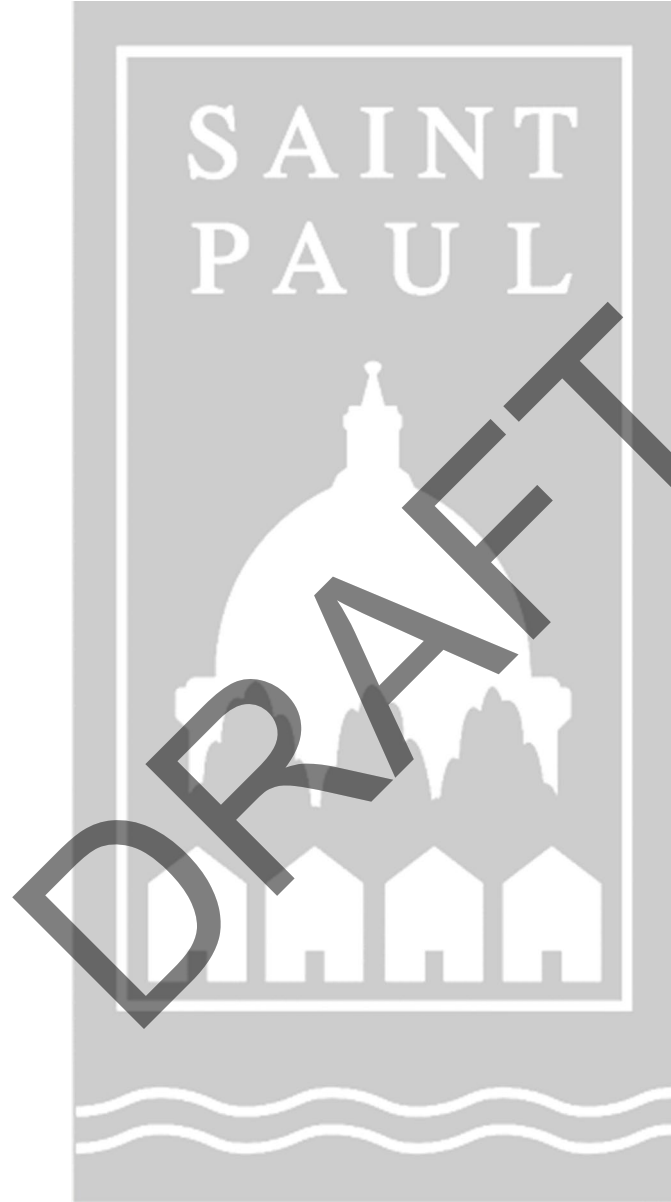
Affordable Housing Connections (AHC) provides fair housing training for owners, property managers, and asset managers of multi-family projects that receive funding assistance through the following programs: HOME, CDBG, Section 42 Housing Tax Credits, TCAP and Section 1602 Credit Exchange. AHC offers this fair housing training annually as part of its Section 42 compliance training so that front line staff have practical guidance on how to lawfully follow fair housing marketing and occupancy rules, including recent changes to Fair Housing requirements, and understand the potential penalties for violating fair housing laws.

### **SUMMARY**

The City is committed to providing equal opportunity to all people in all areas of city services and programs. This document identified actions that affirmatively further fair housing. That said, Saint Paul affirmatively furthers fair housing in four distinct ways – funding, participation, direct service, and policy.

While the City strives to remove impediments to Fair Housing, there remains a constant need for fair housing work as an integral part of Saint Paul government, its rules, and regulations. In addition to the Mayor's Racial Equity initiative, PED has developed a project assessment tool that project managers and leadership can use to make decisions on which projects best work to promote equity and further fair housing throughout the City.

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<p><b>Goal #1: Improve Opportunities for Mobility within the Region</b></p> <p>Renter households attempting to use a housing choice voucher or to access public housing may face barriers to moving within the region, particularly from urban to suburban locations, which can in turn limit access to opportunities desired by these households.</p> <p>The recommendations included in this section address policies related to voucher use, voucher holder mobility, and PHAs/HRA policies. They build on recent legislation (the passing of a Section 8 source of income protection in Minneapolis) and research (Family Housing Fund's "Enhancements and Best Practices Designed to Expand Resident Choice and Mobility in Minneapolis").</p> <p><b>COLOR CODE:</b>  <b>YELLOW</b> – POTENTIAL ACTIONS FOR PED  <b>BLUE</b> - POTENTIAL ACTIONS FOR CITY COUNCIL / CITY ATTORNEY / DSI  <b>GRAY</b> - POTENTIAL ACTIONS FOR OTHER METRO-WIDE JURISDICTIONS</p>							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
<b>1B new</b>	Develop a communication strategy to inform rental property managers and housing choice voucher holders of the recently-passed source of income protection ordinance.	Fair Housing Enforcement and Education is Needed	2017	Minneapolis, MPHA		Saint Paul could adopt income protection ordinance similar to Minneapolis which relates to limits on advertisements. Then, develop a community strategy.	
<b>1C 2</b>	Collect and present local data to elected officials illustrating the need for source of income protection. Advocate for source of income protection legislation across the region	Access to Housing is Reduced for Some Groups	2018	Entitlements and Sub-recipients		To develop an effective approach, City Attorney's Office must first research legal requirements to implement Income Protections. because it is still questionable whether owner must take Section 8.  Unlike Federal law, the City of Chicago's Fair Housing Ordinance does prohibit discrimination based upon income protection.	Does Council want to request HREEO to action like Mpls or Chicago?  Or advocate for state legislation
<b>1D 8</b>	Develop and implement an ongoing campaign to promote the acceptance of HCVs, especially in suburban communities.  Require HCV acceptance for housing using public funds and monitor for compliance.	Distribution of Affordable Housing	Ongoing, beginning 2018	Entitlements, Met Council	In various plans, the City advocated for affordable housing in Twin Cities regions. LIHTC housing must accept Housing Choice Vouchers	As a condition of City financing, such as TIF, CDBG, HOME, the City could choose to require acceptance of Housing Choice Vouchers (assuming that market rents would be similar to Housing choice rents).  City/HRA is developing a Rental Rehab program in designated areas that will provide financing to renovate Class C and Class D rental properties while maintaining affordability.	

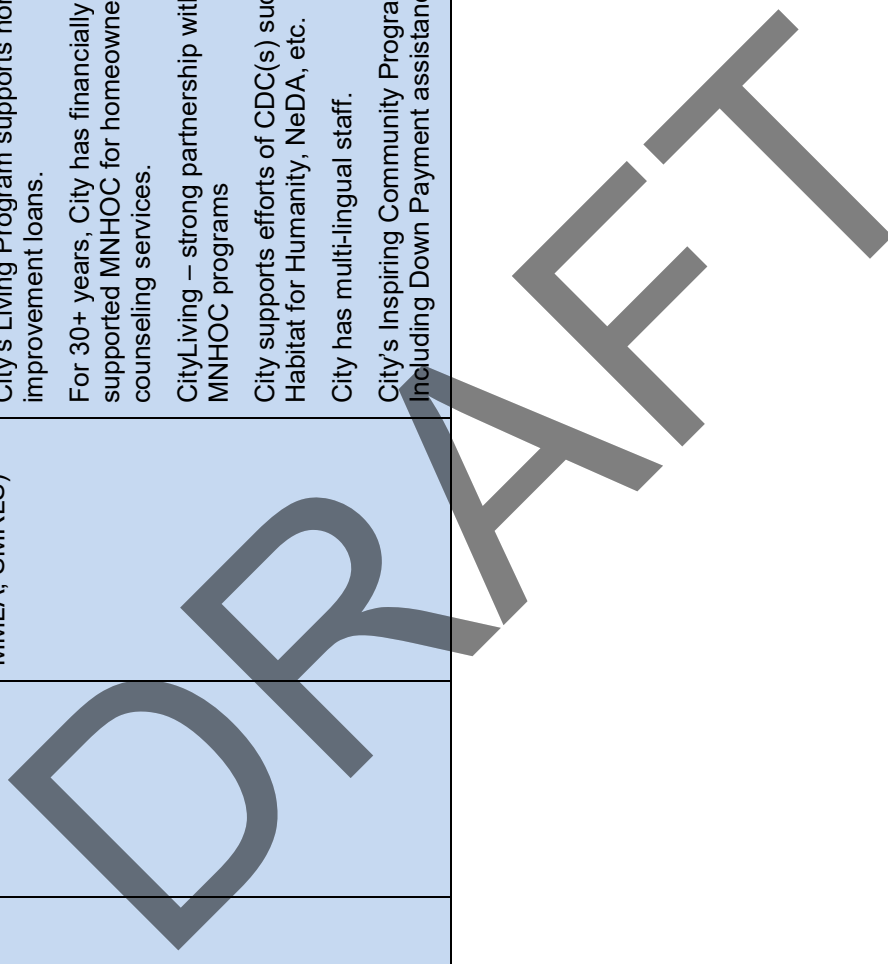
<b>Goal #1: Improve Opportunities for Mobility within the Region (continued)</b>							
Renter households attempting to use a housing choice voucher or to access public housing may face barriers to moving within the region, particularly from urban to suburban locations, which can in turn limit access to opportunities desired by these households.							
The recommendations included in this section address policies related to voucher use, voucher holder mobility, and PHAs/HRA policies. They build on recent legislation (the passing of a Section 8 source of income protection in Minneapolis) and research (Family Housing Fund's "Enhancements and Best Practices Designed to Expand Resident Choice and Mobility in Minneapolis").							
No.	Recommendation	Fair Housing Issued Addressed	Time-Frame	Responsible Parties	Current St Paul Actions	Future St. Paul Actions	City Council/HRA Direction
<b>1E 9</b>	Monitor findings related to the Family Housing Fund's research on pooling vouchers for use in high-opportunity areas as well as its voucher mobility research for MPHAs and study applicability for other PHAs. Specifically: a) Evaluate recommendations in "Enhancements and Best Practices Designed to Expand Resident Choice and Mobility in Minneapolis" to determine MPHAs' implementation approach for those that are most promising. b) Determine recommendations in "Enhancements and Best Practices Designed to Expand Resident Choice and Mobility in Minneapolis" that are relevant to other PHAs and HRAs and develop an implementation approach. c) Develop a demonstration program to pool HCVs across multiple PHAs/HRAs and examine results relative to expanding mobility and choice for low-income families.	Multifaceted Values on Neighborhoods and Housing	Parts (a) & (b) 2017 Part (c) – 2018	PHAs HRAs	Note: St. Paul PHA has a high utilization use of Housing Choice Vouchers. St. Paul PHA may want to consider additional incentives for landlords to accept Housing Choice Vouchers.	This is a Public Housing Agency issue/action. When appropriate, City/Saint Paul HRA could support Saint Paul PHA's efforts to work with other HRAs to increase housing choice mobility within the Twin Cities region.	
<b>1F 10</b>	Monitor the success of Met Council's mobility program for strategies that can be adapted or duplicated elsewhere.	Multifaceted Values on Neighborhoods and Housing	2018-2021	PHAs HRAs		City should notify Saint Paul Public Housing Agency regarding this objective.	
<b>1G 34</b>	Review and update tenant screening policies related to criminal background based on revised HUD guidance issued in 2016.	Regulations and Policies Impacting Housing Development	2017	PHAs HRAs		City should notify Saint Paul Public Housing Agency regarding this objective. City could request that Affordable Housing Connection provide training to front-line HOME or LIHTC staff regarding HUD guidance on tenant screening policies related to criminal background.	
<b>1H 35</b>	Review residency preferences for impact on mobility across the region. Amend as needed to better advance regional fair housing choice.	Regulations and Policies Impacting Housing Development	2018	PHAs HRAs		City should notify Saint Paul Public Housing Agency regarding this objective.	



<p><b>Goal #2: Reduce Resident Displacement</b></p> <p>Low- and moderate-income residents displaced from their housing in a tight housing market with very low vacancy rates can face extreme challenges in locating affordable housing while the vacated units tend to become less affordable. These twin consequences – greater demand for affordable housing and a market that provides less of it – compound the effects of displacement and underscore the importance of countering it.</p> <p>Some of the strategies proposed here are designed to reduce pressure on individual residents to leave their residences; others are neighborhood-based strategies focused on preemptively securing affordable units in areas where displacement pressure is anticipated.</p>							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
2A 3	Research state law regarding just cause eviction ordinances. As possible, work toward and advocate state, regional, and/or local adoption of just cause eviction ordinances.	Displacement Causes a Loss of Affordable Housing	2019	Entitlements		Minnesota Statutes regulate tenant/landlord rights. City could advocate for state legislation regarding just cause evictions.	Does the City Council want HREEO or CAO to take further action?
2B 5	Monitor state legislation regarding right of first refusal statutes and develop program to implement locally as appropriate. Consider implementation for manufactured/mobile home communities and multi-unit rental properties.	Displacement Causes a Loss of Affordable Housing	Ongoing	Entitlements Met Council (Partners: MHP, HOME Line)	There are no mobile homes or Manufactured home parks in St. Paul	City could advocate for state legislation that would allow tenants have a right of first refusal when building is being sold.	Does the City Council want to take further action for state legislation for right of first refusal?
2C 29	Research and create property tax abatement programs and market them to homeowners in areas of increasing displacement.	Displacement Causes a Loss of Affordable Housing	2019	Minneapolis and Saint Paul (Partners: HOME Line, MHP)	City has a deferment on special assessments for public improvements if homeowner is disabled or over 65 years old. The City is in the preliminary stages of developing a program to address this issue.	Council could request Council Research to evaluate CURA Research on gentrification. Council could request Saint Paul Legislative staff to advocate for reinstatement of the State of MN "This Old House" program which allows tax exclusion on home improvements for houses over 45 years old.	Does the City Council want to take further action for state legislation for This Old Home Program or other tax abatement programs?
2D 31	Promote policies that provide for rehabilitation and preservation of existing affordable housing in areas where displacement is known to be occurring.	Distribution of Affordable Housing	2018	Entitlements	CityLiving's Home Loan Fund provides financing to rehab homes. City's Inspiring Communities renovates vacant foreclosed homes into energy-efficient housing. City supports CDC citywide that provide funding for rehabilitation and new construction. PED works with multi-unit buildings to maintain affordability (NOAH). PED developed a Fair Housing Racial Equity assessment tool for tracking PED activities citywide.	City's Planning Division or Council Research could research whether there is displacement of existing affordable housing. City/HRA is developing a Rental Rehab program in designated areas that will provide financing to renovate Class C and Class D rental properties while maintaining affordability.	

<b>Goal #3: Increase Access to Homeownership</b>							
Households of color have significantly lower homeownership rates than white households. In addition to inhibiting housing choice, diminished access to mortgage lending and homeownership opportunities also reduces these households' ability to build wealth. Research indicates a variety of factors that contribute to this gap, including lower mortgage loan application rates, higher mortgage loan application denial rates, less resources available for down payments, steering towards subprime or otherwise inferior loan products, and higher foreclosure rates. This goal contains several strategies designed to address these factors, along with the development of a regional partnership to consider additional ways to expand homeownership opportunities.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
<b>3A 4</b>	Use distribution of government financial relationships (within banking regulations) to incentivize fair and affordable housing by financial institutions, using research such as U of M Responsible Banking study. Meet with lenders to inform them of jurisdictions' goals for furthering fair housing in homeownership. Invite lenders to coordinate business and charitable programs accordingly. Require that financial institutions report on home mortgage lending and other fair lending activities.	Access to Housing is Reduced for Some Groups	2018	Entitlements	City has its the Socially Responsible Investment Fund for financial institutions with a track record of investing in transit corridors, Section 3 companies, housing, initiatives, etc. Investment Policy Statement of the City (2003) allows City to deposit fund at local banks to support neighborhood development and low-income housing. Ord. 14-30: "Responsible Banking" requires financial institutions to disclose certain information when responding to City's general banking request RFP.	City Council Research could study the effectiveness of the Responsible Banking Ordinance, and propose programmatic changes, as necessary.	
<b>3B 36</b>	Develop partnerships with credit counseling agencies to reach communities of color and build a pipeline of potential homebuyers.	Access to Housing is Reduced for Some Groups	2018	Entitlements	City's Mortgage Foreclosure Prevention Program refers homeowners in default to credit counseling agencies, such as Lutheran Social Services, NeDA, and Community NHS. City supports MN Home Ownership Center (MNHOC) for home buying counseling as well as financial literacy counseling through the MNHOC network of counseling agencies.		
<b>3C new</b>	Increase FHIC and public-sector participation in the Homeownership Alliance. Consider topics such as expanded first time homebuyer programs, expansion of homeownership options through land trusts and cooperatives, increased efforts to help low-income households build savings, identify shortcomings in Minnesota's Contract for Deed law, and advocate for legislative improvements in the law.	Access to Housing is Reduced for Some Groups	2018	FHIC, Entitlements, Subrecipients, PHAs/HRAs	City supports Land Trusts, such as Rondo Land Trusts. City has supported innovative programs, such as Dayton's Bluff NHS's <i>Bridge to Success Contract for Deed Program</i> which utilized contracts for deed to create affordable housing opportunities for homebuyers who may not be ready to qualify for a traditional mortgage.		Does the HRA or City Council want to allocate more funds to programs such as Land Trusts or Contract for Deed?

No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
<b>3D new</b>	<p>Work with public and non-profit agencies to expand information and services related to fair lending and foreclosure prevention, such as:</p> <ul style="list-style-type: none"> <li>Affirmative marketing for quality lending products, including financing options for Muslim homebuyers (and others who may be averse to interest-bearing mortgages for cultural or faith-based reasons), and information on identifying subprime mortgage products</li> <li>Increased fair lending enforcement</li> <li>Increased foreclosure prevention and defense advocacy services.</li> </ul> <p>Ensure that all outreach efforts are accessible to non-English speaking residents, including oral presentations of information.</p>	<p>Access to Housing is Reduced for Some Groups</p>	<p>2017</p>	<p>Entitlements (Partners: Housing Justice Center, MMLA, SMRLS)</p>	<p>City has 30+ years of providing Mortgage Foreclosure Counseling to Saint Paul households in default.</p> <p>City's Living Program supports home improvement loans.</p> <p>For 30+ years, City has financially supported MNHOC for homeownership counseling services.</p> <p>CityLiving – strong partnership with MNHOC programs</p> <p>City supports efforts of CDC(s) such as Habitat for Humanity, NeDA, etc.</p> <p>City has multi-lingual staff.</p> <p>City's Inspiring Community Program including Down Payment assistance.</p>	<p>Due to market conditions, the CityLiving Program does not provide low-interest home mortgages, as done in earlier years.</p> <p>City will support MHFA efforts</p> <p>City will continue to support MNHOC's Home Ownership Alliance – which is researching implementation strategies to increase homeownership among persons of color.</p>	<p>?</p>



No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
3E new	Conduct code enforcement to make sure that lender-owned, post-foreclosure properties have effective repair, maintenance, and security services, especially in areas of concentrated poverty where a majority of residents are people of color.	Access to Housing is Reduced for Some Groups	Ongoing, beginning in 2017	Entitlement Cities	<p>City's Inspiring Communities Program renovates vacant foreclosed homes into energy-efficient affordable owner-occupied homes.</p> <p>DSI and Office of Technology &amp; Communication are developing the See-Click-Fix complaint response program. Implementation of software will allow for full cycle, automated, complaint reporting and response to all complainants who use the system. Complainants will automatically be notified of all inspection results and actions taken by staff, abatement contractors.</p> <p>Other DSI Actions:</p> <ul style="list-style-type: none"> <li>Require all new Fire C of O property owners attend the 8-hour Landlord 101 training program</li> <li>Provide "cheat sheet" to property owners on how to receive highest score possible, may result in fewer inspections and fees, prior to conducting inspection</li> <li>Updated Fire Safety website to provide "cheat sheet" information to owners prior to inspection</li> <li>Developed an interactive residential Fire C of O <a href="#">property map</a> on DSI website - allow tenants, landlords to see letter grade properties received during last inspection</li> <li>All Fire C of O inspection reports available online through the DSI website (anticipated 1<sup>st</sup> quarter of 2017).</li> <li>Developed many fire safety Public Service Announcements in Multiple Languages.</li> <li>Developed Landlord 101 training program at no cost to new rental property owners</li> <li>Updated Fire Safety website <a href="#">Resources</a> page to provide property owners, tenants more information regarding services available within Saint Paul area.</li> </ul>	DSI	

<b>Goal #4: Expand Funding for Affordable Housing</b> Presently, the Lo- Income Housing Tax Credit program provides funding for the majority of new affordable housing constructed or rehabilitated in the region. However, production levels fall short of need, and, in many cases, do not provide deep enough subsidy levels to support very low-income households. The following recommendations address the need to cultivate new funding sources for affordable housing production and preservation, both at the regional and local levels, including, but not limited to, resources to address the needs of households with incomes below 30% AMI.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
4A 6	Develop an overarching strategy to increase funding for affordable housing that includes: a) Identifying more resources for affordable housing. These may include regional approaches to expanding funds for affordable housing and local approaches by individual jurisdictions (tax increment financing, tax abatement, special tax levy authority, general tax levy authority, general funds, and/or other local sources). b) Working with a marketing firm and local stakeholders, including organizations operating in communities of color, to develop a campaign to raise awareness among the public about housing affordability and its connection to education, jobs, and other infrastructure. c) Campaign should build political will, counter NIMBYism, and include an appeal to philanthropies for funding.	Distribution of Affordable Housing	Ongoing, beginning 2017	Entitlements (Partner: MHP)	City/St Paul HRA uses numerous financing tools to preserve existing affordable housing or construct new housing units. (affordable housing financing may include LIHTC, CDBG, HOME, STAR funding, TIF) Saint Paul HRA partners with CDCs, including NeDA and Habitat for Humanities to construct new single-family housing affordable to low-income households or CDBG-eligible income eligible households. Saint Paul HRA also partners with Aurora St. Anthony – MCASA program. Saint Paul HRA Board's LIHTC Site Selection priorities can effectively implement the City's annual housing priorities. Saint Paul has sponsored the annual Mpls/Saint Paul Home Tour. City financially supports MN Home Ownership Center's efforts to promote home-buying classes and homeownership programs. PED "pop-up" events seek citizen opinions about City programs. City held numerous public meetings about the Ford Site. With Family Housing Fund, the Frogtown Rondo Home Fund works to improve Frogtown and Rondo residents' knowledge of and access to housing solutions, while supporting community campaigns to improve housing conditions and housing opportunities.		

<b>Goal #4: Expand Funding for Affordable Housing (continued)</b>						
Presently, the Lo- Income Housing Tax Credit program provides funding for the majority of new affordable housing constructed or rehabilitated in the region. However, production levels fall short of need, and, in many cases, do not provide deep enough subsidy levels to support very low-income households. The following recommendations address the need to cultivate new funding sources for affordable housing production and preservation, both at the regional and local levels, including, but not limited to, resources to address the needs of households with incomes below 30% AMI.						
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions
4B 7	Use locally-controlled resources to preserve naturally occurring affordable housing. Work with GMHF to support NOAH Fund, publish success stories, market to susceptible property owners, increase capitalization and funding sources.	Distribution of Affordable Housing	Ongoing	Entitlements (Partner: Greater Minnesota Housing Fund)	<p>City/HRA is developing a Rental Rehab program in designated areas that will provide financing to renovate Class C and Class D rental properties while maintaining affordability.</p> <p>Minneapolis has established a funding priority for NOAH in their Affordable Housing Trust Fund. Minneapolis is also considering a sale notification requirement where all rental housing owners must provide 90-day notice prior to sale. This notification requirement would also prohibit owners from raising rents on tenants for ninety days after the sale or make them eligible for relocation assistance.</p>	
						Does Council/HRA take actions similar to Minneapolis?

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<b>Goal #5: Improve Fair and Affordable Housing Planning</b> A serious and sustained effort to expand fair and affordable housing will require ongoing planning, research, and capacity-building. This set of recommendations focuses on developing capacity at the local level through technical assistance and plan review, along with training on fair housing implications of local policy and investment decisions. Also included are recommendations to advance analyses around fair housing issues such as zoning and gentrification. Finally, enhancing the FHIC by establishing a fair housing advisory committee will allow for ongoing feedback and guidance during implementation of fair housing activities and future fair housing planning efforts.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
5A 11	Met Council should build its capacity to serve as a resource for information and best practices on fair housing planning and policy for local government staff. Local governments should support and assist Met Council's efforts to provide technical assistance.	Segregation & Disparate Access to Opportunity	2018	Met Council	Saint Paul has diverse programs that affirmatively further fair housing, including Inspiring Communities, multi-lingual housing counseling staff, City's LEP program, City's Section 3 program, City's Vendor Outreach Program – all programs that provide housing or employment opportunities.  Many of Saint Paul's LIHTC affordable housing developments offer affordable housing with supportive services or permanent supportive affordable housing for chronic homeless residents with a disability.  City's support of programs, such as Prior Crossing, is effectively expanding housing for homeless youth who are often persons of color.  Saint Paul Public Housing Agency provides affordable housing opportunities for seniors, physically-challenged or mentally-challenge persons, or persons with brain injury.		
5B 12	Continue to review and provide feedback on comprehensive plans to ensure they adequately describe a plan to meet affordable housing need.	Distribution of Affordable Housing	2017	Met Council	Saint Paul has a consistent history of working to meet its affordable housing goals established by Metropolitan Council.		
5C 13	When using CDBG and other funding for community and economic development activities consider prioritizing areas that have shown a commitment to expanding affordable housing.	Segregation & Disparate Access to Opportunity	2019	Counties	Saint Paul's LIHTC Site Selection Priorities award points to properties that support economic integration.		
5D 21	Work with local research partner to analyze zoning codes in areas not covered by this study (i.e., cities within the region that are not entitlements or subrecipients) for fair housing issues.	Regulations and Policies Impact Housing Development	2020	Met Council (Partner: CURA, IMO, or other organization with zoning research capacity)	N/A applies to non-entitlement jurisdictions.		

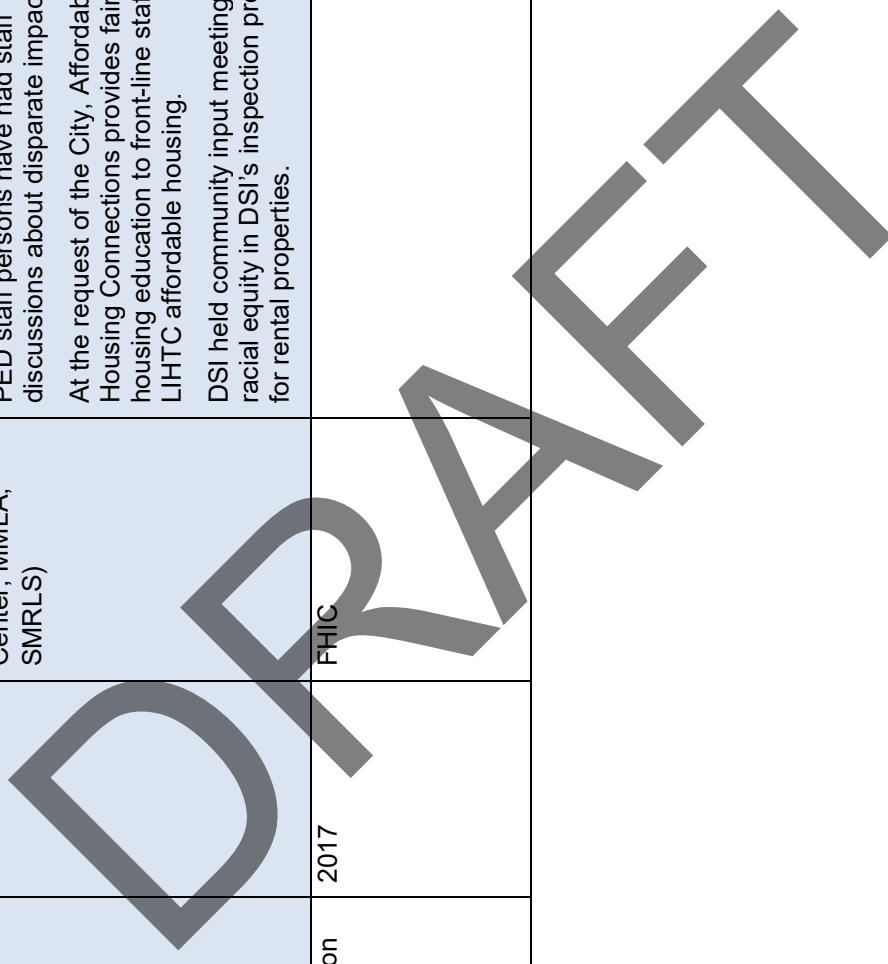
<b>Goal #5: Improve Fair and Affordable Housing Planning (continued)</b> A serious and sustained effort to expand fair and affordable housing will require ongoing planning, research, and capacity-building. This set of recommendations focuses on developing capacity at the local level through technical assistance and plan review, along with training on fair housing implications of local policy and investment decisions. Also included are recommendations to advance analyses around fair housing issues such as zoning and gentrification. Finally, enhancing the FHIC by establishing a fair housing advisory committee will allow for ongoing feedback and guidance during implementation of fair housing activities and future fair housing planning efforts.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
5E 22	Monitor continued research into gentrification and loss of affordable housing to identify areas where it may be occurring.	Displacement Causes a Loss of Affordable Housing	Ongoing, beginning 2017	Entitlements (Partners: CURA, IMO, MHP)	<p><i>Inspiring Communities</i> provides energy-efficient, sustainable, and affordable homes in areas of Saint Paul with the greatest need for stable housing. The quality of housing also increases the overall affordability, as these homes should not require major capital investments for 10-15 years.</p> <p>Additionally, Inspiring Communities Program encourages neighboring homeowners to reinvest in their neighborhoods.</p>	City Council could request Council Research to: <ul style="list-style-type: none"> <li>- Study neighborhood trends to determine whether gentrification or loss of affordable may be occurring.</li> <li>- Monitor real estate trends along Central Corridor.</li> </ul>	
5F 23	Review where investments in creation, preservation and/or rehabilitation of affordable housing using LIHTCs are occurring in the region. Keep HousingLink LIHTC database current and study trends over time in the development of tax credit projects.	Distribution of Affordable Housing	Ongoing, beginning 2017	MHFA, Sub allocators (Partner: HousingLink)	<p>During 2006-2015, the City financed 21 affordable housing developments<sup>1</sup> (23 affordable housing developments sites) with LIHTCs (both 9% and 4%).</p> <ul style="list-style-type: none"> <li>• <b>12 affordable housing developments (57%) of these project sites were located in R/ECAP areas (racially/ethnically-concentrated areas of poverty areas); and</b></li> <li>• <b>9 affordable housing developments (43%) projects were located outside R/ECAPs.</b></li> <li>• <b>These 21 sites had a total of 2058 affordable housing units of which 1206 units (59%) were located in R/ECAPs and 852 units (41%) were located outside R/ECAPs<sup>2</sup>.</b></li> </ul> <p>City works to build new affordable housing where there is no concentration:</p> <ul style="list-style-type: none"> <li>• <b>Preservation of affordable housing: 95% of the LIHTC preservation units were built inside R/ECAPs and</b></li> <li>• <b>New Construction: 74% of new units were built outside R/ECAPs.</b></li> </ul>	City will continue to update HousingLink data.	

<sup>1</sup> During 2006-2015, St. Paul financed 21 developments with LIHTCs (4% or 9%). Minnesota Building and Commerce Building received both 9% and 4% Credits. TWV had three projects sites that are located in two distinct neighborhoods.

<sup>2</sup> St. Alban's Park and River Pointe Lofts, although within R/ECAPs are located on boundary lines of R/ECAPs.



<b>Goal #5: Improve Fair and Affordable Housing Planning (continued)</b>							
A serious and sustained effort to expand fair and affordable housing will require ongoing planning, research, and capacity-building. This set of recommendations focuses on developing capacity at the local level through technical assistance and plan review, along with training on fair housing implications of local policy and investment decisions. Also included are recommendations to advance analyses around fair housing issues such as zoning and gentrification. Finally, enhancing the FHIC by establishing a fair housing advisory committee will allow for ongoing feedback and guidance during implementation of fair housing activities and future fair housing planning efforts.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
5G 39	Develop and deliver a fair housing education and training program for elected officials and municipal staff focused on concepts such as disparate impact and the impact of public infrastructure investments on fair housing choice.	Fair Housing Enforcement and Education is Needed	2019	FHIC Municipalities and Counties (Partners: Housing Justice Center, MMLA, SMRLS)	The Mayor's Office, Saint Paul City Departments, and city staff have participated in Mayor's Racial Equity Initiatives. PED staff persons have had staff discussions about disparate impact. At the request of the City, Affordable Housing Connections provides fair housing education to front-line staff of LIHTC affordable housing. DSI held community input meeting for racial equity in DSI's inspection program for rental properties.	Hire a Fair Housing Coordinator	
5H new	Establish a standing fair housing advisory committee to provide input and guidance to the FHIC regarding fair housing planning and implementation. Strive to increase diversity on the FHIC to be more representative of the regional population.	Multifaceted Values on Neighborhoods and Housing	2017	FHIC		As a FHIC member, Saint Paul could support a standing fair housing advisory committee.	



<b>Goal #6: Expand Locations of Affordable Housing</b> When affordable housing is limited to some communities and lacking in others, the effect is decreased housing choice for residents of the region. Municipal zoning codes and other regulatory tools can be modified or employed to reduce restrictions on the development of affordable housing in areas where it may presently be prohibitive. Such actions can open up new housing opportunities in communities of choice. This goal contains several strategies related to zoning changes, but also includes actions recommended by MN Challenge that can be taken in individual jurisdictions to lower the cost of affordable housing development, and other opportunities to expand affordable housing opportunities in communities where it is needed.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
6A 14	Adopt zoning code amendments to either (1) have the definition of "family" more closely correlate to neutral maximum occupancy restrictions found in safety and building codes; (2) increase the number of unrelated persons who may reside together to better allow for nontraditional family types; or (3) create an administrative process that allows for a case-by-case approach to determining whether a group that does not meet the code's definition of family or housekeeping unit is nonetheless a functionally equivalent family.	Regulations and Policies Impact Housing Development	2018	Crystal, Minneapolis	Not/applicable to Saint Paul.		
6B 15	Amend zoning maps as appropriate to rezone large-lot single-family zones to higher density/ lower minimum lot area standards and allow for infill development or conversion of large single-family dwellings to two-family and triplex units to allow more density on the same footprint or minimum lot size; where environmental protections effectively prohibit denser development patterns, alternatively consider focused redevelopment strategies in areas served by existing water and sewer. Consider reducing administrative barriers to PUD and cluster development approvals which support affordable housing.	Regulations and Policies Impact Housing Development	2018	Apple Valley, Blaine, Burnsville, Eagan, Eden Prairie, Minnetonka	Not/applicable to Saint Paul.		
6C 16	Amend zoning codes to reflect more flexible and modern lot design standards such as increasing maximum height allowances, increasing minimum density or floor area ratios, increasing maximum floor area ratios (FAR), decreasing minimum parcel sizes, and decreasing minimum livable floor areas of individual dwelling units.	Regulations and Policies Impact Housing Development	2018	Lakeville	Not/applicable to Saint Paul.		

<b>Goal #6: Expand Locations of Affordable Housing (continued)</b>							
When affordable housing is limited to some communities and lacking in others, the effect is decreased housing choice for residents of the region. Municipal zoning codes and other regulatory tools can be modified or employed to reduce restrictions on the development of affordable housing in areas where it may presently be prohibitive. Such actions can open up new housing opportunities in communities of choice. This goal contains several strategies related to zoning changes, but also includes actions recommended by MN Challenge that can be taken in individual jurisdictions to lower the cost of affordable housing development, and other opportunities to expand affordable housing opportunities in communities where it is needed.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
6D 17	Consider development incentives such as density bonuses and expedited permitting processes or fee waivers for voluntary inclusion of affordable units or mandatory set asides in cases where local government funding or approvals are provided, should be adopted across all jurisdictions to encourage or require mixed-income, affordable units.	Regulations and Policies Impact Housing Development	2018	All local governments with zoning authority	Note: The Department of Safety and Inspections has worked diligently over the last year to reduce Plan Review turnaround times within the Construction Services division. Reducing these review timelines allows for new housing to be constructed and occupied much faster than in previous years. With the hire of additional staff in this section, plan review turnaround times for the largest housing projects (>\$10M or larger) have decreased by an impressive 76% from 2015 to 2016 alone.		
6E 18	Review and update zoning codes for consistency with the state Planning Act regarding manufactured and modular homes. Review conditional permit use criteria and inclusionary zoning provisions to ensure they support and encourage this type of alternative affordable housing.	Regulations and Policies Impact Housing Development	2018	Lakeville	Not/applicable to Saint Paul.		
6F 19a	Consider allowing reductions in off-street parking requirements where there is a showing that shared parking, bike parking, or public transportation access reduces the actual need or demand for off-street vehicle parking; consider adopting maximum off-street parking restrictions.	Regulations and Policies Impact Housing Development	2018	Brooklyn Park	Not/applicable to Saint Paul.		
6G 19b	Consider relaxing or offering measures to mitigate cost of some requirements related to building materials, height, trees, windows, parking, basement space, and outdoor play areas, especially when applied to affordable housing developments.	Regulations and Policies Impact Housing Development	2018	Minneapolis	Not/applicable to Saint Paul		

<b>Goal #6: Expand Locations of Affordable Housing (continued)</b> When affordable housing is limited to some communities and lacking in others, the effect is decreased housing choice for residents of the region. Municipal zoning codes and other regulatory tools can be modified or employed to reduce restrictions on the development of affordable housing in areas where it may presently be prohibitive. Such actions can open up new housing opportunities in communities of choice. This goal contains several strategies related to zoning changes, but also includes actions recommended by MN Challenge that can be taken in individual jurisdictions to lower the cost of affordable housing development, and other opportunities to expand affordable housing opportunities in communities where it is needed.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
6H 20	Consider adoption of an inclusionary zoning ordinance requiring set-asides of affordable housing units especially for developments requiring city funding, site location assistance, or planning approvals.	Regulations and Policies Impact Housing Development	2018	Apple Valley, Blaine, Brooklyn Center, Brooklyn Park, Burnsville, Coon Rapids, Crystal, Eagan, Eden Prairie, Hopkins, Minnetonka, Plymouth, Richfield, Saint Paul	Saint Paul's LIHTC Site Selection Priorities award points to properties that support economic integration. During 2006-2015, City financed 21 affordable housing developments <sup>3</sup> (23 affordable housing developments sites) with both 9% and 4% LIHTCs). <ul style="list-style-type: none"> <li>• 12 affordable housing developments (57%) were located in R/ECAP areas); and</li> <li>• 9 affordable housing developments (43%) projects were located outside R/ECAPs.</li> <li>• 21 sites - 2058 affordable housing units of which 1206 units (59%) were located in R/ECAPs and 852 units (41%) were located outside R/ECAPs<sup>4</sup>.</li> </ul> City preserves affordable housing where it currently exists and works to build new affordable housing where there is no concentration. <ul style="list-style-type: none"> <li>• Preservation of affordable housing: 95% of the LIHTC preservation units were built inside R/ECAPs and New Construction: 74% of new units built outside R/ECAPs.</li> </ul> PED Planning Staff is working with Grounded Network Solutions on study of inclusionary zoning. It will evaluate whether inclusionary zoning would work on Green line and consider inclusionary zoning options for Ford Site.		

<sup>3</sup> During 2006-2015, St. Paul financed 21 developments with LIHTCs (4% or 9%). Minnesota Building and Commerce Building received both 9% and 4% Credits. TWV had three projects sites that are located in two distinct neighborhoods.

<sup>4</sup> St. Alban's Park and River Pointe Lofts, although within R/ECAPs are located on boundary lines of R/ECAPs.

<b>Goal #6: Expand Locations of Affordable Housing (continued)</b>						
When affordable housing is limited to some communities and lacking in others, the effect is decreased housing choice for residents of the region. Municipal zoning codes and other regulatory tools can be modified or employed to reduce restrictions on the development of affordable housing in areas where it may presently be prohibitive. Such actions can open up new housing opportunities in communities of choice. This goal contains several strategies related to zoning changes, but also includes actions recommended by MN Challenge that can be taken in individual jurisdictions to lower the cost of affordable housing development, and other opportunities to expand affordable housing opportunities in communities where it is needed.						
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions
61 24	<p>Analyze the MN Challenge recommendations related to reducing the cost of affordable housing for feasibility at the local level; implement as appropriate. The 11 recommendations from the MN Challenge report are:</p> <ul style="list-style-type: none"> <li>a) Support appropriate density</li> <li>b) Contribute local financial resources</li> <li>c) Identify and acquire sites</li> <li>d) Reduce parking requirements</li> <li>e) Waive or reduce fees</li> <li>f) Streamline administrative processes</li> <li>g) Revise material, site, and design requirements</li> <li>h) Consider manufactured and modular housing</li> <li>i) Be open to all affordable housing developments</li> <li>j) Adopt inclusionary housing and/or mixed income policies</li> <li>k) Address community opposition</li> </ul>	Distribution of Affordable Housing	2018	Entitlements and Subrecipients	<p>f) DSI has worked diligently over the last year to reduce Plan Review turnaround times within the Construction Services division, which allows for new housing to be constructed and occupied much faster than in previous years. Specifically, the plan review turnaround times for the largest housing projects (&gt;\$10M or larger) have decreased by an impressive 76% from 2015 to 2016 alone</p> <p>i) The City Council's Locational Choice Policy and the Saint Paul HRA's LIHTC Selection Priority Process encourage economic integration citywide. (i.e. Hamline Station was constructed in an IRS non-impacted census tract &amp; Fort Road Flats was built in Highland Park.</p> <p>The Saint Paul Zoning code eliminates or reduces the need to provide parking in certain instances.</p> <ol style="list-style-type: none"> <li>1. Sec. 63.201: Off-street parking exempts the B4 and B5 districts (downtown and surrounding areas) from parking requirements.</li> <li>2. Sec. 63.207 (b) allows for parking to be reduced by 100 percent for properties zoned traditional neighborhood (T1 – T4) when located within 1/4 mile of University Avenue. This section also refers to parking reductions allowed as through shared parking (Sec. 63.206(d)), bicycle parking (Sec. 63.201(b)), and shared vehicle parking (63.211).</li> </ol> <p>As part of major transit upgrades (Green Line, Gold Line, and A Line), the City adopted increased densities near station areas &amp; on transit corridors</p>	

<b>Goal #6: Expand Locations of Affordable Housing (continued)</b>							
When affordable housing is limited to some communities and lacking in others, the effect is decreased housing choice for residents of the region. Municipal zoning codes and other regulatory tools can be modified or employed to reduce restrictions on the development of affordable housing in areas where it may presently be prohibitive. Such actions can open up new housing opportunities in communities of choice. This goal contains several strategies related to zoning changes, but also includes actions recommended by MN Challenge that can be taken in individual jurisdictions to lower the cost of affordable housing development, and other opportunities to expand affordable housing opportunities in communities where it is needed.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
6J 30	<p>Monitor relevant legislative proposals (including a recent proposal by HAVEN (Housing Advocates for Vitality and Equality Now)), the QAP of MHFA and local sub allocators, and state legislative changes related to 4% tax credits and Private Activity Bonds.</p> <p>Advocate for and implement policies that direct affordable projects toward strategic ends (i.e. preservation focus, location of new units in areas of opportunity, income restrictions to serve extremely low-income households).</p>	Distribution of Affordable Housing	2018	MHFA, Sub allocators	<p>The Saint Paul City Council's Affordable Housing Policy requires on an aggregate basis city-financed rental projects have 10% of units affordable at 30% AMI and 10% units affordable at 50% AMI as condition of receiving city financing. City's Affordable Housing Policy implements Council's directive to create affordable housing citywide in neighborhood locations that promote easy access to jobs<sup>5</sup>.</p> <ul style="list-style-type: none"> <li>• <b>Preservation of affordable housing: 95% of the LIHTC preservation units were built inside R/ECAPs and New Construction: 74% of new units built outside R/ECAPs</b></li> </ul>		
6K 33	Ranked list of municipalities in QAP should be re-examined for impact on perpetuating concentrations of affordable housing; consider whether other measures of affordable housing need may be more effective.	Regulations and Policies Impact Housing Development	2017	Washington County	Not applicable to Saint Paul		

<sup>5</sup> Many of the City's affordable housing developments, such as 2700 University, Hamline Station, Carlton Lofts, Saint Alban's, and Cambria Apartments, are located along the high-frequency transit corridors.

<b>Goal #7: Institute Effective and Meaningful Community Engagement</b> Public planning and investment decisions are too often made without the engagement and active participation of the affected communities, particularly when those are communities of color. Jurisdictions across the region should allocate resources to fund proper engagement with their communities and ensure that effective, culturally-appropriate mechanisms are in place to meaningfully engage communities around housing and related issues. Planning processes should be reconstructed to require and accommodate engagement that is impactful and not merely a "check the box" exercise.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
7A 25	Explore options for amplifying community voices in local planning decisions. Plan to include non-English speakers, and those of oral traditions.	Concentrated Poverty Requires Place-Based Investment	2018	Minneapolis and Saint Paul	As a FHIC member, Saint Paul financially supported community engagement efforts to develop the Final Draft of the Addendum to the AI.	City should consider issuing RFP for community engagement efforts to ensure robust public comments for the 2020-2025 Consolidated Plan (during Fall 2019 and Winter 2020).	
7B 28	Maintain data on the racial and ethnic composition of local elected and appointed boards and commissions; encourage representation reflective of the communities served.	Concentrated Poverty Requires Place-Based Investment	2019	Met Council (Partner: Nexus Community Partners' Boards and Commissions Leadership Institute)		Council should request Mayor's Administration to report on the racial and ethnic composition of local appointed board and commissions serving St. Paul.  Council and Mayor's Administration should develop an outreach plan to encourage more citizen participation reflective of the communities served.	
7C 41	Review LEP plans and update as needed to better serve the needs of all cultures and communication needs.	Fair Housing Enforcement and Education is Needed	2018	Entitlements	City has an LEP plan.	City Council should request  City Council Research to evaluate whether City's LEP serves the need of all cultures and communication needs.	
7D 42	Commit staff resources to efforts to enhance engagement with communities of color regarding available housing programs and needs. Entitlement jurisdictions should be intentional regarding their community outreach to open and maintain lines of communication within communities of color. Consideration should be given to the designation of a specific staff member to facilitate these intentional engagement efforts.	Fair Housing Enforcement and Education is Needed	2020	Entitlements and Subrecipients		City Council should request  City Council Research to evaluate whether City's community engagement efforts is responsive to communities served.	
7E new	Develop tenant training programs, one targeted to high school students, and one targeted to specific immigrant communities, and work with local school districts and existing community organizations on a program and schedule for delivery of the training.	Fair Housing Enforcement and Education is Needed	2018	FHIC (Partners: HOME Line, SMRLS, MMLA)	The Department of Safety and Inspections (DSI) recently began hosting its own, mandatory, training program for new rental property owners within the City of Saint Paul. While some of the content of these training sessions is focused on fair housing practices, the information is provided by DSI staff and delivered in English only. There may be future opportunities to partner with other tenant advocate agencies to deliver this information and to do so in multiple languages.	During 2018 Budget hearings, Council could consider whether HOME Line or SMRLS should be funded to provide tenant training.	

<b>Goal #7: Institute Effective and Meaningful Community Engagement (continued)</b>							
Public planning and investment decisions are too often made without the engagement and active participation of the affected communities, particularly when those are communities of color. Jurisdictions across the region should allocate resources to fund proper engagement with their communities and ensure that effective, culturally-appropriate mechanisms are in place to meaningfully engage communities around housing and related issues. Planning processes should be reconstructed to require and accommodate engagement that is impactful and not merely a “check the box” exercise.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
7F new	Improve coordination with school districts. Consider the impacts of affordable housing development and public-sector investments on the segregation or integration of affected schools.	Concentrated Poverty Requires Place-Based Investment	Ongoing	Entitlements	Note: Quality housing and quality schools are essential to address racial inequities. The quality of schools has a major impact on empowering students.  This issue would require some major research before City and Saint Paul Schools could take remedial action.	Council Research or PED Planning should research impact of affordable housing and the public-sector investments on the segregation or integration of affected schools. City may consider funding outside study with School District	

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<b>Goal #8: Invest in Place-Based Community Improvements</b> Focusing investment in defined communities most affected by poverty is needed in order to enhance the physical environment, increase the opportunities available to the community's residents, and also to build the human capital of the people residing there. Place-based investment is more impactful than a strategy of smaller investments made in several different communities simultaneously and is key to creating real change in a place and its people. The strategies described here include several different platforms from which a place-based investment model can be employed.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
8A 26	Consolidated Plans should contain place-based strategies, focusing available funding on improving the human capital and physical resources in specific, defined high-poverty areas.	Concentrated Poverty Requires Place-Based Investment	2018	Entitlements	City's Consolidated Plan recognizes the needs of its citizenry. However, the City's response is limited by its financial resources. As example, City's Consolidated Plan recognizes the needs of Saint Paul's homeless residents by supporting housing initiatives, such as Heading Home Ramsey, building of Higher Ground, developing permanent supportive housing in LIHTC developments. During 2006-2015, City financed 21 LIHTC affordable housing developments. <b>12 affordable housing developments (57%) were located in R/ECAP areas (racially/ethnically-concentrated areas of poverty areas)</b>	City must constantly balance the public policy needs of preserving existing affordable housing in ACP50 neighborhoods and the need to construct new affordable housing in higher opportunity areas.	
8B 27	Review capital improvement planning models to ensure process is informed by data on concentrated poverty and areas of low opportunity.	Concentrated Poverty Requires Place-Based Investment	2019	Entitlements	Council established the CIB process with input from citizens.	City Council should request Council Research to evaluate whether the CIB process should place higher priorities on areas of low opportunity.	

<b>Goal #9: Support Multicultural Housing Needs</b> The ethnic and cultural diversity in the Twin Cities region requires that jurisdictions work closely with existing ethnic and cultural organizations to reach and interact with these populations in appropriate ways. Not only do methods of application for housing units need to be adapted, but channels for disseminating information about housing programs and about one's rights under the Fair Housing Act need to be opened through organizations that are trusted by the community. Cultural housing needs, such as large units to house multigenerational families, should be considered.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
9A 32	Routinely review PHA subsidy standards, LIHTC QAPs, and other housing program policies and occupancy standards to ensure accommodation of units for large, multigenerational families.	Multifaceted Values on Neighborhoods and Housing	Ongoing, annually. Beginning 2018	Sub allocators PHAs HRAs Entitlements	Note: There is a need for large-sized housing within the City of Saint Paul, especially when residents have difficulty using their Housing Choice Vouchers.  St. Paul HRA awarded LIHTC Site Selection Priority points to affordable housing that offers large-sized (3br+) units.		
9B 43	Ensure applications for housing program assistance are available online as well as in hard copy and that both options are advertised; work with cultural organizations to implement effectively.	Access to Housing is Reduced for Some Groups	Ongoing, beginning 2017	Entitlements, Subrecipients, PHAs, HRAs	City should evaluate its application process citywide.  DSI continues to evaluate all documents from a plain language perspective, i.e. appointment letter; updates its Updated Fire Safety website " <a href="#">Resources</a> " page to provide property owners and tenants more information regarding services available within the Saint Paul area; and in an effort to increase transparency, developed an interactive residential Fire Certificate of Occupancy <a href="#">property map</a> on DSI website to allow tenants and landlords to see the letter grade score a property received during their last inspection.	During the 2018 Budget process, the City Council may want to consider a City Council Budget objective to establish an interdepartmental team to evaluate the City's application processes citywide.	
9C 44	Explore partnerships to disseminate fair housing information and resources to undocumented residents through existing organizations that have earned the trust of the communities they serve.	Fair Housing Enforcement and Education is Needed	2018	FHIC		City must research the scope of fair housing services that can be provided to undocumented residents.  City must research the limits of federal funding on serving undocumented residents.  City may consider alternative funding sources.	City Attorney's Office

<b>Goal #10: Support Residents' Fair Housing Rights</b>							
Work to prevent housing discrimination remains an important consideration for the jurisdictions in the Twin Cities region. The strategies here involve support for existing organizations that are providing fair housing education and enforcement, a recommendation for a region-wide program of fair housing testing to determine areas of particular concern for compliance with the Fair Housing Act, and a review of local affirmative marketing plans for sufficiency in protecting protected classes from discrimination in the rental of subsidized housing units. Additionally, residents engaged in this analysis described code enforcement actions that had significant unintended consequences such as displacement and homelessness. These issues are addressed by the strategies in this section as well.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
10A 37	Continue dialogue between code enforcement, child welfare agencies, and housing rehabilitation programs to discuss linkages that would provide assistance to tenants living in substandard conditions.	Displacement Causes a Loss of Affordable Housing	2018	Entitlements	DSI had meetings with the community, as part of our Racial Equity Impact Assessment for the Fire Certificate of Occupancy program, resulted in significant changes to how DSI operates this particular program.  City ESG program provides supplemental funding for the West Side Community Health Services – HouseCalls- which works with DSI and residents living in substandard conditions.		
10B 38	Ensure local code enforcement departments are trained to minimize substandard housing conditions without creating vulnerability to tenants. Ensure staffs are trained to maintain communication and status updates with complainants as well as property owners.	Fair Housing Enforcement and Education is Needed	2018	Entitlement Cities	DSI is partnering with the Office of Technology and Communication to fully implement the See-Click-Fix complaint response program within the City of Saint Paul in 2017.  Implementation of this software will allow for full cycle, automated, complaint reporting and response to all complainants who choose to use this system. Complainants will automatically be made aware of all inspection results/actions taken by staff or abatement contractors.		
10C 40	Monitor and provide financial support for the efforts of existing community-based organizations in offering fair housing education in culturally-appropriate ways to non-English speaking communities; education materials should include general information about landlord and tenant responsibilities as well. A "what to do if you're facing eviction" insert could be helpful.	Fair Housing Enforcement and Education is Needed	2018	FHIC (Partners: MMLA, SMRLS, Home Line)	With FHIC funding, HousingLink made fair housing video in English, Spanish, Hmong, and Somali.	City should work with FHIC to consider culturally-appropriate ways to provide fair housing information.	
10D 45	Conduct region-wide fair housing testing specifically in the areas of steering and discrimination on the basis of familial status.	Fair Housing Enforcement and Education is Needed	2019	FHIC (Partners: SMRLS, MMLA)	In past years, FHIC (with City financial support) has awarded grant funds to SMRLS for fair housing testing.	FHIC will consider fair housing testing initiatives contingent upon available funds.	

<b>Goal #10: Support Residents' Fair Housing Rights (continued)</b>							
Work to prevent housing discrimination remains an important consideration for the jurisdictions in the Twin Cities region. The strategies here involve support for existing organizations that are providing fair housing education and enforcement, a recommendation for a region-wide program of fair housing testing to determine areas of particular concern for compliance with the Fair Housing Act, and a review of local affirmative marketing plans for sufficiency in protecting protected classes from discrimination in the rental of subsidized housing units. Additionally, residents engaged in this analysis described code enforcement actions that had significant unintended consequences such as displacement and homelessness. These issues are addressed by the strategies in this section as well.							
No.	Recommendation	Fair Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	City Council / HRA Direction
10E new	Review affirmative marketing plans and enact as appropriate policies or provisions that ensure non-discrimination in the lease of publicly-subsidized rental housing.	Fair Housing Enforcement and Education is Needed	2019	Entitlements	In past years, FHIC awarded grant funds to Affordable Housing Connections (AHC) to provide fair housing training to frontline LIHTC affordable housing staff. AHC now provides a fair housing component as part of its annual Compliance training.  City must review affirmative marketing plans for HOME-funded programs.		

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October 15, 2018

Regulations Division  
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Department of Housing and Urban Development  
451 7<sup>th</sup> Street, SW, Room 10276  
Washington, DC 20410-0001

**RE: Docket No. FR-6123-A-01 RIN 2529-AA97  
Affirmatively Furthering Fair Housing: Streamlining and Enhancements**

Dear Sir/Madam:

The City of Saint Paul Departments of Human Rights & Equal Economic Opportunity and Planning and Economic Development are pleased to submit the following comments with respect to the proposed *Affirmatively Furthering Fair Housing: Streamlining and Enhancements* in order to affirmatively further fair housing pursuant to the Fair Housing Act. Saint Paul commends HUD's effort to develop a more structured fair housing process for program participants to follow.

As a grant recipient of CDBG, HOME, and ESG, Saint Paul affirmatively furthers fair housing by providing housing opportunities and housing programs to the protected classes under the Fair Housing Act. Still, Saint Paul recognizes the need to analyze housing patterns. Thus, Saint Paul welcomes the opportunity to use the proposed Affirmatively Furthering Fair Housing and its Fair Housing Assessment Tool as a way to better analyze and recognize the diversity of its residents.

That said, Saint Paul must caution HUD that the AFFH Streamlining and Enhancements may still have limited capacity to effectively alter segregated housing patterns and areas of concentrations of poverty. Simply stated, even with more streamlined analysis, Saint Paul has limited resources to significantly change long-established neighborhood patterns because of the following conditions:

- Saint Paul lacks sufficient financial resources to finance affordable housing citywide as its public funding (CDBG, HOME, TIF, LIHTC) can finance only 1-3 affordable housing projects annually (i.e., approximately 100-200 affordable units); and
- Saint Paul must continually preserve its existing affordable housing units, totaling approximately 13,000 units citywide; and
- As a fully-developed city, Saint Paul has limited land assembly available for new affordable housing construction; and
- Major publicly-supported infrastructures and public investments often influence the day-to-day real estate market decision-making, even for projects located in the areas of high-concentration of poverty. As an example, the federally-funded Central Corridor Light Rail Transit Line encourages the development of transit-oriented affordable housing which offers greater access

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to employment opportunities for low and moderate income residents. At the same time, such public infrastructure can cause displacement ; and

- Statistical imbalances caused by ethnic settlements may just be a result of an exercise of choice by households or communities. Saint Paul has a history of welcoming new Americans. Since 1980, many Hmong, Russian, and Somali, and Karen immigrants have become Saint Paul citizens – often developing their communities along transit corridors with access to jobs and social services. Consequently, HUD must recognize that some clustering of racial/ethnic groups, which resulted in “statistical imbalances,” may just be the result of exercise of choice by a household and not because of limitations of choice imposed by others.

Furthermore, it should be noted that Saint Paul has adopted policies and procedures to encourage fair housing choice by encouraging affordable housing citywide. Prior to considering the proposed AFFH procedures, Saint Paul adopted its Locational Choice Policy that “moves the City towards a more equitable distribution of affordable housing throughout the City.” Still, Saint Paul (its elected officials and staff) often debated financing new affordable housing construction versus financing affordable housing preservation. Moreover, Saint Paul must continually evaluate affordable housing opportunities and its corresponding benefits to the low and moderate income Saint Paul residents as the City encourages affordable housing opportunities in neighborhoods in which Saint Paul residents can thrive.

**Prior to answering the HUD questions, the City of Saint Paul provides general comments with respect to the proposed *Affirmatively Furthering Fair Housing: Streamlining and Enhancements* pursuant to the Fair Housing Act:**

- **Streamlining and Enhancements of HUD regulatory requirements are not the major contributing factors for the lack of fair housing choice. The lack of sufficient federal funding and low income housing tax credits – as public policies – are major barriers to promoting fair housing choice in the Twin Cities area.**

As an example, The City of Saint Paul must constantly do more with less federal funding. In 1975, the City of Saint Paul received approximately \$18,000,000 of CDBG funding. Forty-three years later, the City’s CDBG funding received \$6,293,101 for FY17. Similarly, the City received HOME funds of \$2,316,000 in 2000; now, the City received HOME funds of \$1,472,699 for HUD FY17.

- **The seven-county Twin Cities lacks a sufficient number of affordable housing and efficient transit options for persons of color and underrepresented residents to meaningfully access fair housing opportunities.**

### HUD QUESTIONS:

- 1.a. **What type of community participation & consultation should program participants undertake in fulfilling their AFFH obligations?**

**Answer:** The City of Saint Paul must make a good faith effort to recognize the diversity of its residents. These efforts may require additional funds for community engagement initiatives that are skilled at engaging persons of color and underrepresented residents. As an example, as part of its Regional Addendum to the 2014 Regional Analysis of Impediments Fair Housing Choice, the City, other CDBG entitlements, and HUD (technical assistance) funded additional

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community engagement forums among communities of color and underrepresented residents in the seven-county metropolitan area. The community engagement approach was modeled after the then-pending affirmatively furthering fair housing rule. Because of the recommendations of the community-based fair housing community advisory committee, the analysis was much more nuanced and responsive to the breadth of fair housing challenges that our region faces. Specifically, the serious fair housing issue of displacement of communities of color and indigenous people was added to the analysis and recommendations. This issue had not been identified in previous AIs, but is one of the biggest issues that metropolitan cities and counties are grappling with today.

We have found that community groups are very sophisticated in their ability to understand government processes, identify how these create fair housing barriers, and engage those most marginalized to shape fair housing analyses and recommendations. Without HUD setting the road map for quality community engagements, jurisdictions may not know how to most effectively reach community members. Without robust community input, jurisdictions also are not necessarily best positioned to recognize how their own long-standing processes, zoning, and investments are perpetuating disparities. The consequence of this is that time, money, and energy invested to ostensibly further fair housing are wasted as the “Two Americas” described in the Kerner Commission report persist.

- 1.b. **Do the issues under consideration in affirmatively furthering fair housing merit separate, or additional, public participation and consultation procedures than those already required of program participants in preparing annual plans for housing & community development (i.e., Consolidated Plan, Annual Action Plan, or PHA Plan)?**

**Conversely, should public input on AFFH be included as part of the Consolidated Plan/PHA Plan public involvement process?**

**Answer:** Fair Housing tends to get lost in broader housing planning conversations and very little space is provided to report on fair housing in the Consolidated Plan and Annual Action Plan. Consequently, Affirmatively Further Fair Housing conversations require separate public participation and consultation. Public participation on fair housing provides both an opportunity to educate the public about the Fair Housing Act and to allow participants to meaningfully comment on the barriers and recommendations to fair housing.

As an efficient means for guiding meaningful resident comments, the issues under consideration in affirmatively furthering fair housing should be considered as part of the community participation process already required for the preparation of City’s Consolidated Plan and Annual Action Plan.

In our experience as a participant in a regional AI process, a robust Fair Housing-focused community engagement of those most likely to experience discrimination resulted in comprehensive and nuanced identification the fair housing issues that face our region. Also resulting from community input, the Addendum contained innovative and nuanced recommendations that get to systemic root causes of discrimination in our region. Not only has this been helpful to the participating jurisdictions in this regional fair housing council, but the state, a number of cities, funders, and nonprofits have read the Addendum and are reviewing how to implement these recommendations. This depth and breadth of fair housing analysis and recommendations would not have occurred had fair housing been folded into existing planning processes (Consolidated Plan or Annual Action Plan).

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Regarding PHA plans, please directly consult with the Saint Paul Public Housing Agency at [www.stpha.org](http://www.stpha.org).

- 2. How should the rule weigh the costs and benefits of data collection and analysis? Should the proposed rule allow program participants to develop or use the data of their choice? Alternatively, should HUD require the use of a uniform data set by all program participants in complying with their AFFH obligation? Should it vary by the nature of the program participant? Instead of a data-centric approach, should jurisdictions be permitted to rely upon their own experiences? If the latter, how should HUD assess this more qualitative approach?**

**Answer:** In order to ensure consistency and predictability, HUD should provide a uniform data set for use by program participants.

**Analysis:** Fair Housing Act has been the law of the land with the ultimate goal of ensuring housing opportunities that are best for individuals and their families. However, historical metro-wide residential patterns continually indicate the racial composition of communities that may be inconsistent with the goals of the Fair Housing Act. Simply speaking, studies after studies have identified that fair housing opportunities are limited.

Now, some may claim that HUD-driven AFFH data encourages “social engineering.” In response, it must be recognized that metro-wide communities have willingly accepted federal funds for housing development, community development, transit, education, and highway construction as investments in their local communities. Moreover, individual homeowners use mortgage interest payments – reducing taxable income – as prudent financial investments. Consequently, these long-standing federal supports may also have effectively “socially-engineered” discriminatory residential patterns that exist today.

Since communities willingly accept federal funds (i.e. housing, transit, education, highway, etc.), communities have a legal obligation to affirmatively further fair housing by taking proactive steps to identify the causal factors of existing housing patterns.

At the same time, HUD should provide clear guidance and technical assistance so that communities can effectively implement procedures that affirmatively further fair housing. HUD should provide the relevant data sets so that communities can use to comply with its AFFH obligations. In addition to consistency, the use of HUD data sets will be more cost-efficient with cost savings for jurisdictions which have been required to pay consultants to perform this data collection.

HUD data sets should provide social, economic, demographic and education data with mapping capacity for patterns of housing and segregation. They also should identify racial, ethnic, and indigenous housing disparities. While such HUD data sets may affirm local knowledge of racially and ethnically concentrated areas of poverty or wealth, overcrowding and substandard housing, these HUD data sets can demonstrate the facts that racially and financially segregated families are ill-served by under-resourced schools and poor access to jobs or transportation. Simply speaking, housing disparities signal the effects of fair housing barriers, and their identification can more effectively allow jurisdictions to tailor policies and expenditures with the goal of eliminating these disparities.



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Second, the local communities must then apply a rigorous analysis of the HUD data sets to local and regional conditions. Here, local communities must recognize the local barriers to fair housing choice while recognizing changing demographics, income distributions, and changing residential and job patterns. In many metropolitan areas, there is residential movement of white populations back to the cities with possible urban gentrification and displacement of communities of color and Indigenous Communities who then move to the suburbs to obtain housing they can afford.

Third, fair housing requires more than just public policies. As communities become more diverse, communities must be open to effectively serve their residents. Thus, local communities must conduct community engagement and community participation to review of the HUD data sets with its application of local conditions. Community input provides important qualitative data to provide context to quantitative data and also identifies emerging fair housing issues that cannot yet be captured quantitatively.

Time is of the essence in identifying emerging fair housing issues to address them before they cause widespread harm and/or become more entrenched and thus more difficult to resolve (e.g. racial and ethnic displacement).

Finally, with the community review of the HUD data sets, HUD should encourage metropolitan communities to develop a more equitable balance of public investments – promoting economic mobility with access to schools of choice, jobs, healthcare, transit, and affordable housing. Within the Twin Cities areas, suburban communities need more affordable housing developments, and older communities must preserve their existing affordable housing. Together, communities could regionally create an effective, politically acceptable process to achieve fair housing goals so that all Twin Cities residents have more fair housing choices.

3a. **How should PHAs report their AFFH plans and progress?**

**Answer:** Regarding PHA plans, please directly consult with the Saint Paul Public Housing Agency at [www.stpha.org](http://www.stpha.org).

3b. **Should jurisdictions be required to provide a detailed report of the analysis performed or only summarize the goals?**

**Answer:** Evidence of good faith is essential to determine whether the fair housing goals are truly reflective of the wishes of the community. HUD can only verify good faith efforts by reviewing a description of the process provided by the program participant to show how it arrived at identification of its goals. In particular, it is important for jurisdictions to describe their community engagement process to demonstrate that the goals and recommendations are responsive to community input. Goals made absent community participation are made in a vacuum and are unlikely to be responsive to or effective in addressing the fair housing challenges in a particular jurisdiction.

3c. **How often should program participants be required to report on their AFFH efforts? Should the proposed rule retain or revise the current timeframes for required AFFH submissions?**

**Answer:** The proposed rule should retain the current timeframes. Every five years is a short enough time period to allow for a meaningful and actionable plan and also long enough to respond to changes and plan for meaningful efforts to advance fair housing. Furthermore, the

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recurring five (5) year periods establish good timeframes to get a continuity of vision and direction. Annual reports are also important for accountability. These documents should be incorporated into other reports.

- 3d. **Should program participants continue reporting annually on their AFFH actions and results in their program plans and annual performance reports or, given the long-term nature of many AFFH goals, should the reporting period be longer?**

**Answer:** Program participants should report annually to ensure accountability and measurable progress towards the recommendations is made each year.

- 3e. **Should planning and/or results be integrated into existing report structures, such as Consolidated Plans and Consolidated Annual Performance and Evaluation Reports (CAPERS), or utilize an alternative structure?**

**Answer:** Planning and results should be reported in separate documents such as the Analysis of Impediments to Fair Housing. The depth and breadth of analysis necessary for meaningful and effective fair housing analysis and goal setting cannot be contained as a sub-section to Consolidated Plans and CAPERS. However, it is appropriate to integrate portions of the analysis and results into the Consolidated Plans and CAPERS.

- 3d. **Should the proposed rule specify the types of obstacles to fair housing that program participants must address as part of their AFFH efforts, or should program participants be able to determine the number and types of obstacles to address?**

**Answer:** HUD should specify baseline obstacles that must be addressed as part of AFFH efforts. Then the program participants should also engage in the necessary analysis to determine which additional fair housing obstacles are present to the local jurisdiction.

An important function of the Fair Housing Act is establishing the national fair housing standards that every jurisdiction is required to uphold in order to protect and advance its residents' fair housing rights. Without such national standards, it will be difficult to ensure baseline civil rights protections. Moreover, HUD is the appropriately empowered agency to create and enforce those baseline civil rights protections. The historical role of local and national systems in creating disparities and barriers to fair housing is well-established. Therefore, consistent nation-wide measures are appropriate.

- 4b. **Should HUD incentivize program participants to collaborate regionally to identify and address obstacles to affirmatively furthering fair housing, without holding localities accountable for areas outside their control?**

**Answer:** Yes. HUD should incentivize programs participants to collaborate regionally in order to identify and address obstacles to affirmatively furthering fair housing

Regional collaborations can identify fair housing barriers that may be best addressed regionally. Furthermore, amongst jurisdictions that are predominantly of one race, regional collaboration will also assist in determining why certain populations reside in one area and not another and whether these living patterns are due to discrimination. In a predominantly homogenous jurisdiction, it is important to analyze why other protected classes *are not* living in the communities.

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4.c **Should HUD incentivize grantees and PHA to collaborate in the jurisdiction and the region to remove fair housing obstacles?**

**Answer:** Yes, HUD should incentivize grantees and PHA to collaborate locally and regionally to remove obstacles to fair housing. HUD should strongly encourage that public housing authorities and local jurisdictions consider joint housing strategies to affirmatively further fair housing. As an example, HUD should convene regional meetings to develop new procedures and financial incentives as necessary to ensure that Section 8 porting procedures are effectively workable. HUD should also provide financial assistance and authorization that allow PHAs to implement increase the Section 8 payment standards that encourage fair housing choice in areas of opportunities.

4d. **What are examples of obstacles that AFFH regulations should see to address?**

- Ensure that HUD documents, such as fair housing regulations, are multi-lingual.
- Seek HUD authorization so that PHA has flexibility to increase Section 8 payment standards to encourage fair housing choice in areas of opportunities.
- Consider federal legislation that requires fair housing efforts as a condition of jurisdictions and states receiving federal highway funds.
- Increase federal funding to develop affordable housing in higher income areas.
- Work to increase acceptance of Section 8 Vouchers.
- Analyze whether Tenant Screening Criteria are barriers to fair housing choice.
- Work with real estate industry to mitigate any real estate steering practices, as needed.
- Provide resources for better access to homeownership resources.
- Analyze regional zoning practices to determine whether zoning practices are de facto limiting fair housing choices.
- Reduce barriers to homeownership, encourage homeownership education, increase resources for homeownership that support fair housing choice.
- Whether development practices and/or municipal investments are at risk of resulting in displacement of protected class communities. If so, implementation of mitigation measures to minimize or eliminate displacement risks should result.

4e. **How might a jurisdiction accurately determine itself to be free of material obstacles?**

**Answer:** If accepting federal funds, jurisdictions have a legal obligation to constantly evaluate its efforts to affirmatively further fair housing - an on-going commitment to fair housing choice. As long as housing disparities amongst protected classes persist, a jurisdiction continues to have material obstacles to fair housing.

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5. **How much deference should jurisdictions be provided in establishing objectives to address obstacles to identified fair housing goals, and associated metrics and milestones for measuring progress?**

**Answer:** Jurisdictions must determine whether its fair housing initiatives are effectively furthering fair housing choice. That said, HUD must identify the baseline issues for national consistency. HUD should also require prioritization of efforts to address the greatest housing disparities within that jurisdiction. In jurisdictions that are mostly homogenous, more efforts should be made to remove barriers in order to attract more protected class residents.

In addition to this baseline, given the unique character of each jurisdiction, tailored solutions must advance fair housing in the particular jurisdiction. Therefore, HUD should establish the process to determine whether jurisdictions made good faith efforts to arrive at its objectives, obstacles, metrics, and milestones. This process is described in detail in our response to Question 6.

It is unacceptable for jurisdictions to make internal determinations on what these benchmarks should be, particularly if there is little to no representation of protected classes among those government decision-makers.

- 6.a **How should HUD evaluate the AFFH efforts of program participants? What types of elements should distinguish acceptable efforts from those that should be deemed unacceptable?**

**Answer:** Good faith criteria would include:

1. Identifying demographic make-up of the jurisdiction and working with community groups with existing connections to the protected class communities within the jurisdiction. If there is very limited representation of communities of color, indigenous people, and people with disabilities, the jurisdiction must contact other municipalities in the region with more protected class members to ask why they are not residing in the jurisdiction (similar to the requirements in the *Westchester* case).
2. Demonstrate evidence of working with diverse community groups to reach those most likely to requirements on engagement must include:
  - a. Number of meetings detailed by time and location;
  - b. Number of meetings with interpreters and languages interpreted;
  - c. Community organizations that partnered with the jurisdiction to host these meetings;
  - d. Total number of people reached broken down by protected class status, language groups, and income levels.
3. Demonstrate evidence through tracking participant demographics and income levels to recognize that a variety of protected classes were reached through engagement efforts. Evidence of providing interpreters and collaboration with diverse community organizations to hold meetings would also be acceptable.
4. Evidence of connecting community input to the analysis and recommendations.

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5. Using a process guided by a review of resources, influence, community input, and community impact to identify priority fair housing issues listed in recommendations.
6. The creation of a short and long-term plan identifying priority fair housing issues with measurable steps to implement those recommendations.
7. Clear progress against these established metrics. If progress has not been made, jurisdictions must explain why they have been unsuccessful and what alternate strategies they will try.

### **Unacceptable efforts:**

- Failure to report engagement efforts, engagement efforts that show very little evidence of engagement of protected class communities, or engagement efforts that are widely known to be ineffectual such as posting a notice in the newspaper of a meeting, without more, or very few meetings held at the same time of day.
- Failure to articulate a process based on the good-faith efforts above to identify fair housing priorities, failure to have a plan, and failure to make progress without articulating a legitimate reason for the lack thereof.

Jurisdictions with unacceptable efforts should be required to participate in a fair housing training that outlines historical and institutional discrimination, identifies the historical sources of discrimination unique to the jurisdiction, guiding them through an identification of the present systemic and institutional practices that perpetuate discrimination, and resourcing a Technical Assistance provider and a local fair housing organization to direct the jurisdictions' work by building a community process to oversee the creation of an effective plan and implementation process.

- 6b. **What should be required of, or imposed upon, jurisdictions with unacceptable efforts (other than potential statutory loss of Community Development Block Grant, HOME, or similar funding source)?**

**Answer:** At this time, HUD should impose sanctions in compliance with existing statutes.

- 6c. **How should HUD address PHAs whose efforts to AFFH are unacceptable?**

**Answer:** Regarding PHA efforts, please directly consult with the Saint Paul Public Housing Agency at [www.stpha.org](http://www.stpha.org). That said, the federal government has continuously underfunded PHA operations. Therefore, as a federal commitment to affirmatively further fair housing choices, HUD should assist PHA with more funds for operations as well as program funding.

7. **Should the rule specify certain levels of effort on specific actions that will be deemed to be in compliance with the obligation to affirmatively further the purposes and policies of the Fair Housing Act (i.e. "safe harbors"), and if so, what should they be?**

**Answer:** Safe harbors are inappropriate in a fair housing context because housing discrimination is not static in how it manifests in different communities. Therefore, it is appropriate for HUD to create criteria that it will use to review whether jurisdictions have engaged in good faith efforts to affirmatively further the Fair Housing Act.

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8. **Are there any other revisions to the current AFFH regulations that could help further the policies of the Fair Housing Act, add clarity, reduce uncertainty, decrease regulatory burden, or otherwise assist program participants in meeting their AFFH obligations?**

**Answer:** HUD should fund more technical assistance to assist program participants in meeting their AFFH obligations. HUD should also provide more funds dedicated for more robust community engagement by program participants.

Thank you again for the opportunity to comment on this important rule. Please contact me at 651-266-8966 or [Jeffry.Martin@ci.stpaul.mn.us](mailto:Jeffry.Martin@ci.stpaul.mn.us) for any additional information from Minnesota Housing.

Sincerely,



Jeffry Martin  
Acting Director

Jm/aes

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# Fair Housing Work Group

Status update and policy and program options in response to Resolution 17-2064.

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## Executive Summary

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This report is in response to the City Council Resolution 17-2064 directing staff of the Fair Housing Workgroup to develop a Fair Housing Strategic Plan to present to the City Council on March 28, 2018.

Fair housing is the right to choose housing free from unlawful discrimination. When housing choice is limited, a resident's access to place-based assets like schools, employment, parks, and other infrastructure may also be limited. Government entities receiving U.S. Department of Housing and Urban Development (HUD) funds are required to understand the current fair housing landscape and implement strategies to overcome obstacles preventing the realization of full fair housing in our community.

In 2015, the cities of Minneapolis and Saint Paul were named in a fair housing complaint (now resolved) alleging the analysis and findings of their HUD-required Analysis of Impediments were deficient. In 2016, the cities entered into a Voluntary Compliance Agreement with HUD which required the preparation of an Analysis of Impediments Addendum to provide a more robust analysis focusing on segregation and integration, areas of concentrated poverty and areas of opportunity. In 2017, Saint Paul City Council and Mayor Christopher Coleman directed the creation of a Fair Housing Workgroup to make policy and budget recommendations to the Mayor and Housing and Redevelopment Authority with the goal of eliminating housing disparities, lowering barriers to affordable housing, and ensuring access to economic opportunity in the City of Saint Paul.

This report includes:

- background on the City of Saint Paul's role in Fair Housing;
- data about the current state of Fair Housing in Saint Paul;
- the current status of the 11 goals outlined in Resolution 17-206;
- policy and program options for furthering Fair Housing; and
- recommended next steps for implementation.

The Fair Housing Work Group recognizes that advancing a broad vision for fair housing requires a comprehensive, long-term approach that aligns and integrates our resources as a City across a full continuum from homelessness to homeownership. And, the Work Group recognizes that some Saint Paul residents are in crisis today, requiring shorter-term policy and program activities. The goal of the policy, program, and infrastructure options outlined in this section are therefore twofold:

- **to provide a roadmap to advance the 11 specific fair housing goals named in the resolution; and,**
- **to set the stage for a comprehensive fair housing strategic planning process informed by robust community engagement.**

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Through the work outlined in this report, the Fair Housing Workgroup arrived at the following program and policy options to advance the 11 fair housing goals identified in the Council resolution. The options are organized into three community impact areas: 1) Preservation and Production of Affordable Housing; 2) Displacement Prevention; and 3) Enforcement and Education.

To ensure that fair housing efforts are sustained, coordinated, and equitable the Work Group identified a group of options for infrastructure to support fair housing implementation, including the development of cross-functional work groups to identify and implement priorities in each of the three community impact areas, broadening the Work Group to include more community stakeholders, and the development of a comprehensive strategic plan.

The City of Saint Paul will achieve 21st-century housing equity when our policies and practices work for everyone. This will be achieved when we empower those who have historically been marginalized; when we are responsive to structural and systemic disparities; and when we adapt to the increasingly complex and diverse array of resident needs.

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## Overview

### Fair Housing Timeline

#### 2010

Resolution to continue participating in Metropolitan Councils Local Housing Incentives Account Program and set goal of 2,625 units of affordable housing for period of 2011-2020.

#### 2015

Cities of Minneapolis and Saint Paul were named in a fair housing complaint (now resolved) alleging the AI analysis and findings were deficient.

#### 2016

Minneapolis and Saint Paul entered into a Voluntary Compliance Agreement with HUD which required the preparation of an AI Addendum to provide a more robust analysis focusing on segregation and integration, areas of concentrated poverty and areas of opportunity.

#### 2017

Mayor and City Council directed the creation of a Fair Housing Workgroup to make policy and budget recommendations to the Mayor and HRA with the goal of eliminating housing disparities, lowering barriers to affordable housing, and ensuring access to economic opportunity in the City of Saint Paul.

#### 2018

Status update and policy and program options in response to Resolution 17-2064.

#### 2020

Next Assessment of Fair Housing due to HUD.

This report is in response to the City Council Resolution 17-2064 directing staff of the Fair Housing Workgroup to develop a Fair Housing Strategic Plan to present to the City Council on March 28, 2018.

### What is Fair Housing?

The purpose of the Fair Housing Act is to ensure that individuals have self-determination in their housing choices free from discrimination and require that governments take proactive steps to remedy past discrimination. Fair housing is the right to choose housing free from unlawful discrimination. When housing choice is limited, a resident's access to place-based assets like schools, employment, parks, and other infrastructure may also be limited.

The Fair Housing Act (FHA) was passed April 11, 1968, one week after the assassination of Dr. Martin Luther King, Jr. whose movement included the fight for equal treatment in housing. The FHA prohibits discrimination based on race, national origin, color, religion, sex, familial status, disability. Not only is intentional discrimination prohibited, but so is disparate impact discrimination which results when neutral policies disproportionately negatively impact people of color and other protected classes.

### The City's Role in Fair Housing

As a recipient of HUD funds, Saint Paul is required to analyze the current fair housing landscape and implement strategies to advance fair housing and overcome barriers to fair housing in our community.

In addition to the HUD requirement, Fair Housing efforts are a critical part of the City's commitment to equity. The experience of being "at home" depends on the quality of housing itself, a sense of community and belonging, and access to amenities. Therefore, virtually all city services touch on housing. Some city departments and functions of City Council and the Housing and Redevelopment Authority (HRA) more directly impact housing. The Department of Planning and Economic Development makes investments in housing, economic development for thriving commercial districts, and engages in long range planning. The Department of Human Rights and Equal Economic Opportunity investigates discrimination complaints, provides fair housing training, and ensures contracts are providing economic opportunities to women, people of color, and low-income people. The Department of Safety and

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Inspections ensures that rental properties are maintained to the standard of relevant codes and seeks to further safe and high-quality housing where applicable. Within City Council, the Legislative Hearing Officer makes determinations on codes, tax and summary abatement assessments, and certain land use matters.

### **Saint Paul's Participation in the Metropolitan Council's Local Housing Incentives Account Program**

Like most cities in the seven-county metro area, Saint Paul is a participant in the Met Council's Local Housing Incentives Account program. Participation enables the City to apply for development and environmental clean-up grants from the Met Council and DEED, which have awarded funds to numerous Saint Paul projects over the years. To participate, cities are required to set goals for development of affordable and life-cycle housing units over a 10-year period. For the current period (2011-2020), Saint Paul set a goal of developing 2,625 units of affordable housing (defined as units affordable at 60% AMI). This was formalized in Resolution #10-935 in August of 2010.

### **Fair Housing Analysis of Impediments & Addendum**

The City of Saint Paul participates in a fair housing analysis in order to understand its impact on fair housing and address housing discrimination. Because HUD requires both a regional and local analysis, Saint Paul has been a member of the Fair Housing Implementation Council since 2002. The Fair Housing Implementation Council (FHIC) is comprised of seven counties, eight cities, and the Metropolitan Council. The FHIC's two principle activities are preparing an Analysis of Impediments to Fair Housing Choice (AI) every five years and funding fair housing projects responsive to the identified recommendations.

In 2015, the Cities of Minneapolis and Saint Paul were named in a fair housing complaint (now resolved) alleging discrimination in the placement of affordable housing investments and alleging that the AI's analysis and findings were deficient. In May 2016, Minneapolis and Saint Paul entered into a Voluntary Compliance Agreement with HUD which required the preparation of an AI Addendum to provide a more robust analysis focusing on segregation and integration, areas of concentrated poverty and areas of opportunity. This agreement also required a HUD-appointed advisory committee of diverse stakeholders and more robust community engagement. The FHIC agreed to follow the terms set out in the VCAs with Minneapolis and Saint Paul or HUD would have compelled them to do so.

The FHIC funded a comprehensive community engagement process that included 17 community organizations with diverse ethnic and cultural constituencies. Over 800 residents were engaged in meetings, surveys, listening circles, and interviews. The participants represented 61 ZIP codes across the metro, more than 70% were people of color, more than half had household income under \$25,000, and 68% were renters. These participants overwhelmingly represent groups among those most likely to face housing discrimination. A key theme from this engagement was the need to reframe how governments talk about and make decisions regarding people of color. Traditional definitions of "opportunity" tended to place more value on predominately white areas and did not take into account the opportunity provided by community networks, cultural knowledge, and diversity. Similarly "concentration" was used to describe neighborhoods that are majority low income and people of color without analyzing the factors that contribute to the concentration of

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predominantly wealthy, white people. Data combined with community perspectives and existing works of local research led to the identification of eight key fair housing issues. Key findings included:

1. How residents value neighborhoods and housing is multifaceted
2. Residential patterns reflect segregation and differing access to opportunity factors by race and ethnicity
3. Areas of concentrated poverty require coordinated place-based investment to increase opportunity for residents
4. Displacement due to gentrification and neighborhood change causes a loss of affordable housing and limits fair housing choice
5. There is a need for expanded distribution of affordable housing across the region
6. Regulation, policies, and funding availability impacts levels of publicly-subsidized and private-market affordable housing development across the region
7. Access to homeownership, rental housing, and housing programs is reduced for some racial and ethnic groups
8. Fair housing enforcement and education is a continuing need

### **AI Addendum Guidelines for a Balanced Approach to Fair Housing**

The FHIC's members must work to facilitate the mobility of residents who wish to locate in their community of choice while simultaneously investing in human capital development and physical improvements in places of concentrated poverty to increase opportunities for residents there. The appropriate balance between these two approaches should be based on these guidelines set out in the AI Addendum:

Investment in construction of new affordable housing should prioritize expanding affordability regionally and within jurisdictions, including in areas with access to opportunity, as defined through a community engagement process which may include, but are not limited to, quality schools, transportation, economic opportunity, and other public resources.

Construction of new affordable units in areas of concentrated poverty, and particularly in areas of concentrated poverty where 50% or more of the residents are people of color, should be considered only as part of a comprehensive community investment strategy to address targeted community housing needs. Preservation of existing affordable housing in these areas should be prioritized over new construction.

Community development investment, to include investments in both people and physical places, should be focused on areas of concentrated poverty, and particularly areas of concentrated poverty where 50% or more of the residents are people of color.

In areas where gentrification is believed to be occurring, preserving the affordability of existing housing and securing property for development of new affordable units should be a priority.

Enforcement of fair housing laws and efforts to prevent housing discrimination are key to opening up a variety of housing options throughout the region in areas of all types of opportunity.

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### AI Addendum Regional Goals

To implement the above guidelines, the Addendum offers ten goals, each supported by a list of fair housing recommendations corresponding to fair housing issues raised in the Addendum and paired with an implementation timeframe and responsible parties. The members of the FHIC, who will primarily be the responsible entities for carrying forward the recommendations, are diverse in their character, politics, resources, demographics, and challenges. Accordingly, the recommendations allow individual FHIC jurisdictions the latitude to consider and implement the recommended strategies in the ways that are most feasible within their respective jurisdictions. The ten overarching goals are:

1. Improve Opportunities for Mobility within the Region
2. Reduce Resident Displacement
3. Increase Access to Homeownership
4. Expand Funding for Affordable Housing
5. Improve Fair and Affordable Housing Planning
6. Expand Locations of Affordable Housing
7. Institute Effective and Meaningful Community Engagement
8. Invest in Place-Based Community Improvements
9. Support Multicultural Housing Needs
10. Support Residents' Fair Housing Rights

### Formation of the Fair Housing Work Group

In response to the extensive analysis and recommendations of the AI Addendum, on June 28, 2017, the Mayor and City Council directed the creation of a Fair Housing Workgroup to be co-chaired by the Deputy Mayor and Chair of the Housing and Redevelopment Authority (HRA). This group is responsible for providing policy and budget options to the Mayor and HRA with the goal of eliminating housing disparities, lowering barriers to affordable housing, and ensuring access to economic opportunity in the City of Saint Paul. The Fair Housing Work Group includes the Deputy Mayor, HRA Chair, and representatives from PED, DSI, HREEO, the City Council, the City Attorney's Office, and a representative from Ramsey County's Policy and Planning Division.

In December 2017, the City Council passed a resolution that the Fair Housing Workgroup will report back to City Council on March 28, 2018 with progress on eleven deliverables, present a Fair Housing Strategic plan, and prepare a budget proposal to support the strategic plan.

## Current State of Housing in Saint Paul

- There are **112,803 households** in Saint Paul<sup>1</sup>, a number that is forecast to grow to **131,400 households by 2030**<sup>2</sup>, necessitating the creation of **over 18,000 new housing units**.
- There are **119,625 units of housing** total in Saint Paul, **72% of which are 50 years or older**.<sup>3</sup> Of those, **112,571 housing units are occupied**;<sup>4</sup> **49.5% are owner-occupied**, and **50.5% are renter occupied**.<sup>5</sup>
- 17,182 rental units, or **30.4% of rental units, are in single family homes or duplexes**.<sup>6</sup>
- **3,568 rental units** in Saint Paul are affordable through the use of **Housing Choice (Section 8) Vouchers** issued by the Saint Paul Public Housing Agency, affordable units which are not reflected in the tables below.<sup>7</sup>
- **50.0% of renter households (occupying 27,899 units) are cost-burdened or severely cost-burdened.**
  - 23.1% of renter households are cost-burdened, spending from 30% through 50% of their household income on rent, and an additional 26.9% of renter households are severely cost-burdened, spending over half of their income on rent.<sup>8</sup> There are significant racial disparities in how this plays out, as shown below.

### Racial Equity Fair Housing Analysis: Saint Paul Housing-Related Disparities by Race/Ethnicity

Race/Ethnicity	Per Capita Income <sup>9</sup>	Homeownership <sup>10</sup>	Housing Cost Burdened <sup>11</sup>
White (not Hispanic or Latino)	\$39,344	60.5%	31.3%
People of Color	\$13,856	27.8%	49.6%

### Saint Paul Affordable Housing by Income Bracket and Type of Housing

Income Bracket <sup>12</sup>	Saint Paul PHA Income Restricted <sup>13</sup>	Other Ownership Income Restricted <sup>14</sup>	Naturally Occurring Affordable Housing <sup>15</sup>	Total
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<sup>1</sup> Census Bureau, American Community Survey, 2016, Table DP02

<sup>2</sup> Metropolitan Council Population Forecast, Thrive MSP 2040, January 1st, 2018 forecasts.

<sup>3</sup> Census Bureau, American Community Survey, 2016, Table DP04

<sup>4</sup> Census Bureau, American Community Survey, 2016, Table DP04

<sup>5</sup> Census Bureau, American Community Survey, 2016, Table DP04

<sup>6</sup> Census Bureau, American Community Survey, 2016, Table B25032

<sup>7</sup> Saint Paul Public Housing Agency PowerPoint Presentation to Fair Housing Working Group, Fall 2017; we know other agencies issue Section 8 Vouchers that are used in Saint Paul, but are not accounted for in this analysis.

<sup>8</sup> Department of Housing & Urban Development, Comprehensive Housing Affordability Survey (CHAS), 2010-2014, Saint Paul Data

<sup>9</sup> United States Census Bureau American Community Survey, Tables B19301A to B19301I, and Table DP05, 5-year estimates, 2012-2016 (midpoint 2014). Computations by Saint Paul Department of Planning & Economic Development Research Team.

<sup>10</sup> United States Census Bureau American Community Survey, Table B25003A-B25003I, 5 year estimates, 2012-2016 (midpoint 2014). Computations by Saint Paul Department of Planning & Economic Development Research Team.

<sup>11</sup> United States Department of Housing and Urban Development, Comprehensive Housing Affordability Survey (2010-2014, midpoint 2012)

<sup>12</sup> The household income ranges that correspond to the listed percentages of Area Median Income (AMI) are ≤30% AMI: ≤\$25,750; >30% to ≤50% AMI: \$25,751 to \$42,900; >50% to ≤80% AMI: \$42,901 to \$65,700; ≤80% AMI: ≤\$65,700; ≤60% AMI: \$51,480.

<sup>13</sup> Saint Paul Public Housing Agency Website, <http://stpha.org/about-sppha>, accessed 3/23/2018; number published on website confirmed as best available in email correspondence with Al Hester, SPPHA Policy Director, 2/22/2018.



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<b>≤30% AMI</b>	4,274	2,286	5,000	11,560
<b>&gt;30% &amp; ≤50% AMI</b>	0	1,386	25,354	26,740
<b>&gt;50% &amp; ≤80% AMI</b>	0	6,669	10,411	17,080
<b>≤80% AMI</b>	4,274	10,341	40,765	55,380

### Supply and Demand for Saint Paul Rental Housing

Income Bracket <sup>16</sup>	Renter Households (2016)	Rental Units (2016)	Supply Gap (-) or Surplus (+)	Allocation Gap: Number of Affordable Units Occupied by Higher Income HH Gap (-)	Total Gap (-) or Surplus (+)
<b>≤30% AMI</b>	22,335	11,560	-10,775	-2,825	-13,594
<b>&gt;30% &amp; ≤50% AMI</b>	11,940 <sup>17</sup>	26,740 <sup>17</sup>	+14,800	-9,505	+5,295
<b>&gt;50% &amp; ≤80% AMI</b>	9,200 <sup>17</sup>	17,030 <sup>17</sup>	+7,830	-6,360	+1,026
<b>&gt;80% AMI</b>	13,355	3,285	-10,070	N/A	N/A
<b>TOTAL</b>	56,830	58,615	+1,785	N/A	N/A

## Status Updates on the 11 Resolution Goals

### #1: Engage renters, landlords, housing partners and other stakeholders for input and advice via public meetings and regular consultations

#### Process Owner

Alyssa Wetzels-Moore

#### Description

Eliminating entrenched racial and ethnic disparities requires transforming the systems that created these disparities to achieve new results. A critical piece in this transformation is incorporating stakeholders throughout the decision-making process. Those that are most impacted by housing disparities are uniquely positioned to identify the barriers they face and provide innovative solutions to addressing these barriers. Participation of historically marginalized communities is important to guard against 1) decisions that harm people of color and other protected classes; 2) well-intentioned decisions that also create harm or lead to unintended consequences; 3) well-intentioned decisions that do not solve the problem they are intending to

<sup>14</sup> This represents the total number of income-restricted affordable units shown in HousingLink Streams' data, as accessed

<sup>15</sup> This represents the total number of units affordable to those under each of the respective income ranges according to the 2010-2014 CHAS, minus the number of units via HousingLink Streams 3/2018 data that have affordability restrictions in place, including PHA units. These data combine two different datasets, benchmarked several years apart in time, so provide only a general estimate.

<sup>16</sup> The household income ranges that correspond to the listed percentages of Area Median Income (AMI) are ≤30% AMI: ≤\$25,750; >30% to ≤50% AMI: \$25,751 to \$42,900; >50% to ≤80% AMI: \$42,901 to \$65,700; ≤80% AMI: ≤\$65,700; ≤60% AMI: \$51,480.

<sup>17</sup> While the supply of housing exceeds the number of renters in each income bracket, in units which are not income-restricted, the renters who most need the housing are frequently outcompeted for these units by wealthier renters. Because of things like credit checks, strict income and credit requirements, disqualification due to past bankruptcies or convictions, and the persistence of discrimination by race, ethnicity, and immigrant status, very frequently these higher-income people have an easier time getting into those units than those who truly need this more affordable housing. For more discussion of these dynamics, see pp. Appendix B of this report.

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address. As policy-makers evaluate strategies, stakeholder engagement provides critical information on potential benefits and consequences of these initiatives. In order to be effective, engagement must be throughout the decision-making process rather than a point-in-time.

### *Status*

The Fair Housing Work Group discussed past experience with engagement and also reviewed the engagement strategies used to create the Addendum to the Analysis of Impediments. As described in the background section on the AI Addendum above, these strategies were determined to be highly successful because they resulted in a more thorough and nuanced analysis of fair housing and innovative strategies to overcome barriers. The key strategies were 1) Fair Housing Advisory Committee representing diverse perspectives, 2) the Advisory Committee participating in an Undoing Racism Workshop to have common understanding, and 3) funding organizations skilled in community engagement to reach those most impacted, but with the least access to the decision-making process.

The Fair Housing Work Group also conducted a review of the stakeholder landscape in which we identified the level of impact and influence of stakeholders including housing organizations, community advocates, funders, other housing partners, and Saint Paul residents impacted by policy and budget decisions. Based on this review, we identified that those most impacted by decisions had the least access to influence the decision-making process. The ability to influence the decision-making requires mutual education, ongoing trusted relationships, and feedback at critical decision points. Therefore, we recommend an overall approach involving three tiers of engagement 1) an engaged stakeholder group that advises on fair housing strategies on an ongoing basis; 2) mobilization of those most impacted, but least represented in decisions that affect them; and 3) broader community meetings to respond to fair housing proposals.

The Human Rights Division will designate one-time resources to expand and build the capacity for community engagement and enhance collaboration. A draft Request for Proposals (RFP) has been developed and conversations are underway for additional resources from a housing partner.

Finally, rather than contact stakeholders piecemeal, the Fair Housing Workgroup will wait to conduct community engagement in order to align efforts with the direction received in response to this report.

## **#2: Conduct a housing inventory of Naturally Occurring Affordable Housing buildings at risk of displacing tenants and proactively protect these assets**

### *Process Owner*

Patty Lilledahl, PED

### *Description*

The shortage of affordably priced rental housing units and the trend of rent increases creates the need for both public and private efforts to preserve the current housing stock of Naturally Occurring Affordable

Housing (NOAH). NOAH properties are private market rental units that do not have income or rent restrictions controlled by the public sector. Lower-income renters must compete with an increasing renter

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population with higher incomes for non-luxury apartments of decent quality and in neighborhoods of their choosing. Renters with credit issues or questionable rental histories are particularly at a disadvantage to compete for a declining supply of decent units. Given income disparities by race, shrinking availability creates a fair housing issue as people of color disproportionately are limited to only a few areas in the City.

The City does not have current data on privately-owned unsubsidized properties that are most at risk of large rent increases or a change in ownership that could result in displacement.

### *Status*

PED is currently data gathering sources that would be used to develop the NOAH inventory.

Staff has developed an inventory of Project Based Section 8 property in Saint Paul to include, in part, the Contract expiration date and Administrator (MHFA or PHA).

### **#3: Fire Certificate of Occupancy Program and Housing Equity**

#### *Process Owner*

Travis Bistodeau, DSI

#### *Description*

One of the responsibilities of the Department of Safety and Inspections (DSI) is to ensure that commercial and residential properties are maintained in such a fashion that they are safe for all building occupants. The Fire Safety Division of DSI is charged with ensuring that non-owner occupied residential rental properties are maintained to the standards set forth in the MN Fire Code and Chapter 34 of the Saint Paul Legislative Code. As a result, Fire Safety staff routinely inspect non-owner occupied rental properties on a progressive schedule, where the properties with the most and most severe deficiencies are inspected more frequently. Grades range from an A to a D. Although DSI's role is primarily focused on building maintenance, due to the very nature of our work, we are often involved in fair housing issues. For this reason, exploring DSI's work as it relates to fair housing is a focus of this strategic report.

#### *Status*

In partnership with the Fair Housing Work Group, and other efforts, DSI has focused on three fair housing related issues: consistency of inspections, customer education, and minimizing occupant displacement.

Results of these efforts are as follows:

1. **Consistency of Inspections**-Customers, including tenants and landlords, have complained that the quality of inspections are not consistent from year to year, or regarding the severity of a particular violation. DSI has implemented the following activities to address these concerns:
  - a. Increased mandatory staff training time by approximately 10%. New training includes an enhanced focus on Customer Satisfaction.
  - b. Supervisor 'ride-alongs' are now part of annual performance assessments for inspectors

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- c. Created quarterly in-house training sessions with Construction Services trade experts to increase inspector knowledge
  - d. Contracted with an online training provider to create and monitor training content for all staff
2. **Customer Education**-Customers have little understanding of how the Certificate of Occupancy program works and the value of the data it can provide to tenants. Property owners were unaware that this program is incentive based and that the fewer deficiencies a property has, the fewer inspections (and fees) are required. The data resulting from these inspections can be especially helpful to potential tenants as they 'shop' for a new place to live in Saint Paul. DSI has implemented the following activities to address these concerns:
  - a. Require all new landlords attend a Landlord 101 training session as part of obtaining a Certificate of Occupancy-This mandatory training explains how the our incentive based program works to minimize costs to the property owner while helping to ensure the property is maintained to the highest standard possible.
  - b. All inspection reports are available online-This allows potential tenants to review inspection reports prior to signing a lease, helping tenants make an informed decision about their housing. This is also helpful to current tenants who want to learn more about the deficiencies observed in their current building.
  - c. Provide a 'cheat sheet' to property owners prior to their inspection explaining the program and instructions on how to receive high scores-This document explains the incentive based program to property owners prior to an inspection, encouraging repairs be made before the inspection takes place.
  - d. Partner with Family Housing Fund and Carlson School of Management to build a database tool to increase tenant knowledge regarding rental properties and landlords. This tool will allow tenants to more fully screen their potential future landlord/property before signing a lease. This work is under development and will be complete by May 15<sup>th</sup>.
  - e. Developed online Fire Certificate of Occupancy map to allow tenants to easily identify the grade of a rental property-This effort allows tenants to determine the inspection grade of a property before signing a lease.
3. **Minimize Occupant Displacement**-There are situations where a building owner fails to bring a building into compliance within a reasonable amount of time or exposes occupants to an unsafe condition. Unfortunately, DSI is occasionally forced to vacate buildings such as these. As a result, tenants are forced out of their homes, due to no fault of their own. DSI has implemented the following activities to address these concerns:
  - a. Enhanced existing Emergency Notification System to better notify stakeholders who can assist tenants or landlords and prevent a certificate revocation/condemnation-Stakeholders receive a weekly, automated email and are now able to determine what properties are likely to be vacated by DSI and help prevent tenant displacements or assist in a housing transition. Interested stakeholders can sign up through the citywide ENS system. There is currently a marketing effort focused on the Frogtown and Rondo neighborhoods.
  - b. Collaborated with Emergency Management to seek FEMA funding to develop a scalable Emergency Housing Plan for Saint Paul. This plan will identify current and future resources

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needed to house residents primarily impacted by a terroristic disaster but could also be scalable to the condemnation of an individual building. This plan may be a resource to guide future emergency housing assistance resources for the city. A grant application to support this initiative will be submitted in May with a response expected from FEMA in August, for a potential 1/1/19 start date.

- c. Assisted the Department of Planning and Economic Development to develop small rental rehabilitation fund-This program provides interest free dollars to property owners to help improve the quality of rental housing stock. Priority is given to the most challenged properties or those located in areas of concentrated poverty within the city.

### **#4: Expand HREEO's Fair Housing Training Program**

#### *Process Owner*

Alyssa Wetzel-Moore, HREEO

#### *Description*

The Human Rights Division currently provides training to a number of stakeholder groups including those that could be potential complainants or respondents in a human rights investigation. These trainings are tailored to the audience and provide an overview of civil rights laws and the complaint investigation process. In the housing context, topics range from a basic overview of the Fair Housing Act and how to recognize discrimination to a more advanced review of disparate impact and affirmatively furthering fair housing. For audiences such as property owners and managers, the trainings are designed to prevent discrimination through education on avoiding discrimination, providing accommodations, and preventing harassment and retaliation. For audiences such as renters, housing non-profits, and advocates, these trainings are designed to inform audiences of their civil rights, how to identify potential discrimination, and how to file a discrimination complaint.

In 2018, Human Rights will build upon existing training materials to develop interactive curricula targeting property owners and managers in the City of Saint Paul. The first phase will consist of a training targeted at past respondents. Future phases will involve collaboration with DSI to identify property owners and managers to whom the training will be marketed. This program will prioritize landlords that do not have the resources for professional property management firms and therefore, are less likely to understand their legal obligations under the Saint Paul Human Rights Ordinance. Similarly, these trainings will prioritize owners with Limited English Proficiency. These partnerships may also serve the larger goal for stakeholder input on the policy changes the Fair Housing Work Group is exploring.

#### *Status*

In 2017, fair housing trainings were developed and provided to over 300 property managers and landlords. The training content developed last year has formed the basis for additional trainings designed specifically for Saint Paul property owners and managers. The initial target audience for a training scheduled in April 2018 will be Respondents to discrimination complaints investigated by the Human Rights Division.

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To support the Fair Housing Strategic Plan, the Fair Housing Workgroup discussed include fair housing training for elected officials and city staff focusing on disparate impact.

### **#5: Saint Paul Fair Housing Web Portal**

#### *Process Owner*

Amy Geisler, PED

#### *Description*

Until recently, fair housing-related content has been located in multiple locations on the City's website (PED, HREEO, and DSI). Consolidating this information in one location will streamline future updates, help communicate the City's efforts around Fair Housing, and provide fair housing resources to the public.

#### *Status*

PED, DSI, and HREEO staff collaborated on website updates, which went live on February 23, 2018. The website will be updated with the roll out of the strategic plan. <https://www.stpaul.gov/fair-housing>

### **#6: Further Fair Housing Goals**

The policy and research ideas detailed under this item have been identified as recommendations to overcome barriers to fair housing in the 2017 Analysis of Impediments Addendum. The three separate sub-topics in this section – tax policy, tenant protections, and gentrification research are discussed separately below.

#### **6a: 4(d) Tax Policy**

#### *Process Owner*

Patty Lilledahl, PED

#### *Description*

Affordable rental housing projects that receive "traditional subsidies" from the City or State (such as HOME, CDBG, Low Income Housing Tax Credits, Tax Increment Financing and Tax-Exempt Housing Revenue Bonds) are currently eligible to apply under State statute to receive a lower property tax rate classification referred to as 4(d); thereby lowering real estate taxes owed. The City does not currently have a 4(d) Tax Policy as eligibility is authorized through state tax legislation (whenever the City or State award "traditional subsidies" to a project). NOAH properties are not currently eligible for reduced real estate taxes, unless the owner receives City financial assistance, and, where the owner agrees to rent and income restrictions.

#### *Status*

The FHIC contracted with the Housing Justice Center to update its past research the expanded use of the 4(d) program, which is underway. The NOAH inventory described under deliverable #2 needs to be completed before the full impact of an expanded 4(d) program to the City's tax base could be evaluated. A City 4(d) Property Tax Policy, which could include existing NOAH properties, should be informed by OFS, HRA Chair.

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To illustrate this strategy, in the fall of 2017 staff worked with Aeon (a very experienced non-profit affordable housing provider and manager) to assist in acquiring a NOAH property at 180 Larpenteur Avenue, which was a part of a 10 building purchase from a seller's portfolio located in 3 metro cities. The HRA Board approved \$40,000 in pooled TIF funds to assist in immediate capital improvements in exchange for executing a loan agreement to restrict the rents of all 82 units to households earning 60% AMI or less for a period of 15 years. This loan and restrictive rent agreement will allow Aeon to qualify for the property for a 4(d) property tax classification which will lower the real estate taxes by \$37,575 (\$11,650 city portion) to assist in maintaining affordable rents.

Staff advises that a 4(d) Tax Policy for the City should be considered as a strategy to assist in maintaining affordable rents in NOAH properties.

### ***6b: Tenant Protections***

#### ***Process Owner***

Alyssa Wetzel-Moore, HREEO

#### ***Description***

Recognizing that stable housing is necessary for success in all aspects of life, tenant protections are designed to provide stability, particularly in a tight rental market. The balance of power in the landlord-tenant relationship tips in favor of the landlord and results in housing instability for some tenants. Because of income disparities, fair housing is implicated by sudden increases in rent or changes in tenant acceptance criteria because these may disproportionately impact people of color, people with disabilities, women, and families with young children.

The following tenant protections were identified in the AI Addendum and Council Resolutions:

1. Advance Notice of Sale: Provides tenants and the City of Saint Paul advance notice (typically 90 days) to have the opportunity to meet the terms of sale by providing time for partnerships with non-profit developers, city land trust initiatives;
2. Tenant Remedies Actions: for non-compliant landlords, a fund (which does not currently exist) is created to cover immediate life and safety issues to maintain C of O so that tenants can continue living in their unit. Tenants rent payments are escrowed until the issue is resolved. This may involve appointing a receiver to operate the property and oversee the corrections. The City can empower the CAO to enforce these actions and recuperate costs through property tax assessment.
3. Just-cause eviction: Designed to prevent at-will lease terminations of tenants who are complying with their lease. New or current property owners looking to attract a different demographic will terminate leases of lease-compliant tenants in order to enact more restrictive criteria. This has fair housing implications because typically much higher income ratio requirements are imposed, Housing Choice Vouchers are no longer accepted, or more stringent credit or criminal background policies.

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### *Status*

The co-chairs of the Fair Housing Work Group created a sub-committee to work on potential strategies to improve tenant rights around eviction, building sale, and rent increases. Responsibilities included reviewing work of other jurisdictions around tenant protections. Ultimately, we determined that strategies around this work needed to be incorporated into the broader discussion of the Fair Housing Workgroup.

The Fair Housing Work Group met with the Family Housing Fund to review the work of the Second Judicial District housing court work group and its recommendations (see Appendix B.2). The goal of these recommendations is to mediate conflicts prior to the filing of an unlawful detainer, prevent unlawful detainer from going on a tenant's record if the tenant is found not at fault, and to expunge unlawful detainers in a timely manner after the tenant has met the terms of the settlement agreement. There may be opportunities for the City to collaborate in these efforts.

The Fair Housing Work Group has also discussed the disparate impact of credit and criminal background screening on protected classes. HUD guidance on criminal background screening recommends taking into account recidivism research (likelihood of recidivism is the same as someone with no record after 5 to 7 years for most crimes) and disregarding arrest records that did not result in a conviction. Ten cities have passed ordinances related to criminal background screening. With respect to credit records, there is evidence to show disparate impact in the calculation of credit scores due to disparities in home ownership and limited access to banks in lower-income communities of color. Credit scores are harmed by late payments, but the majority are not increased with timely rent payments or payments to pay-day lenders. Experian is the first credit reporting agency to consider reported rent payments into the credit score process.

Finally, the City of Saint Paul, through its participation on the Fair Housing Implementation Council awarded a grant to the Housing Justice Center to conduct policy and legal research on tenant protections. The final product is due no later than August 31, 2018.

### *6c: Gentrification and Displacement Research*

#### *Process Owner*

Amy Geisler, PED

#### *Description*

Displacement due to gentrification and neighborhood change causes a loss of affordable housing and limits fair housing choice.

#### *Status*

The Center for Urban and Regional Affairs have completed quantitative and qualitative research of Minneapolis and Saint Paul neighborhoods which included Frogtown/Thomas-Dale, Hamline-Midway, and the West Side. Findings concluded that gentrification has occurred or may be occurring in these neighborhoods, and that fear of displacement is present. Areas citywide identified as "at risk" will be evaluated for use of anti-displacement strategies which may include land trusts and the possible purchase of NOAH properties by non-profit partners.



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Support from the Family Housing Fund has enabled staff to work with the Carlson School's Data Analytics Lab to create a fair housing related database (to be completed in May 2018). This database is designed to create transparency in the rental market by intersecting data on City inspections, complaints, crime, Census, and other data for two distinct purposes:

- 1) a dashboard for renters and housing advocates to research a specific property and property owner for rental or advocacy purposes; and
- 2) a policy dashboard to identify trends related to quality of life, investments, and displacement trends.

The City of Saint Paul, in a joint application with the City of Minneapolis, has been accepted by Policy Link to participate in the Anti-Displacement Network cohort to explore policies, best practices, and data on displacement prevention. This work will be launched on the Policy Link Conference in Chicago from April 11<sup>th</sup> to 13<sup>th</sup> and complete in April 2019.

### **#7: Monitor Effectiveness of Rental Rehabilitation Loan Program and Suggest adjustments as Needed**

#### *Process Owner*

Patty Lilledahl, PED

#### *Description*

The Rental Rehabilitation Loan Program was created to assist responsible landlords with health and safety-related property improvements and to preserve existing affordable units. The Program offers 0%, ten year loans up to \$30,000 for eligible improvements to single family, duplex, triplex or fourplex buildings. The AI Addendum recommended this strategy to ensure that improvements in housing quality do not lead to rent increases that make the property unaffordable.

#### *Status*

PED staff worked closely with DSI staff to develop and promote the program to eligible landlords.

The Program is up and operating. Staff has closed/approved funding for 4 applications totaling \$96,362 leaving a remaining balance of \$653,638. The applications included: replacing a roof, tree trimming, plumbing work, and replacing a furnace. On February 1<sup>st</sup>, the Program was expanded to the entire City for properties classified by DSI as C and D (worst rating) and to A and B classified properties in ACP50 areas.

### **#8: Research and Support Alternative Affordable Homeownership Options**

#### *Process Owner*

Patty Lilledahl, PED

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### *Description*

Supporting alternative homeownership options is a strategy to reach potential homeowners of lower incomes which may help address homeownership disparities in Saint Paul. Strategies such as manufactured building techniques, cluster housing and/or tiny/small homes may prove to be less costly to produce and resulting in reduced home prices for the homeowner. Limited Equity Cooperatives and Land Trusts, which limit the appreciation a homeowner can collect upon a sale of the home, create an affordable housing option to a new buyer.

### *Status*

PED has funded the Rondo Land Trust on a very limited basis and recommends identifying additional resources for this work. PED staff are also participating in the Homeownership Opportunity Alliance committee comprised of lenders, real estate agents, housing partners and stakeholders who are researching strategies that can be used to create opportunities and reduce barriers to homeownership. The committee will release a report in May on their recommendations, which may include changes to existing mortgage products, best practices and system changes to advance homeownership equity.

### **#9: Commercial Vitality Zone**

#### *Process Owner*

Martin Schieckel, PED

### *Description*

The CVZ Program invests in neighborhood commercial districts to promote city-wide vitality, growth and equity. The program has been funded on an annual basis through the City's budget process; staff also recommend areas to be designated as a CVZ on an annual basis. The source of funds is a half-cent local sales tax used to further residential, cultural, commercial, and economic development. This long-range commercial investment strategy will attract and retain businesses and customers to our commercial zones, create quality job opportunities, grow and expand business success, expand the tax base, strengthen our neighborhoods and communities, and advance sustainable development.

### *Status*

Three years into the CVZ Program, and many lessons have been learned about this new effort. PED staff see the value in strong community partnerships through this program, working closely with neighborhood groups and business associations to ensure investments are strategic and catalytic. Staff and community partners also value the impact that a targeted capital investment or improvement project can have on a neighborhood commercial district or node.

That said, the work takes time to ensure the local business owners and residents are engaged in the decision-making process. Furthermore, at times, the timing for financing of other large and complementary investments, or working with private property and business owners to develop a project that has the owners' buy-in and some contribution from them, is a challenge. It is a lengthy but worthwhile endeavor to strategically invest in capital improvements in our challenged neighborhood districts.

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The overview of CVZ investments in the first three years of operation are as follows:

1. 9 neighborhood commercial districts with new investment
2. \$2,250,000 committed over 3 years
3. \$1,562,500 (69%) spent or planned use is moving forward
4. \$687,500 (31%) has a list of ideas that need to be prioritized, mostly District del Sol and Central Selby funds (total of \$625,000 or 28% of the total funds)

### **#10: Housing Choice Voucher Program**

#### *Process Owner*

Alyssa Wetzel-Moore, HREEO

#### *Description*

The Housing Choice Voucher (Section 8) program was created to provide a rent subsidy to income-eligible households and to allow housing choice in the private market. The majority of participants in the Housing Choice Voucher are members of protected classes – people of color, people with disabilities, and families with young children. The purpose of the HCV program is to both expand housing choice and promote racial and ethnic integration. Landlords are not required to accept the vouchers which can limit tenant options thereby limiting choice. The program was designed by Congress to work with market forces. For example, if a HCV holder cannot find a landlord to accept their voucher due to the landlord's screening criteria, the voucher expires and goes to another eligible family.

The Saint Paul Human Rights Ordinance prohibits discrimination on the basis of public assistance status. In other words, someone should not be treated differently because they receive public assistance. Although a Housing Choice Voucher is a form of public assistance, participation in the program requires that the landlord comply with Section 8 program requirements. A 2008 Minnesota court of appeals decision determined that a property owner or management has not discriminated on the basis of public assistance if they choose not to rent to an individual with a voucher because they find participation in the program to be burdensome. Because Saint Paul's Human Rights Ordinance language is modeled after the state statute, this court decision prevents the City from accepting discrimination complaints based on a landlord's refusal to participate in the Housing Choice Voucher program.

#### *Status*

The Saint Paul Public Housing Agency (SPPHA) provided a presentation to the Fair Housing Work Group and to the HRA on its program's metrics. Their waiting list was closed to new applications from 2007 to 2015. In 2015, the waiting list opened for one week and SPPHA received 12,000 applications. SPPHA issues 300 to 400 vouchers per year from the waiting list. SPPHA has a 100% voucher utilization rate; this is measured by the number of months any voucher is being used. However, 15% of the people awarded a voucher lost that opportunity because they were unable to place their voucher during the 60-day placement window; this voucher was given to the next person on the waiting list.

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HUD calculates Fair Market Rent based on the average market rent for the metro area based on bedroom size. SPPHA sets the family size and payment standards which can range from 90% to 110% of the Fair Market Rent. If a unit exceeds the payment amount, voucher holders cannot spend more than 40% of their income to rent the unit. Both because of acceptance and affordability, about two-thirds of vouchers are placed in areas with a lower-median income and a majority of people of color (see Appendix B.4 for HOMELine study). There are neighborhoods in Saint Paul where the average rent exceeds the maximum rent payment. SPPHA, in its presentation to the HRA, discussed the possibility of increasing the maximum rent payment in neighborhoods or census tracts where rent is higher. These areas tends to be predominantly white, higher income areas. Crafting such a plan would require consideration of available rental units and criteria to determine the appropriate boundaries where SPPHA would increase the voucher payment amount. It is also important to consider that increasing the voucher payment will reduce total number of vouchers SPPHA is able to fund unless others funds are available to cover the gap.

The Fair Housing Workgroup also met with tenant stakeholder organizations to hear perspectives on the customer experience in placing their voucher. They expressed concerns about the downward spiral that results when families lose their housing when landlords choose to no longer accept vouchers. They raised concerns about the stress and instability created in trying to place their voucher in the 60-day window and the quality of housing available. A study by HOMELine identified that only 17% of the total units for rent were available to voucher holders during the two-month study period. With approximately a 2 to 3% vacancy rate for all units, this means that a small portion of vacant units are available to housing choice voucher holders.

In order to expand housing choice and minimize disruption in the housing search, there is a need to maintain participation of current landlords and increase landlord participation in the Housing Choice Voucher program. The SPPHA both has long-standing and new measures in place to retain landlords, and remains open to any additional program improvements. In addition to fostering the ongoing relationship with the SPPHA, the Fair Housing Workgroup is also monitoring the court challenge to the Minneapolis Section 8 anti-discrimination ordinance, as this decision may have policy implications in Saint Paul.

### **#11 Evaluate the need for a formal Fair Housing position**

#### *Process Owner*

Alyssa Wetzels-Moore, HREEO

#### *Description*

Advancing fair housing and addressing housing disparities necessarily involves transforming the systems and practices to create new and better results. An important part of this systems change is a change in operations which would include a fair housing position to coordinate and oversee the City's Fair Housing work. The Fair Housing Work Group has been successful in identifying opportunities for collaboration and initiatives to address housing disparities and minimize harm to protected classes. However, existing members cannot expand their workload to the extent necessary to accommodate the volume and complexity of work necessary to make measurable strides to address disparities and advance fair housing. Successfully implementing these strategies in a timeline responsive to these urgent housing needs requires expertise in fair housing law and policy, project management of fair housing initiatives, management of the strategic planning process,

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coordination with the Mayor's Office, City departments, and City Council to advance a shared fair housing vision, effective coordination of the Fair Housing Workgroup and Fair Housing Advisory Commission, as well as extensive coordination and partnerships with a complex web of actors -- cities and counties in the region and nation-wide, residents, advocates, neighborhood organizations, community organizers, non-profit agencies, developers, funders, housing partners, and other entities whose work intersects with fair housing such as workforce development, education, health, and transportation.

### *Status*

The Fair Housing Work Group has discussed the need for this position, possible responsibilities, and met with funders who have expressed interest in funding the position before the 2019 budget cycle.

## Policy and Program Options

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The City of Saint Paul will achieve 21st-century housing equity when our policies and practices work for everyone. This will be achieved when we empower those who have historically been marginalized; when we are responsive to structural and systemic disparities; and when we adapt to the increasingly complex and diverse array of resident needs.

The Fair Housing Work Group recognizes that advancing a broad vision for fair housing requires a comprehensive, long-term approach that aligns and integrates our resources as a City across a full continuum from homelessness to homeownership. And, the Work Group recognizes that some Saint Paul residents are in crisis today, requiring shorter-term policy and program activities. The goal of the policy, program, and infrastructure options outlined in this section are therefore twofold:

- **to provide a roadmap to advance the 11 specific fair housing goals named in the resolution; and,**
- **to set the stage for a comprehensive fair housing strategic planning process informed by robust community engagement.**

Through the work outlined in this report, the Fair Housing Workgroup arrived at the following program and policy options to advance the 11 fair housing goals identified in the Council resolution. The options are organized into three community impact areas: 1) Preservation and Production of Affordable Housing; 2) Displacement Prevention; and 3) Enforcement and Education.

To ensure that fair housing efforts are sustained, coordinated, and equitable the Work Group identified a group of options for infrastructure to support fair housing implementation, including the development of cross-functional work groups to identify and implement priorities in each of the three community impact areas, broadening the Work Group to include more community stakeholders, and the development of a comprehensive strategic plan.

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### A. Preservation and Production of Affordable Housing

Because the City is losing more affordable units than it has the ability to produce, preservation of existing affordable housing is an urgent fair housing need. The per capita income of a white person is three times that of a person of color. Therefore, affordable housing policies and strategies must include an understanding of the impact on people of color and other low-income individuals. These policy and program options aim not only to preserve affordable housing, but also to ensure it is of high-quality and available throughout the City of Saint Paul.

1. NOAH Preservation
  - a. Direct staff to explore options to gather data for a NOAH property inventory.
  - b. Staff to identify partnerships such as the NOAH Impact Fund and preservation buyers together with Landlords and Sellers to help develop early warning and notices of potential property sales.
  - c. Support a local funding source to leverage other funding partners for the preservation of existing affordable rental units.
2. 4(d) Policy for Preservation of Affordable Housing
  - a. Estimate the loss in real estate tax collections to the City if a 4(d) Policy is expanded to NOAH properties.
  - b. Develop a 4(d) Property Tax policy targeted to assist NOAH properties most at risk to displace tenants.
3. Rental Rehabilitation Loan Program
  - a. Continue to monitor effectiveness of the Rental Rehabilitation Loan Program and identify changes as needed.
  - b. Continue to market program to expand participation.
4. Expand Acceptance of Housing Choice Vouchers
  - a. Create incentives for expanded landlord participation, particularly in higher-income neighborhoods, such as one-time signing bonus for new landlords, and provide connections with partnerships for weatherization and utility savings, lead abatement, and others.
  - b. Review HRA Program guidelines to require projects receiving city financial assistance to participate in the Section 8 Voucher Program.
  - c. Work with partners to gather information on the customer experience of the use of Housing Choice Vouchers to identify challenges and solutions.
  - d. Build and expand on partnerships with developers and other housing partners to accept Housing Choice Vouchers.
  - e. Partner with SPPHA to include training on the Housing Choice Voucher program in DSI's Landlord 101 trainings.
5. Alternative Homeownership Models
  - a. Research options to reduce costs in the production of housing and alternative ownership models.
  - b. Propose a 2019 budget request for funding homeownership opportunities.

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- c. Closely monitor the Homeownership Opportunity Alliance May report and update strategic plan to consider policy or program changes to incorporate recommendations.

### B. Displacement Prevention

Displacement sparks a chain reaction of disruption that can destabilize families and the broader community. Rising rents not only reduce available affordable units, but also can cause significant demographic and cultural shifts in historic neighborhoods of color due to income disparities by race. From 2010 to 2014, the median rent rose by 31% in Frogtown and 84% in sections of the Hamline-Midway neighborhood. Since 2012, clusters of property sales have increased along I-94 corridor in Summit-University, Union Park, and Macalester-Groveland, Hamline-Midway, and Thomas-Dale/Frogtown. Not only are property sales likely to result in rent increases, but they can also result in changes in tenant screening criteria that displace existing tenants.

1. Tenant Protections
  - a. Develop policies informed by best practices to reduce the disparate impact of criminal background and credit checks.
  - b. Explore City-initiated Tenant Remedies Actions
  - c. Implement stakeholder engagement plan to review tenant protection analysis and inform policy.
2. Gentrification and Displacement
  - a. Prioritize preservation in areas that have been identified as at risk for gentrification and displacement.
  - b. Identify best practices for displacement prevention as a cohort member of Policy Link's All-In Anti-Displacement Network (April 2018 to April 2019)
  - c. Consider anti-displacement policy changes proposed in this report including tenant protections (B.1.), preservation of NOAH properties (A.1), and Rental Rehabilitation Loan Program (A.3).
3. DSI Certificate of Occupancy Program
  - a. Promote free legal aid resources and other services within the community
  - b. Collaborate with stakeholders to develop an emergency housing plan for displaced occupants of vacated properties.
  - c. Require DSI supervisors review all revocations and condemnations prior to taking tenant displacement action
  - d. Provide a revolving emergency fund to cover the up-front costs of repairs and administrator costs (in the case of a Tenant Remedies Action) to ensure code compliance and prevent a revoked C of O. These funds would be made available if the city has cause to believe (to be defined) that the building owner will not make the required repairs or resolve the unsafe condition in the specified time frame. Costs incurred to the emergency fund will be billed to the property owner through a property tax assessment.
  - e. Develop criteria with the City Attorney's Office, the Office of Financial Services, and DSI to allow for city-initiated Tenant Remedies Actions (TRA). A city-initiated TRA

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process would allow the city to immediately and directly assist tenants who wish to file a TRA with the court system and expedite code required repairs to a rental property. The current process requires tenants to contact a legal service independently (similar to Southern Minnesota Regional Legal Services) to initiate a TRA.

4. Commercial Vitality Zone Program
  - a. Continue to evaluate the CVZ Program, with a short-term goal of seeing signs of private investment, and long-term goals of growth in tax base, and living wage and career-ladder jobs.
  - b. Evaluate the Program's potential to retain existing residents and businesses, with an aim to prevent displacement.
  - c. Seek funding for two more zones in 2019. Staff is in the process of preparing a recommendation on new zones for 2018.

### C. Enforcement and Education

Both DSI and HREEO are responsible for enforcing City Ordinances related to housing and both Departments regularly provide trainings to the public. Education of property owners and managers is an important strategy to prevent violations in the first place. Therefore in 2018, HREEO and DSI will emphasize training property owners and managers as a strategy to protect tenants' fair housing rights and access to quality housing.

1. Expand DSI's Landlord 101 to include a specific fair housing module.
2. Coordinate between DSI and HREEO in landlord fair housing education.
3. Further incorporate a plain language focus into Fire Safety documents to create equitable access.
4. HREEO will schedule a series of landlord trainings in 2018 and explore incentives for participation.

### D. Infrastructure to Support Implementation

Building a fair housing infrastructure into the City's operations is essential to ensuring that fair housing efforts are sustained, coordinated, and equitable. Critical components are a fair housing position to coordinate and advance the work, a fair housing advisory commission and implementation task forces, and ongoing community engagement to empower those who have historically been marginalized.

1. Formation of three task forces comprised of community stakeholders, City staff, and policy makers to identify and implement priority policy and program options in each of the three community impact areas ( 1)Preservation and Production of Affordable Housing; 2) Displacement Prevention; and 3) Enforcement and Education).
2. Fair Housing Implementation Manager
  - a. Create and fund a Fair Housing Implementation Manager position to begin in 2018.
  - b. Commit ongoing funds for this position in the 2019 budget and thereafter.
3. Develop a multi-year, comprehensive Fair Housing Strategic Plan to align and integrate City resources toward the mission of eliminating housing disparities, lowering barriers to safe, decent, and affordable housing, and ensuring access to economic opportunity in the City of Saint Paul.



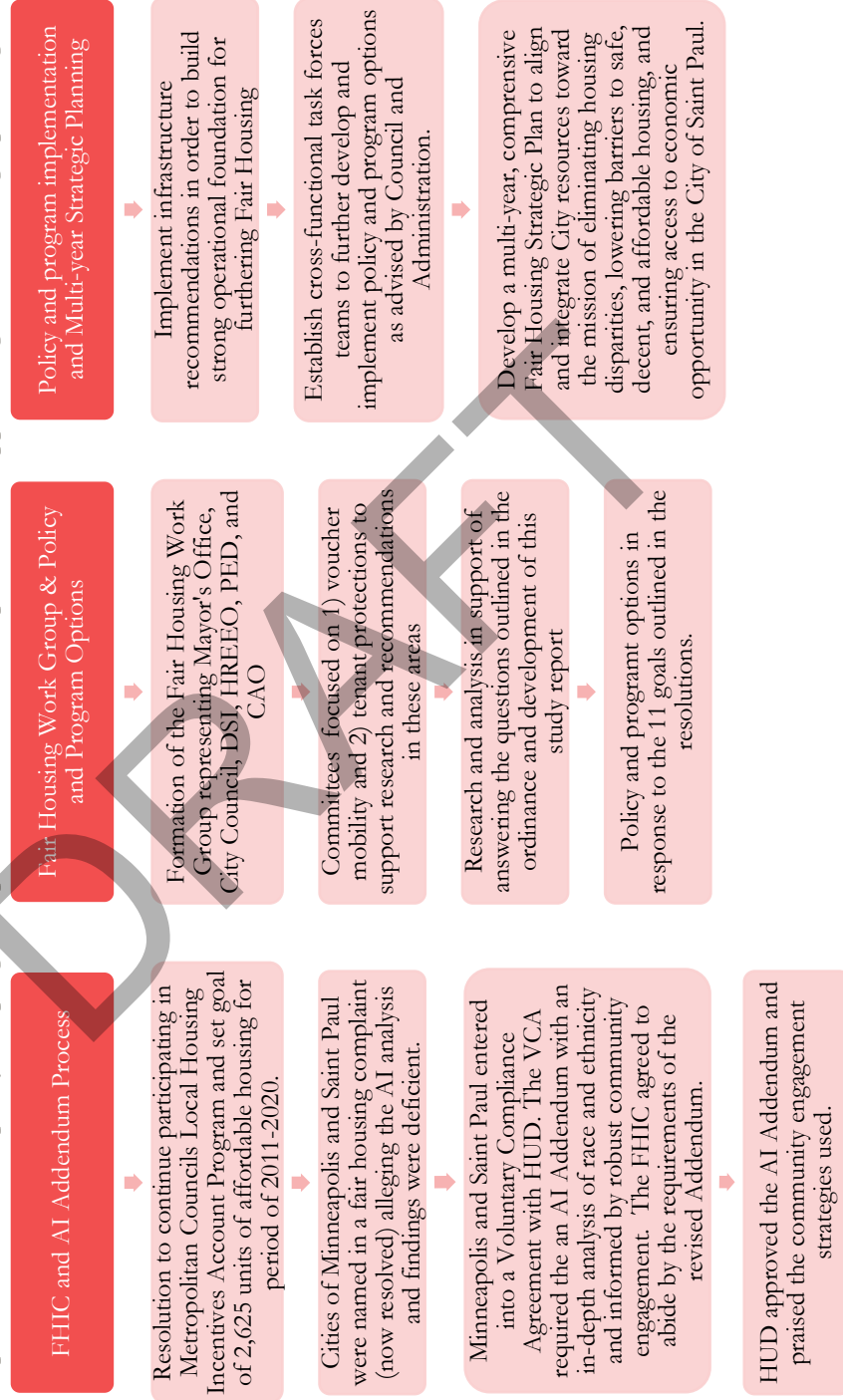
## ATTACHMENT D

4. Expand the Interdepartmental Fair Housing Workgroup to include more community stakeholders in order to provide oversight for strategic planning process.
5. Community Engagement
  - a. Create a Saint Paul Fair Housing Advisory Commission that would be part of the City's Fair Housing Strategic Planning process and advise on its implementation;
  - b. Provide funds to sustain HREEO's community engagement grants (RFP to be issued late March 2018).
  - c. Adopt and use Equitable Development Scorecard city-wide (see Appendix B.5) as a means to ensure quality community engagement that provides tangible outcomes. Presently PED utilizes a Program/Project Evaluation tool to guide funding decisions at the Resource Team.
  - d. Leverage existing resources provided to District Councils to include a fair housing engagement requirement in their scope of work.
6. Fair Housing overview for policy makers which will include information on the Fair Housing Act and how to consider disparate impact and affirmatively furthering fair housing in the decision-making process.
7. HREEO will issue a fair housing education and community engagement RFP and seek additional funds for expansion.
8. Continue to update the Fair Housing website as needed to keep the public informed of fair housing activities in the City.

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## Strategic Planning Process

As outlined in the background section, this report is part of a larger process to understand the state of Fair Housing in the City of Saint Paul and to expand our approach to housing policy and programming to better address community needs and assets. The process began with the development of the FHIC and the AI Addendum Process. Then, the Fair Housing Work Group was formed and directed to respond to the 11 goals outlined in the resolution. The resulting policy and program options are outlined in this report. As next steps, the Work Group recommends establishing additional infrastructure to support the further development and implementation of the policy and program options outlined in this report and to support longer-term strategic planning.



## Table of Policy and Program Options

Fair Housing Theme	Recommendation
<p><b>A. Preservation and Production of Affordable Housing</b></p>	<ol style="list-style-type: none"> <li>1. NOAH Preservation               <ol style="list-style-type: none"> <li>a. Direct staff to explore options to gather data for a NOAH property inventory.</li> <li>b. Staff to identify partnerships such as the NOAH Impact Fund and preservation buyers together with Landlords and Sellers to help develop early warning and notices of potential property sales.</li> <li>c. Support a local funding source to leverage other funding partners for the preservation of existing affordable rental units.</li> </ol> </li> <li>2. 4(d) Policy for Preservation of Affordable Housing               <ol style="list-style-type: none"> <li>a. Estimate the loss in real estate tax collections to the City if a 4(d) Policy is expanded to NOAH properties.</li> <li>b. Develop a 4(d) Property Tax policy targeted to assist NOAH properties most at risk to displace tenants.</li> </ol> </li> <li>3. Rental Rehabilitation Loan Program               <ol style="list-style-type: none"> <li>a. Continue to monitor effectiveness of the Rental Rehabilitation Loan Program and identify changes as needed.</li> <li>b. Continue to market program to expand participation.</li> </ol> </li> <li>4. Expand Acceptance of Housing Choice Vouchers               <ol style="list-style-type: none"> <li>a. Create incentives for expanded landlord participation, particularly in higher-income neighborhoods, such as one-time signing bonus for new landlords, and provide connections with partnerships for weatherization and utility savings, lead abatement, and others.</li> <li>b. Review HRA Program guidelines to require projects receiving city financial assistance to participate in the Section 8 Voucher Program.</li> <li>c. Work with partners to gather information on the customer experience of the use of Housing Choice Vouchers to identify challenges and solutions.</li> <li>d. Build and expand on partnerships with developers and other housing partners to accept Housing Choice Vouchers.</li> <li>e. Partner with SPPHA to include training on the Housing Choice Voucher program in DSI's Landlord 101 trainings.</li> </ol> </li> <li>5. Alternative Homeownership Models               <ol style="list-style-type: none"> <li>a. Research options to reduce costs in the production of housing and alternative ownership models.</li> </ol> </li> </ol>

Fair Housing Theme	Recommendation
<p><b>B. Displacement Prevention</b></p>	<p>b. Propose a 2019 budget request for funding homeownership opportunities.</p> <p>c. Closely monitor the Homeownership Opportunity Alliance May report and update strategic plan to consider policy or program changes to incorporate recommendations.</p> <ol style="list-style-type: none"> <li>1. Tenant Protections               <ol style="list-style-type: none"> <li>a. Develop policies informed by best practices to reduce the disparate impact of criminal background and credit checks.</li> <li>b. Explore City-initiated Tenant Remedies Actions</li> <li>c. Implement stakeholder engagement plan to review tenant protection analysis and inform policy.</li> </ol> </li> <li>2. Gentrification and Displacement               <ol style="list-style-type: none"> <li>a. Prioritize preservation in areas that have been identified as at risk for gentrification and displacement.</li> <li>b. Identify best practices for displacement prevention as a cohort member of Policy Link's All-In Anti-Displacement Network (April 2018 to April 2019)</li> <li>c. Consider anti-displacement policy changes proposed in this report including tenant protections (B.1), preservation of NOAH properties (A.1), and Rental Rehabilitation Loan Program (A.3).</li> </ol> </li> <li>3. DSI Certificate of Occupancy Program               <ol style="list-style-type: none"> <li>a. Promote free legal aid resources and other services within the community</li> <li>b. Collaborate with stakeholders to develop an emergency housing plan for displaced occupants of vacated properties.</li> <li>c. Require DSI supervisors review all revocations and condemnations prior to taking tenant displacement action</li> <li>d. Provide a revolving emergency fund to cover the up-front costs of repairs and administrator costs (in the case of a Tenant Remedies Action) to ensure code compliance and prevent a revoked C of O. These funds would be made available if the city has cause to believe (to be defined) that the building owner will not make the required repairs or resolve the unsafe condition in the specified time frame. Costs incurred to the emergency fund will be billed to the property owner through a property tax assessment.</li> <li>e. Develop criteria with the City Attorney's Office, the Office of Financial Services, and DSI to allow for city-initiated Tenant Remedies Actions (TRA). A city-initiated TRA process would allow the city to immediately and directly assist tenants who wish to file a TRA with the court system and expedite code required repairs to a rental property. The current process requires tenants to contact a legal service independently (similar to Southern Minnesota Regional Legal Services) to initiate a TRA.</li> </ol> </li> </ol>

Fair Housing Theme	Recommendation
	<p>4. Commercial Vitality Zone Program</p> <ol style="list-style-type: none"> <li>a. Continue to evaluate the CVZ Program, with a short-term goal of seeing signs of private investment, and long-term goals of growth in tax base, and living wage and career-ladder jobs.</li> <li>b. Evaluate the Program's potential to retain existing residents and businesses, with an aim to prevent displacement.</li> <li>c. Seek funding for two more zones in 2019. Staff is in the process of preparing a recommendation on new zones for 2018.</li> </ol>
<p><b>C. Enforcement and Education</b></p>	<ol style="list-style-type: none"> <li>1. Expand DSP's Landlord 101 to include a specific fair housing module.</li> <li>2. HREEO will schedule a series of landlord trainings in 2018 and explore incentives for participation.</li> <li>3. Further incorporate a plain language focus into Fire Safety documents to create equitable access.</li> <li>4. Coordinate between DSI and HREEO in landlord fair housing education.</li> </ol>
<p><b>D. Infrastructure to Support Implementation</b></p>	<ol style="list-style-type: none"> <li>1. Formation of three task forces comprised of community stakeholders, City staff, and policy makers to identify and implement priority policy and program options in each of the three community impact areas (1) Preservation and Production of Affordable Housing; 2) Displacement Prevention; and 3) Enforcement and Education).</li> <li>2. Fair Housing Implementation Manager             <ol style="list-style-type: none"> <li>a. Create and fund a Fair Housing Implementation Manager position to begin in 2018.</li> <li>b. Commit ongoing funds for this position in the 2019 budget and thereafter.</li> </ol> </li> <li>3. Develop a multi-year, comprehensive Fair Housing Strategic Plan to align and integrate City resources toward the mission of eliminating housing disparities, lowering barriers to safe, decent, and affordable housing, and ensuring access to economic opportunity in the City of Saint Paul.</li> <li>4. Expand the Interdepartmental Fair Housing Workgroup to include more community stakeholders in order to provide oversight for strategic planning process.</li> <li>5. Community Engagement             <ol style="list-style-type: none"> <li>a. Create a Saint Paul Fair Housing Advisory Commission that would be part of the City's Fair Housing Strategic Planning process and advise on its implementation;</li> <li>b. Provide funds to sustain HREEO's community engagement grants (RFP to be issued late March 2018).</li> <li>c. Adopt and use Equitable Development Scorecard city-wide (see Appendix B.5) as a means to ensure quality community engagement that provides tangible outcomes. Presently PED utilizes a Program/Project Evaluation tool to guide funding decisions at the Resource Team.</li> </ol> </li> </ol>

Fair Housing Theme	Recommendation
	<ul style="list-style-type: none"><li data-bbox="235 237 308 1623">d. Leverage existing resources provided to District Councils to include a fair housing engagement requirement in their scope of work.</li><li data-bbox="308 237 389 1623">6. Fair Housing overview for policy makers which will include information on the Fair Housing Act and how to consider disparate impact and affirmatively furthering fair housing in the decision-making process.</li><li data-bbox="389 237 470 1623">7. HREEO will issue a fair housing education and community engagement RFP and seek additional funds for expansion.</li><li data-bbox="470 237 552 1623">8. Continue to update the Fair Housing website as needed to keep the public informed of fair housing activities in the City.</li></ul>

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## Appendices

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### Appendix A: Definitions of Terms

**Fair Housing:** Fair housing is the right to choose housing free from unlawful discrimination. When housing choice is limited, people's access to place-based assets like schools, employment, parks, and other infrastructure may also be limited.

**Affordable housing:** People subject to fair housing protections (because of their protected class status: race, disability, etc) are also disproportionately represented among low-income households that need access to affordable housing. In general, HUD defines affordable housing as housing for which the occupant(s) is/are paying no more than 30% of his/her income for gross housing costs, including utilities.

**Disparate Impact:** Disparate impact is a type of housing discrimination in which a policy that is neutral has a disproportion negative impact on protected classes (race, national origin/ethnicity, familial status, color, sex, disability, religion).

**ACP50 Areas – Map:** Available here:

<https://www.stpaul.gov/sites/default/files/Media%20Root/Planning%20&%20Economic%20Development/ACP50.pdf>

**Gentrification:** Gentrification can be difficult to define precisely, but generally refers to lower-income neighborhoods that are becoming higher-income resulting in rising rents and property values which often including some element of displacement. Current, local research on gentrification is underway at the Center for Urban and Regional Affairs (CURA) - more information is available here: <http://gentrification.umn.edu/>

**Tenant Remedies Actions:** If a property owner has not brought the building into compliance in the timeframe allowed by DSI, Minnesota Law (504B.395) allows for a city, a tenant, a neighborhood housing-related organization, to file a Tenant Remedies Actions in court. A court may decide to prevent the landlord from receiving rents and appoint an administrator to collect the rents in order to pay the administrator costs as well as required taxes, insurance, utilities, and maintenance costs. If a funding pool has covered the costs of the administrator, Landlords are responsible to reimburse for the costs of the administrator.

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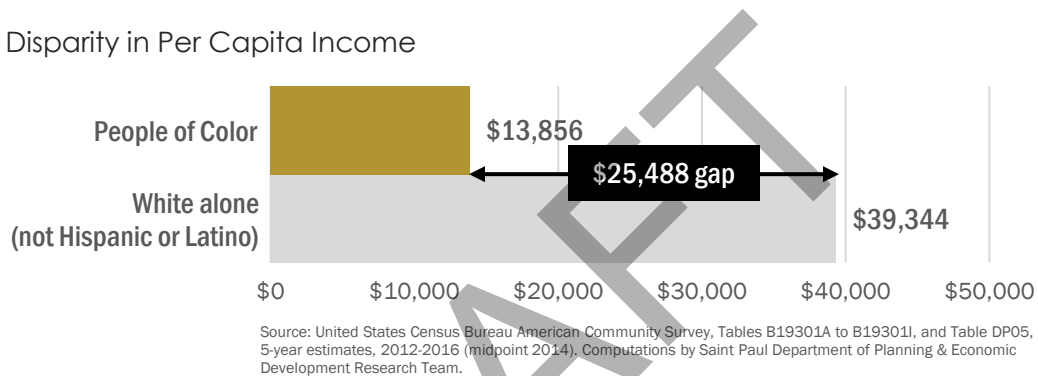
## Appendix B: Supporting Data Analysis

Saint Paul's fair housing efforts take place against the backdrop of a city with profound and persistent socioeconomic disparities. To better understand the City's challenge to ensure a fair and affordable housing marketplace, we begin with three key indicators of these socioeconomic disparities.

Saint Paul is a city of changing demographics. We have evolved from a city that was 64.0% white at the turn of the century to a city that is about 50% people of color today.<sup>18,19</sup>

In Saint Paul, as figure 1 below shows, the income of the average white person is nearly three times as much as the average person of color. To close the gap, the average person of color in Saint Paul would have to see their income rise by \$25,488 annually. As we will see, this gap in income perpetuates other major disparities in the housing sector.

Figure 1. Disparity in Per Capita Income



As figure 2 below shows, the average white household is considerably less likely to be housing cost-burdened than households of color. For reference, a household is considered cost-burdened when they spend over 30% of their income on housing costs. People who spend more than 30% of their income on housing find they have little other money for food, transportation, childcare, or education, making it very hard to improve one's financial prospects.

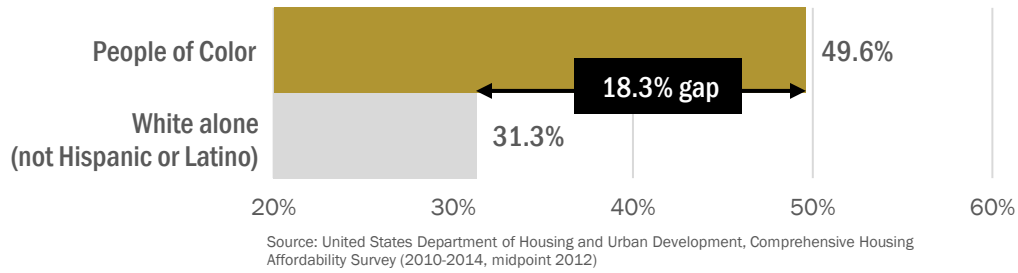
<sup>18</sup> Census Bureau, 2000 Decennial Census, [Table DP1](#)

<sup>19</sup> Census Bureau, American Community Survey 1-year estimates, 2005-2016, [Table DP05](#). A linear regression and projection forward of race/ethnicity data suggests Saint Paul became majority people of color in the summer of 2017.



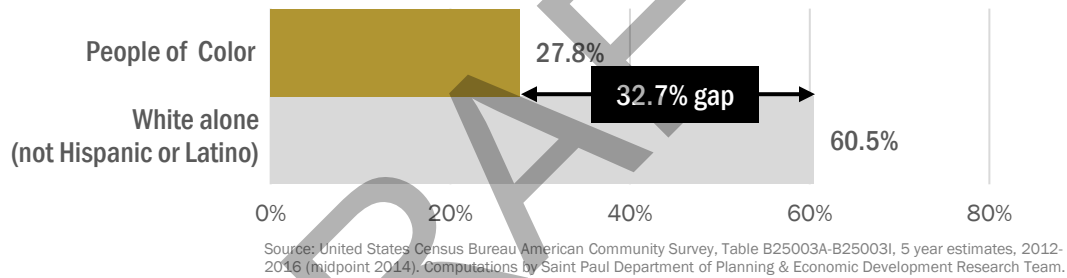
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Figure 2. Disparity in Percent of Households that are Housing Cost-Burdened



As figure 3 below shows, the rate of homeownership among households of color would need to more than double to match the rate of homeownership among the white population. Because homeownership tends to be foundational to economic security, the result is that households of color are likely to experience far less economic security than their white counterparts. And so begins a nasty chicken-and-egg conundrum that perpetuates through generations. Without economic security, homeownership is not viable, but homeownership is typically key to economic security.

Figure 3. Disparity in Homeownership



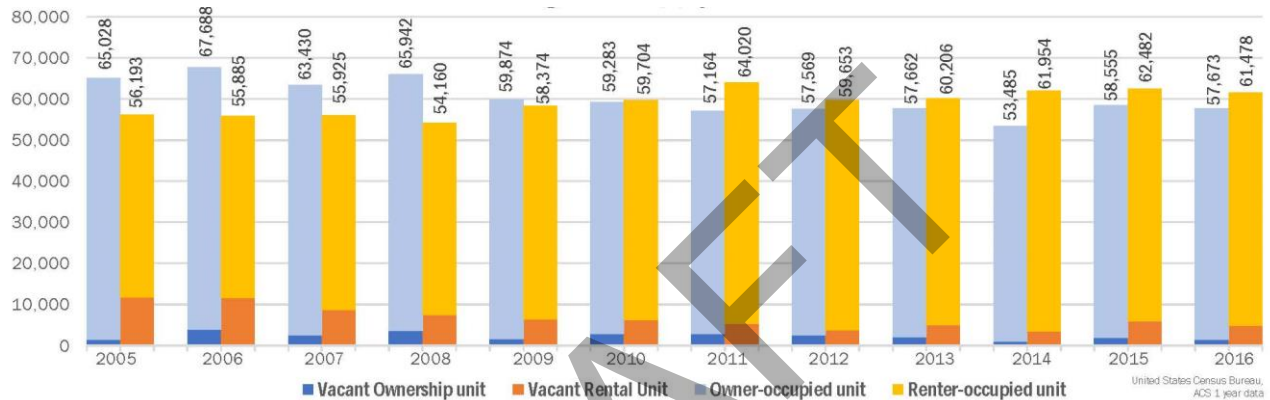
Much of the analysis contained in this report is focused on renters. As the chart above shows, it is important to remember who most of those renters are: people of color, of very modest means. Ensuring fair housing must be a fundamental part of any City plan to achieve true racial equity in Saint Paul.

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### Housing profile

Saint Paul has 119,625 units of housing, of which 112,571 are occupied.<sup>20</sup> As figure 4 below shows, over the last few years, we've passed a historic milestone in our housing mix: a slight majority of our housing is now rental. Our housing went from being 45.2% rental at the turn of the century to 50.5% rental in 2016.<sup>21,22</sup> And while our housing supply has remained quite constant, our population has not. Between 2005 and 2016, the total number of units in the city has dropped 2%, at the same time as our total population has increased 15%.<sup>23</sup> Among other factors, this likely reflects a population that is increasingly struggling with housing costs.

Figure 4. Housing Supply in Saint Paul



As Figure 5 below shows, the percentage of households that are cost burdened is generally increasing over time, from 32% of households in 1990, to 37% of households in 2012-2016.

<sup>20</sup> Census Bureau, American Community Survey, 2016, [Table DP04](#)

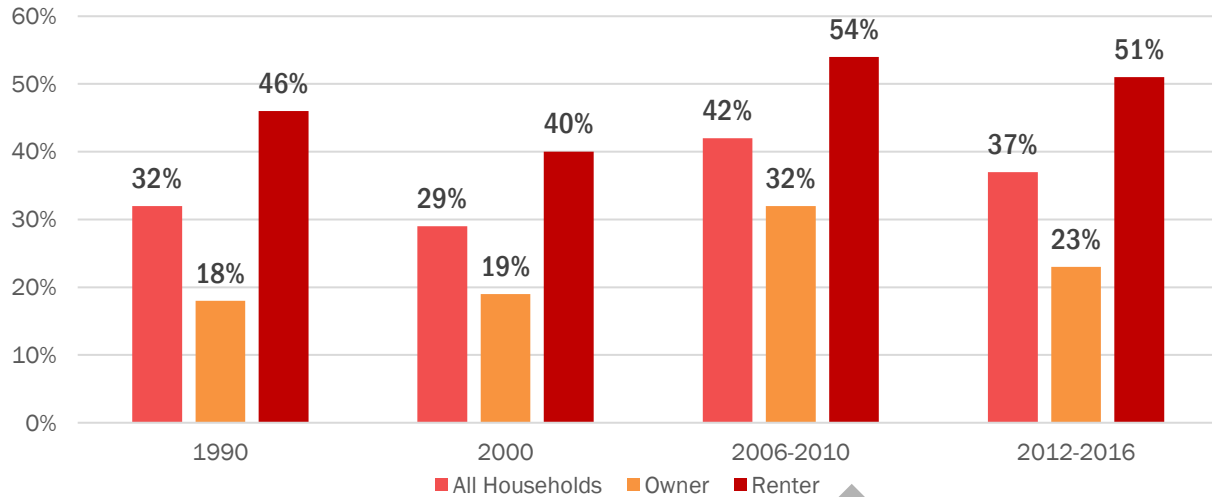
<sup>21</sup> Census Bureau, 2000 Decennial Census, [Table SF1](#)

<sup>22</sup> Census Bureau, American Community Survey, 2016, [Table DP04](#)

<sup>23</sup> Census Bureau, American Community Survey, 2005-2016, [Table B01003](#)

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Figure 5. Percent of Households Experiencing Cost Burden in Saint Paul



Source: Census Bureau, Decennial Census (in single years), and American Community Survey (where a range of years shown).

Understanding the dynamics of our rental market is of particular importance for our efforts around fair and affordable housing in the City. As figure 6 below shows, of the approximately 57,000 rental units in Saint Paul, an estimated 14,782 rental units have formal restrictions limiting them to households earning 80% of the area median income or less.<sup>24</sup> About 4,500 of these affordable units are owned by the Saint Paul Public Housing Agency.<sup>25</sup> The remainder, about 10,000 units, are owned and financed by other entities.

Figure 6. Saint Paul Affordable Housing by Income Bracket and Type of Housing

Income Bracket <sup>26</sup>	Saint Paul PHA Income Restricted <sup>27</sup>	Other Ownership Income Restricted <sup>28</sup>	Naturally Occurring Affordable Housing <sup>29</sup>	Total
≤30% AMI	4,274	2,286	5,000	11,560
>30% & ≤50% AMI	0	1,386	25,354	26,740
>50% & ≤80% AMI	0	6,669	10,411	17,080
≤80% AMI	4,274	10,341	40,765	55,380

<sup>24</sup> HousingLink Streams Data, downloaded 3/13/2018

<sup>25</sup> HousingLink Streams Data, downloaded 3/13/2018

<sup>26</sup> The household income ranges that correspond to the listed percentages of Area Median Income (AMI) are ≤30% AMI: ≤\$25,750; >30% to ≤50% AMI: \$25,751 to \$42,900; >50% to ≤80% AMI: \$42,901 to \$65,700; ≤80% AMI: ≤\$65,700; ≤60% AMI: \$51,480.

<sup>27</sup> Saint Paul Public Housing Agency Website, <http://stpha.org/about-sppha>, accessed 3/23/2018; number published on website confirmed as best available in email correspondence with Al Hester, SPPHA Policy Director, 2/22/2018.

<sup>28</sup> This represents the total number of income-restricted affordable units shown in HousingLink Streams' data, as accessed

<sup>29</sup> This represents the total number of units affordable to those under each of the respective income ranges according to the 2010-2014 CHAS, minus the number of units via HousingLink Streams 3/2018 data that have affordability restrictions in place, including PHA units. These data combine two different datasets, benchmarked several years apart in time, so provide only a general estimate.

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As figure 7 below demonstrates, under 30% AMI, there is a pronounced shortage of housing units affordable to people in that price range. The number of housing units priced to serve people at or below 30% of area median income would need to nearly double to meet the demand. By contrast, in terms of hard numbers, there is not a shortage of housing units affordable to people in the other two higher income brackets.

At the same time, we also know there are very real and serious challenges for people in all these income ranges. As figure 7 below shows, many people who could afford higher-cost housing choose to rent at more affordable levels. And why not – it helps them save money. The bulk of the affordable housing stock qualifies as naturally occurring affordable housing; government doesn't control who chooses to live there. In naturally-occurring affordable housing, these higher-income households are displacing many of the people whose incomes best match that housing price-point. And because of things like credit checks, strict income and credit requirements, disqualification due to past bankruptcies or convictions, and the persistence of discrimination by race, ethnicity, and immigrant status, very frequently these higher-income people have an easier time getting into those units than those who truly need this more affordable housing.

This underscores a core tenet that runs through this report: our need as a community to ensure affordable housing in inextricably woven together with our need to ensure fair housing. The two go hand-in-hand.

Figure 7. Supply and Demand for Saint Paul Rental Housing

<i>Income Bracket<sup>12</sup></i>	<i>Renter Households (2016)</i>	<i>Rental Units (2016)</i>	<i>Supply Gap (-) or Surplus (+)</i>	<i>Allocation Gap: Number of Affordable Units Occupied by Higher Income HH Gap (-)</i>	<i>Total Gap (-) or Surplus (+)</i>
<b>≤30% AMI</b>	22,335	11,560	-10,775	-2,825	-13,594
<b>&gt;30% &amp; ≤50% AMI</b>	11,940 <sup>30</sup>	26,740 <sup>17</sup>	+14,800	-9,505	+5,295
<b>&gt;50% &amp; ≤80% AMI</b>	9,200 <sup>17</sup>	17,030 <sup>17</sup>	+7,830	-6,360	+1,026
<b>&gt;80% AMI</b>	13,355	3,285	-10,070	N/A	N/A
<b>TOTAL</b>	56,830	58,615	+1,785	N/A	N/A

Finally, figure 8 below shows our existing pool of rental units, rental households with housing production goals Saint Paul has with the Metropolitan Council. The Livable Communities Goals were adopted by the Saint Paul City Council in 2010 as a condition of participation in the Livable Communities Act grant funding program. The unit allocations shown at the far right of the table are affordable units the Met Council

<sup>30</sup> While the supply of housing exceeds the number of renters in each income bracket, in units which are not income-restricted, the renters who most need the housing are frequently outcompeted for these units by wealthier renters. Because of things like credit checks, strict income and credit requirements, disqualification due to past bankruptcies or convictions, and the persistence of discrimination by race, ethnicity, and immigrant status, very frequently these higher-income people have an easier time getting into those units than those who truly need this more affordable housing. For more discussion of these dynamics, see pp. Appendix B of this report.

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requires Saint Paul to plan for between 2021 and 2030 as part of our 2040 Comprehensive Plan Update. These numbers should continue to help guide the range of investments the City makes in affordable housing.

Figure 8. Saint Paul Affordable Rental Housing Production and Goals

<i>Income Bracket<sup>12</sup></i>	<i>Renter Households (2016)</i>	<i>Rental Units (2016)</i>	<i>Livable Communities Goals (2011 to 2020)</i>	<i>Units Built (2011 to 2017)<sup>31</sup></i>	<i>Met Council Unit Allocation (2021 to 2030)<sup>32</sup></i>
<b>≤30% AMI</b>	22,335	11,560			832
<b>&gt;30% &amp; ≤50% AMI</b>	11,940 <sup>33</sup>	26,740 <sup>33</sup>			128
<b>&gt;50% &amp; ≤80% AMI</b>	9,200 <sup>33</sup>	17,030 <sup>33</sup>			1,013
<b>≤60% AMI</b>			2,625	1,721	

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<sup>31</sup> City of Saint Paul Affordable Housing Database

<sup>32</sup> Saint Paul-specific planning goal required by Met Council for inclusion in 2040 Comprehensive Plan Housing Chapter

<sup>33</sup> While the supply of housing exceeds the number of renters in each income bracket, in units which are not income-restricted, the renters who most need the housing are frequently outcompeted for these units by wealthier renters. Because of things like credit checks, strict income and credit requirements, disqualification due to past bankruptcies or convictions, and the persistence of discrimination by race, ethnicity, and immigrant status, very frequently these higher-income people have an easier time getting into those units than those who truly need this more affordable housing. For more discussion of these dynamics, see pp. Appendix B of this report.

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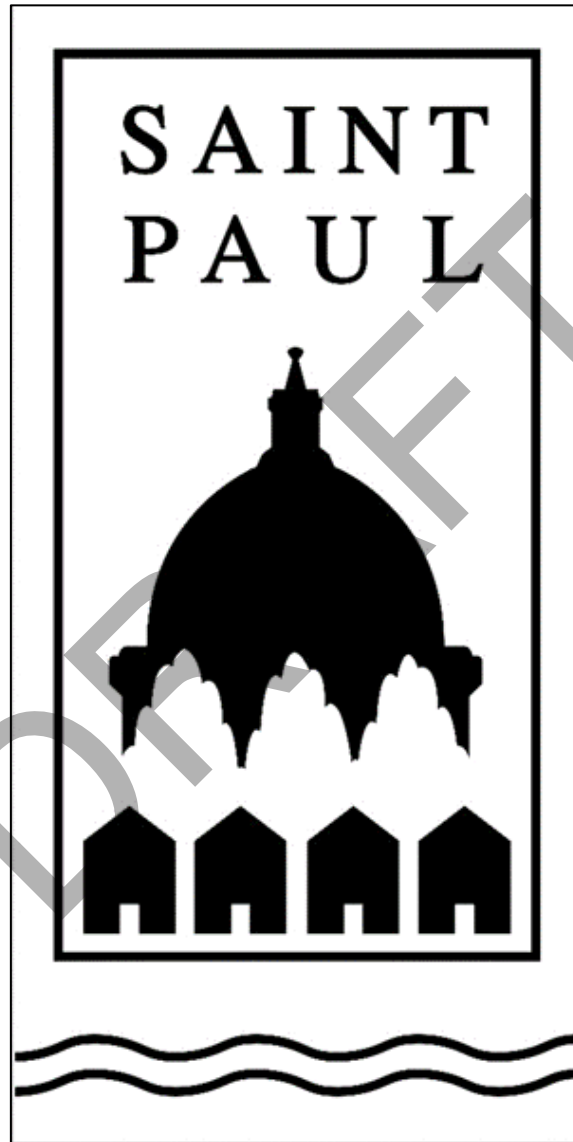
### Appendix C: Recommended Resources

1. AI Addendum:  
<https://www.ramseycounty.us/sites/default/files/Projects%20and%20Initiatives/Draft%20III%20Addendum.pdf>
2. Second Judicial District Housing - Court Final Report
3. CURA's Gentrification Study <http://gentrification.umn.edu/>
4. HOMELine Section 8 Study
5. Equitable Development Principles and Scorecard: <http://thealliancetc.org/wp-content/uploads/2016/06/EquitableDevelopmentScorecard.pdf>
6. "Kept out: How banks block people of color from homeownership." MPR News, February 15, 2018. <https://apnews.com/ae4b40a720b74ad8a9b0bfe65f7a9c29>
7. "Report Updates landmark 1968 racism study, finds more poverty and segregation." MPR News February 27, 2018. <https://www.mprnews.org/story/2018/02/28/npr-report-updates-landmark-1968-racism-study>
8. Responsible Banking in the Twin Cities, Dr. Sam Myers.  
[https://drive.google.com/drive/folders/0B2L0\\_Tafp1oBTVFJMEtZc2M3QzQ](https://drive.google.com/drive/folders/0B2L0_Tafp1oBTVFJMEtZc2M3QzQ)
9. ACP50 Map:  
<https://www.stpaul.gov/sites/default/files/Media%20Root/Planning%20&%20Economic%20Development/ACP50.pdf>
10. *Sold Out* Report published by the Minnesota Housing Partnership:  
<https://www.mhponline.org/publications/sold-out>

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# CITY OF SAINT PAUL

## HOME Investment Partnerships Program Resale / Recapture Policy



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### BACKGROUND AND PURPOSE

The City of Saint Paul receives funding from the U.S. Department of Housing and Urban Development (HUD) through the HOME Investment Partnerships (HOME) program for the development of decent, safe, affordable housing. To ensure that HOME program investments yield affordable housing over the long term, HOME regulations impose occupancy requirements over the length of an affordability period. The affordability period is based on the amount and type of HOME program funding provided per housing unit. Through a resale or recapture provision affordability is maintained or funds recaptured for development of additional affordable housing units. The applicable resale or recapture provision is triggered if a housing unit developed and/or purchased with HOME program funds is sold, transferred, or not utilized as the buyers' principal residence.

The following provisions are to assist in establishing that the City is carrying out homeownership funded activities under the HOME program in a manner consistent with HUD requirements and local goals and objectives contained in the Consolidated and Annual Action Plans. The City must also follow all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. The City and its subgrantees and contractors shall not deny any family, household or individual the equal opportunity to apply for or receive assistance under any HOME program funded activity or project on the basis of race, color, gender, religion, creed, national origin, age, familial or marital status, handicap or disability, sexual or affectional orientation or reliance on public assistance. The City's offices are accessible to persons with disabilities.

### CITY HOMEOWNERSHIP PROGRAM

The City's funded homeownership program has the following goals:

- to increase the overall homeownership rate;
- create greater opportunity for homeownership among lower income and minority households; and
- to revitalize and stabilize neighborhoods and communities.

The City provides HOME program funds for Community Housing Development Organizations (CHDOs), non-profit, and for-profit developers for development/redevelopment of HRA-owned real property or other property within the City of Saint Paul that is appropriate for residential development/redevelopment. HOME program funding may be used for acquisition/rehabilitation/resale and/or new construction of single-family housing units which may be traditional single-unit, condominiums, and townhomes. Development of these properties may include direct assistance to an eligible buyer. HOME program assistance under the City's single-family development/redevelopment program shall not exceed HOME program subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area.



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### DEFINITIONS

Affordability Period - The period of time in which occupancy restrictions of varying lengths apply to those buyers purchasing homes assisted with HOME program funds. The amount and type of HOME program assistance and the unit type affect the affordability period, as described in Table 1, below. This may also be referred to as the period of affordability or POA.

TABLE 1

HOME PROGRAM MINIMUM AFFORDABILITY PERIODS	
HOME Investment (resale) or Direct Subsidy (recapture) Per Ownership Unit	Minimum Affordability Period
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Greater than \$40,000	15 years

Direct Homebuyer Subsidy - A direct subsidy is any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down payment, principal reduction, closing cost assistance, etc.).

Development Subsidy - A development subsidy is the difference between the cost to develop a housing unit and the fair market price (appraised value). For example, the City might provide a \$150,000 construction loan to a developer. The appraised value, fair market value, after construction is \$145,000. The \$5,000 difference between the \$145,000 sale price and \$150,000 construction cost is not repaid to the City and represents a development subsidy provided to the developer. While the subsidy does not go directly to the homebuyer, it helps make development of an affordable home possible.

Eligible Household - The City's homeownership program defines an eligible household as one that must have a gross annual household income (income before any deductions) from 60 to 80 percent of the AMI for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area as determined by HUD, adjusted for household size, and subject to change annually. Households do not have to be first-time homebuyers, however, prior to approval of direct homebuyer assistance or property sale to a household, income eligibility must be determined using the definition of income found at 24 CFR Part 5.609. All income determinations will be reviewed by the City before final approval to close with the buyer will be given.

Eligible Properties - Existing or newly constructed modest single-family residential units located within the limits of the City of Saint Paul which do not exceed current HOME program purchase price limits established annually by HUD for new and existing housing for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. Properties must be single-family housing which includes detached single-family, townhome, condominium, modular, or a cooperative or mutual housing unit. Ownership in fee simple title, a 99-year leasehold interest or ground lease (for Community Land Trust properties), ownership in a state recognized cooperative or mutual housing unit or an equivalent form of ownership approved by HUD. Properties must pass a City required inspection, and for new construction have a certificate of occupancy, to ensure housing units are free of all health and safety hazards and meet City code in accordance with the City's

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New Construction and Rehabilitation Standards and Certificate of Code Compliance, as applicable. Buyers must utilize the property as a principal residence and are required to homestead the property, in the calendar year in which it was purchased, with Ramsey County. Properties specifically ineligible include: any located in a 100-year flood plain, manufactured housing (mobile homes), recreational or seasonal property, and property which will be used primarily as a business.

Gross Annual Household Income - refers to the annual projected gross household income, as determined according to 24 CFR Part 5.609, as of the date of the certification application, from all sources and before taxes and withholding, of all household members that will live in the housing unit. Gross annual household income includes, but is not limited to salary, commissions, bonuses, self-employment, earnings from part-time employment, interest, dividends, tips, gains on sale of securities, annuities, pension, royalties, veterans' administration compensation, net rental income from all sources, alimony, child support, public assistance, sick pay, social security benefits, social security disability benefits, income from business activity, investments, unemployment, estate or trust income, and miscellaneous income. All income determinations will be reviewed by the City before final approval to close with the buyer will be given.

Homebuyer Education - Households do not have to be first-time homebuyers, however, all buyers assisted with HOME program funds must receive pre-purchase housing counseling/education. This applies to all HOME-assisted buyers whether receiving direct homebuyer assistance (i.e., down payment assistance) and buyers purchasing units developed with HOME funds. In all instances, housing counseling/education must be provided by HUD-certified housing counselors working for an agency approved to participate in HUD's Housing Counseling program. Upon completion of a qualified homebuyer counseling/education course a certificate of participation/completion must be submitted with the application for assistance or to qualify to purchase a HOME-assisted unit. Homebuyer education/counseling must be completed prior to purchase but no more than 12 months prior.

Homebuyer Investment - The minimum homebuyer investment is 1 percent of the purchase price. These funds must come from the buyer and may not otherwise be gifted or loaned. If the homebuyer has a gross income less than 60 percent AMI and it is determined that successful homeownership can be attained, the homebuyer investment will remain at 1 percent of purchase price (this requirement will be used in calculating the household's ability to sustain successful homeownership). This is a City program requirement, it is not intended to alter or replace any requirements that exist because of the buyer's first mortgage loan program. For the purposes of calculating fair return, the homebuyer's investment consists of the portion of initial down payment combined with the value of any capital improvements made with the homebuyer's funds.

Net Proceeds - The sales price minus loan repayment (other than HOME program funds) and closing costs.

Non-compliance - Failure to comply with primary residency, and/or property use of a HOME-assisted unit occurs when:

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- a. The original HOME-assisted buyer no longer occupies the unit as his/her principal residence (i.e., unit is rented, vacant or used as a business, rooming house/short-term rental establishment), or
- b. The home was sold or transferred during the affordability period and the applicable resale or recapture provisions were not enforced.

Successful Homeownership – The City’s homeownership program depends on first mortgage lenders to apply prudent household and property underwriting standards to support the objective of successful homeownership. Based on the first mortgage lenders underwriting guidelines, the lender will decide the best mortgage product for the individual household; the City will only accept FHA, VA or Conventional mortgage products. The first mortgage loan must have a fixed interest rate and amortize for 30 years. Households are expected to contribute toward the purchase. The minimum homebuyer investment is 1 percent of the purchase price. These funds must come from the buyer and may not otherwise be gifted or loaned; it is not intended to alter or replace any requirements that exist as a result of the buyer’s mortgage loan program.

To support successful homeownership, the City will target buyers with gross annual household incomes from 60 to 80 percent of AMI. A homebuyer’s front-end ratio, monthly housing payments of principal, interest, taxes, insurance (PITI), and homeowner association (HOA) dues should not be more than 33 percent of the household’s gross annual income nor less than 25 percent. PITI amounts over or under these guidelines will be reviewed and approved by the City to ensure that the amount of assistance/subsidy is supporting successful homeownership and is based on all facts and possible mitigating factors and used to determine the level of homebuyer assistance. Back-end ratio, or debt-to-income ratio, may not exceed 45 percent. Maximum purchase price will not exceed maximum HUD limits for existing and new construction housing as determined annually by HUD for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. Households must meet the requirements of the lending institution and qualify for a first mortgage. Households must fulfill HOME program obligations in a timely manner and must remain eligible to participate based on the program requirements and those of the lender through the time of the loan closing. City staff will review all documents provided for underwriting by the first mortgage lender to ensure affordability (i.e., successful homeownership), ensure compliance with HOME regulations and City underwriting guidelines, and to determine the appropriate level of assistance that ensures affordability for the homebuyer and successful homeownership. Additional documentation may be required for the City to make its determination.

**TABLE 2**

CITY OF SAINT PAUL SUMMARY OF APPLICABLE RESALE / RECAPTURE PROVISIONS BY SUBSIDY TYPE			
Direct Homebuyer Subsidy	Direct Homebuyer Subsidy + Development Subsidy	Development Subsidy <sup>#</sup>	Community Land Trust Property (CLT) <sup>#</sup>
Recapture provision shall apply	Recapture provision shall apply	Resale provision shall apply	Resale provision shall apply
<sup>#</sup> HOME program regulations require that resale provisions must be utilized.			

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### RESALE REQUIREMENT

As described in Table 2, the City will utilize the resale provision when a HOME-assisted housing unit receives only a development subsidy (no direct assistance to the homebuyer) or is a Community Land Trust (CLT) property. How the Resale provision applies to each scenario is detailed below.

#### Development Subsidy - Resale

When a HOME-assisted housing unit is developed and sold with no direct assistance to an income-eligible buyer, i.e., a development subsidy is utilized to make the unit affordable to a low-income household, the resale provision will be in force. The length of the affordability period is based on the total amount of HOME program funding invested in the housing unit, see Table 1.

Under the resale provision, if the initial buyer decides to sell the home during the affordability period the subsequent buyer must be income-qualified under the HOME program and must occupy the home as a principal residence. The original HOME-assisted buyer must receive a fair return on investment, which is based on the initial investment plus documented capital improvements, as identified below. The resale price must be affordable to a reasonable range of low-income homebuyers and the same requirements for successful homeownership are applied to subsequent buyers as were applied to the initial homebuyer. The City's underwriting guidelines defines a reasonable range of homebuyers and successful homeownership as: a household with a gross annual household income at 60 to 80 percent of area median income (AMI); paying no more than 33 percent of gross annual household income for PITI, HOA dues, and ground lease fees but not less than 25 percent (front-end ratio); and a back-end ratio, or total debt-to-income ratio, that does not exceed 45 percent. Maximum purchase price will not exceed the HUD limits for existing and new construction housing for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. For resale, households must meet the requirements of the first mortgage lending institution and the City will accept only conventional, FHA, and VA loans, fixed interest rate, and amortizing over 30 years. Households must fulfill the HOME program obligations in a timely manner and must remain eligible to participate based on the program requirements and those of the lender through the time of the loan closing. City staff will review all documents provided for underwriting by the first mortgage lender to ensure affordability (i.e., successful homeownership), ensure compliance with HOME regulations and City underwriting guidelines, and to determine the appropriate level of assistance that ensures affordability for the homebuyer and successful homeownership. Additional documentation may be required for the City to make its determination.

If providing HOME program funds as a development subsidy, the targeted income range for initial and subsequent buyers, as applicable, may be lower as defined in a written agreement between the City and the developer. If the market price that provides a fair return to the initial homebuyer is too high to be affordable for the subsequent buyer within the targeted income range to purchase the property, the City will provide HOME program assistance as a direct subsidy to the subsequent buyer, not to exceed the HUD HOME program subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area, to ensure affordability and successful homeownership. When additional HOME funds are provided to a subsequent homebuyer in the form of direct homebuyer assistance, the affordability period will be recalculated to include the additional HOME program funds. As a result, the affordability period

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may increase because it is based on the total amount of HOME program funding invested in the unit has increased, see Table 1.

### Enforcement of Resale Provision – Development Subsidy

When a developer executes the written funding agreement with the City, a promissory note is concurrently executed for the full amount of HOME program funding. As each unit is sold to an eligible buyer, the homebuyer will execute a separate HOME program mortgage and promissory note. The HOME program mortgage is recorded with Ramsey County and imposes and clearly states the HOME program restrictions for occupancy, affordability, and resale requirements placed on the property. The HOME program mortgage runs for at least the applicable minimum affordability period, based on the total amount of the development subsidy, and as noted in Table 1.

Each mortgage and associated affordability requirements can terminate in the event of foreclosure, transfer of title in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The HOME mortgage will reference applicable provisions and definitions to ensure the HOME program requirements are met including the following:

- Subsequent sales are to another HOME program income-eligible buyer with a gross annual household income within a range to promote successful homeownership, 60 to 80 percent AMI.
- The property will be the principal residence of the initial eligible buyers, and all subsequent buyers during the affordability period.
- The property will be sold at a price that provides the owner a fair return, while ensuring that the home will remain affordable to a reasonable range of low-income buyers, as described above.

Homebuyers will also execute a HOME Program Written Agreement for Homebuyer Assistance which will clearly outline the use of HOME program funds, affordability restrictions, and enforcement of the affordability provisions and use of the property as the buyer's principal residence.

### Fair Return on Investment – Development Subsidy

The City defines and determines fair return on investment by using the percentage change in the Consumer Price Index (CPI) as its standard index over the period of ownership. This percentage change will be multiplied by the combined amount of down payment made by the initial homebuyer at the time of purchase and the initial homebuyer's documented cost of capital improvements during the ownership period. This will constitute the fair return on investment to the original homebuyer providing there are sufficient net proceeds available from the resale.

Capital improvements will include improvements made to the property that adds basis to the home as defined within IRS Publication 523. The initial homeowner must keep written documentation regarding the costs of capital improvements, including receipts or copies of contracts and payments made to contractors, to receive credit for the value of the capital improvements at resale. The initial homebuyer must also keep written documentation confirming the necessary permitting and inspection processes were followed, when applicable.

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As an example: The City provides a developer HOME funds for the construction of a single-family unit. Initial homebuyer provides \$5,000 in down payment. During the buyer's tenure a \$9,000 kitchen renovation is completed. Before the end of the affordability period, the buyer sells the home.

At resale, to an eligible buyer, the City determines the change in CPI is 3.5 percent. The buyer would receive \$14,490 out of net proceeds as a fair return on investment. The calculation is:

**TABLE 3**

A.	Initial Homebuyer Down payment	\$ 5,000
B.	Kitchen Renovation = Capital Investment	\$ 9,000
C.	<b>Total Initial and Capital Investment (A + B)</b>	<b>\$14,400</b>
D.	City determination of CPI change during ownership	x 3.5%
E.	Fair Return on Initial and Capital Investment (C x D)	\$ 490
F.	<b>Total Return on Investment to Initial Homebuyer (C +E)</b>	<b>\$14,490</b>

A fair return on investment to the initial homebuyer may be less than the full value calculated above or no return if there are insufficient or no net proceeds from the resale. This can occur when market conditions are such that the median sales price has stagnated or decreased during the ownership period or when the initial homebuyer has paid more for capital improvements than can be supported by the market at the time of resale. Under certain circumstances, such as a declining housing market where home values are depreciating, the original homebuyer may not receive a return on investment because the home sold for less or the same price as the original purchase price.

In the event there are no net proceeds or insufficient proceeds to provide the initial homebuyer with a fair return on investment, the initial homebuyer shall receive a fair return on investment to the limit of the net proceeds. However, if there are excess net proceeds - the initial buyer has received a full fair return on investment - the remainder of net proceeds will be recaptured by the City.

### Community Land Trust Housing Units

When a HOME-assisted housing unit is developed and sold as a community land trust (CLT) property, the resale provision is in force. A CLT achieves permanent affordable home ownership for low-income households by separating the ownership of the house and the land; the developer retains ownership of the land and enters into a long-term lease with the homebuyer. Resale is required with CLT properties when the initial homebuyer sells the property. The initial homebuyer will receive a fair return at the time of sale. The affordability period will be determined by whether direct homebuyer assistance was provided at initial sale and at subsequent sales. If no direct homebuyer assistance is provided to the initial buyer, the affordability period will be based on the total HOME program funding invested in the development of the housing unit. If additional HOME program funding is provided as direct homebuyer assistance or it is the only HOME program funding invested in the project, the affordability period is based on the amount of the direct homebuyer assistance, see Table 1.

Under the resale provision, if the initial buyer decides to sell the home during the affordability period the subsequent homeowner must be income-qualified under the HOME program and must occupy the home as a principal residence. The original HOME-assisted homebuyer must receive a fair return on investment and the resale price must be affordable to a reasonable

## ATTACHMENT E

range of low-income homebuyers. The same requirements for successful homeownership are applied to subsequent buyers as were applied to the initial homebuyer. The City's underwriting guidelines defines a reasonable range of homebuyers and successful homeownership as: a household with a gross annual household income at 60 to 80 percent of area median income (AMI); paying no more than 33 percent of gross annual household income for PITI, HOA dues, and ground lease fees but not less than 25 percent (front-end ratio); and a back-end ratio, or total debt-to-income ratio, that does not exceed 45 percent. For resale, households must meet the requirements of the first mortgage lending institution and the City will accept only conventional, FHA, and VA loans, fixed interest rate, and amortizing over 30 years. Households must fulfill the HOME program obligations in a timely manner and must remain eligible to participate based on the program requirements and those of the lender through the time of the loan closing. City staff will review all documents provided for underwriting by the first mortgage lender to ensure affordability (i.e., successful homeownership), ensure compliance with HOME regulations and City underwriting guidelines, and to determine the appropriate level of assistance that ensures affordability for the homebuyer and successful homeownership. Additional documentation may be required for the City to make its determination.

When providing HOME program funds for the development of a CLT property, the targeted income range for initial and subsequent buyers, as applicable, may be lower as defined in a written agreement between the City and the developer. If the market price that provides a fair return to the initial homebuyer is too high to be affordable for the subsequent buyer within the targeted income range to purchase the property, the City will provide HOME program assistance as a direct subsidy to the subsequent buyer, not to exceed the HUD HOME program subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area, to ensure affordability and successful homeownership. When additional HOME funds are provided to a subsequent homebuyer in the form of direct homebuyer assistance, the affordability period will be recalculated to include the additional HOME program funds. As a result, the affordability period may increase because it is based on the total amount of HOME program funding invested in the unit, which has increased with the provision of direct homebuyer assistance, see Table 1.

### Enforcement of Resale Provision – Community Land Trust Property

When a developer executes the written funding agreement with the City, a promissory note is concurrently executed for the full amount of HOME program funding. As each unit is sold to an eligible buyer, the homebuyer will execute a separate HOME program mortgage and promissory note. The HOME program mortgage is recorded with Ramsey County and imposes and clearly states the HOME program restrictions for occupancy, affordability, and resale requirements placed on the property. The HOME program mortgage runs for at least the applicable minimum affordability period, based on the total amount of the development subsidy or total amount of the direct homebuyer assistance, and as noted in Table 1.

Each mortgage and associated affordability requirements can terminate in the event of foreclosure, transfer of title in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The HOME mortgage will reference applicable provisions and definitions to ensure the HOME program requirements are met including the following:

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- Subsequent sales are to another HOME program income-eligible buyer with a gross annual household income within a range to promote successful homeownership, 60 to 80 percent AMI.
- The property will be the principal residence of the initial eligible buyers, and all subsequent buyers during the affordability period.
- The property will be sold at a price that provides the owner a fair return, while ensuring that the home will remain affordable to a reasonable range of low-income buyers, as described above.

Homebuyers will also execute a HOME Program Written Agreement for Homebuyer Assistance which will clearly outline the use of HOME program funds, affordability restrictions, and enforcement of the affordability provisions and use of the property as the buyer's principal residence.

### Fair Return on Investment – Community Land Trust Property

The City defines and determines fair return on investment for CLT properties as a process that must include an appraisal at initial purchase and an appraisal at sale, both completed by an independent, third-party appraiser. The difference in market value, as determined by independent, third-party appraisals represents the increase in market appreciation of the housing unit. To retain affordability for low-income households at 60 to 80 percent AMI, the City will multiply the market appreciation by a reasonable standard appreciation factor to determine the fair return to the initial homeowner (25 percent). The subsequent sales price of the unit will be based on the original purchase price plus the share of appreciation determined via the appraisals and the market appreciation factor.

The value of all documented capital improvements made by the initial homebuyer is accounted for in the appraisal, therefore, it is not necessary for the City to undertake a separate accounting and valuation of the initial homebuyer's capital improvements.

**TABLE 4**

#### **CLT Property – Fair Return on Investment Example:**

\$250,000	> current sale appraisal
\$175,000	- initial purchase price
<u>\$ 75,000</u>	= market appreciation
<u>\$ 75,000</u>	> market appreciation
X 25%	> PJ's determined reasonable standard appreciation
<u>\$ 18,750</u>	= fair return to homeowner
\$175,000	> initial purchase price
+ \$ 18,750	+ fair return to homeowner
<u>\$ 1,750</u>	+ homebuyer down payment (1% of initial purchase price)
<u>\$195,550</u>	= <b>Total Fair Return on Investment</b> = subsequent sales price to new buyer



## ATTACHMENT E

In this calculation, the City does not buy down the appraised price because no additional HOME program funding is provided, and the initial homebuyer does not receive more than the calculated fair return. The total fair return on investment is the sales price is the purchase price for the subsequent homebuyer. The standard appreciation factor will be based on the current market and set to provide a reasonable fair return to the homebuyer while ensuring that the subsequent sales price is close to market rate and yet remains affordable to a reasonable range of low-income homebuyers, as described above. Subsequent homebuyers may require additional HOME program assistance to purchase the unit. City underwriting guidelines will dictate how much assistance, if any, is needed, and the total amount of HOME program funding will not exceed the maximum per unit subsidy limits. When additional HOME funds are provided to a subsequent homebuyer in the form of direct homebuyer assistance, the affordability period will be recalculated to include the additional HOME program funds. As a result, the affordability period may increase because it is based on the total amount of HOME program funding invested in the unit has increased, see Table 1.

### RECAPTURE REQUIREMENTS

For HOME-assisted units not subject to the resale provision per HOME program regulations, the recapture provision will be used, i.e., where only direct homebuyer assistance is provided and/or where direct homebuyer assistance is provided in addition to a development subsidy and the total amount of HOME program assistance does not exceed the HOME program per unit subsidy limit for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. Recapture provisions ensure that the City recoups all or a portion of the direct homebuyer assistance if the housing unit does not continue to be the principal residence of the household for the duration of the affordability period. The affordability period is based upon the total amount of direct homebuyer assistance provided through HOME program funding (including program income) as described in Table 1. The City, when applying the recapture provision, will permit a subsequent homebuyer to assume the HOME program assistance, subject to all HOME program requirements for the remainder of the period of affordability, if the subsequent homebuyer is low-income (60 to 80 percent AMI), and no additional HOME program assistance is provided. City staff will review all documents provided for underwriting by the first mortgage lender to ensure affordability (i.e., successful homeownership), ensure compliance with City underwriting guidelines. Additional documentation may be required for the City to make its determination.

The level of direct home buyer assistance will be based on an evaluation of the buyer's individual need and consider the household's income, debts, etc., according to the City's underwriting guidelines and will not exceed HOME program per unit subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. HOME program assistance will be utilized for down payment, closing cost assistance, or to enhance mortgage affordability. Direct homebuyer assistance will not exceed \$5,000. All funds will be in the form of a five (5) year forgivable loan. The loan will be forgiven for each full year of the affordability period that the initial buyer uses the home as a principal residence, or 20 percent per year will be forgiven. The recaptured amount will be based on the length of time the initial buyer has maintained the home as a principal residence and will not exceed net proceeds, see Table 5.

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TABLE 5

**Recapture Example:**

Direct Homebuyer Assistance Provided on November 11, 2015	\$5,000
Affordability period = HOME program assistance less than \$15,000	5 years
Sale of Home on September 27, 2018 = 2 full years forgiven @ 20%/year	40%
<b>Amount Subject to Recapture [5,000 x 40%]</b>	<b>\$2,000</b>

Enforcement of Recapture Provision – Direct Homebuyer Assistance

All direct homebuyer assistance will require the homebuyer to execute a separate HOME program mortgage and promissory note. The HOME program mortgage is recorded with Ramsey County and imposes and clearly states the HOME program restrictions for occupancy, affordability, and resale requirements placed on the property. The HOME program mortgage runs for at least the applicable minimum affordability period based on the total amount of direct homebuyer assistance, and as noted in Table 1.

The HOME assistance mortgage will reference applicable provisions and definitions to ensure the HOME program requirements are met including the following:

- The property will be the principal residence of the initial eligible buyers, and all subsequent buyers, during the affordability period or a pro-rata portion of the HOME program assistance must be repaid to the City.
- For each full year that the initial eligible buyer utilizes the house as a principal residence, 20 percent of the HOME program assistance will be forgiven.
- HOME program assistance recaptured by the City will not exceed the net proceeds at sale or transfer of the house.

Homebuyers will also execute a HOME Program Written Agreement for Homebuyer Assistance which will clearly outline the use of HOME program funds; affordability restrictions, and enforcement of the affordability provisions and use of the property as the buyer's principal residence.

The recaptured HOME program funds will be used to carry out HOME-eligible activities in accordance with HOME program requirements. The affordability restrictions may terminate upon occurrence of any of the following: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.

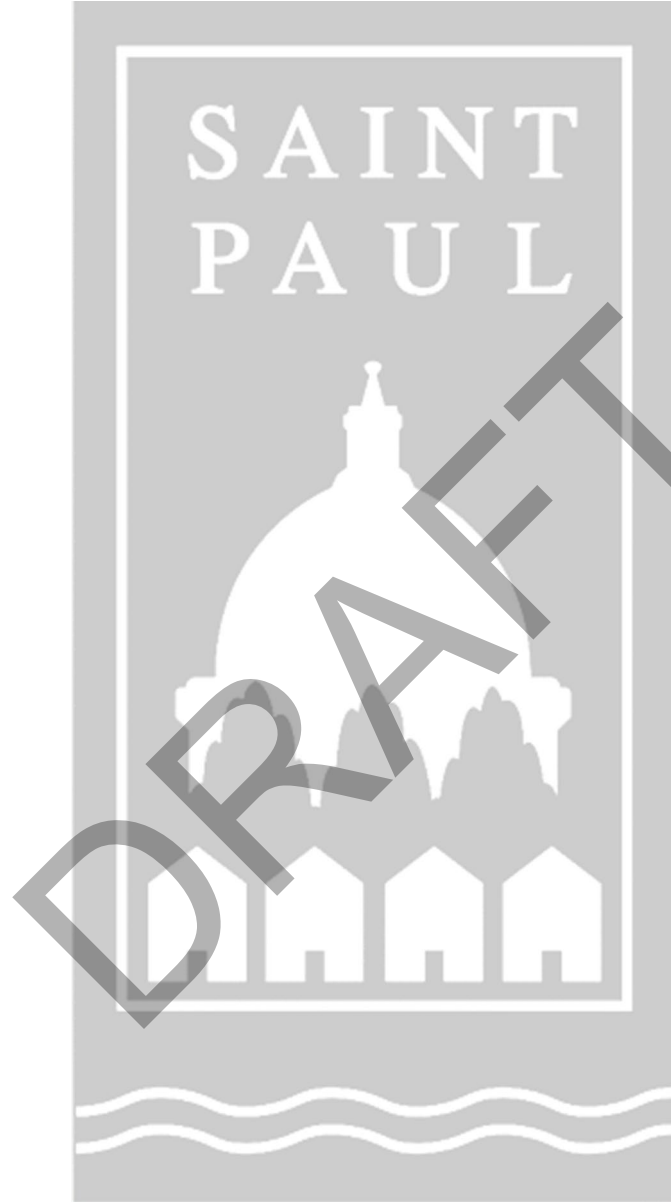
Ongoing Monitoring

Whether the HOME-assisted property is subject to resale or recapture, the applicable restrictions shall be clearly stated in the HOME mortgage, which shall be filed with Ramsey County. Said document will also clearly state that the affordability restrictions may terminate upon foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.

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Additional monitoring is completed annually through verification of Ramsey County property records and/or postcard or letters mailed with “Do Not Forward” instructions which can demonstrate whether the homeowner is receiving mail at the house.

DRAFT



**CITY OF SAINT PAUL  
CONSTRUCTION AND REHABILITATION  
PROPERTY STANDARDS**

**I. PROPERTY PROVISIONS**

**A. PROGRAM INTENT AND HOUSING VALUES**

Our Program's goal is to eliminate neighborhood blight through renovation and demolition, while providing low and moderate-income families with safe, secure and affordable housing.

The values that flow from this goal include:

- Performance and durability
- Historically sensitive exteriors
- Economic life-cycle costs
- Affordable operating costs
- Competitive project appropriate costs
- Lead-safe housing

**B. APPLICABLE LAWS AND REGULATIONS**

Our Program intends to construct and maintain homes in accordance with the following statutory and regulatory requirements:

- City of Saint Paul Building Code
- Applicable State of Minnesota Building Codes and Regulations
- Federal Housing Quality Standards (I will check to see if we replace with UPCS)
- HUD Lead-Based Paint Regulation (24 CFR Part 35)
- Accessibility requirements as applicable, in accordance with Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and the Fair Housing Act.

**C. FREQUENCY OF INSPECTION**

The following inspections are required for all projects utilizing HOME funds.

- Initial inspection
- Progress inspections with draw requests
- Final inspection

**D. HEALTH AND SAFETY**

The rehabilitation standard must specify the life-threatening deficiencies that must be addressed immediately if a housing unit is occupied.

## ATTACHMENT F

### E. DISASTER MITIGATION STANDARDS

Standards shall be applied in accordance with State and local requirements or as established by HUD, where they are needed to mitigate the risk of potential disasters, such as earthquakes, hurricanes, flooding, and wildfires.

### F. CONTRACT DOCUMENTS

Once the scope of work is finalized and approved by City, the Borrower shall provide for approval complete specifications and drawing sets which set forth in detail the requirements of the project. The City will prepare the Home Repayment Loan Agreement for the project.

### G. DEVELOPER / CONTRACTOR DETERMINATION

Projects shall be subject to the City's Two Bid policy. All contractors and subcontractors providing project services shall not be listed on the Federal Service Desk's System for Award Management debarment listing.

## II. REHABILITATION STANDARDS

New rehabilitation projects shall meet State and Local codes, ordinances, and zoning requirements. In the absence of an applicable State or Local code for new construction, HOME-assisted projects must meet the International Code Council's (ICC's) International Residential Code (IRC) or International Building Code (IBC), whichever is applicable to the type of housing being developed.

The following additional standards are incorporated or specified:

- Disaster mitigation standards, in accordance with State and local requirements or as established by HUD, where they are needed to mitigate the risk of potential disasters (such as earthquakes, hurricanes, flooding, and wildfires).
- PJs shall improve project oversight including:
  - Review and approve written cost estimates, construction contracts, and construction documents.
  - Conduct construction progress and final inspections to ensure that work is done in accordance with the applicable codes, the construction contract and other constructions documents.

The following standards shall be adhered to if receiving City assistance for new construction:

### A. MAJOR SYSTEMS

The PJ must require an estimate of the remaining useful life of major systems. Major systems include structural support, roofing, cladding, weatherproofing (e.g., windows, doors, siding, gutters), plumbing, electrical and heating, ventilation, and air conditioning.

This must be done with a capital needs assessment for projects with 26 or more units. If the remaining useful life is less than the affordability period, the PJ must require replacement reserve deposits to ensure that the project's major systems and physical need can be adequately maintained and addressed throughout the affordability period.

## ATTACHMENT F

### B. UPCS (Uniform Physical Condition Standards)

In accordance with 24 CFR 5.703, UPCS are applied to rehabilitation in the absence of State and local codes in the pre-2013 rules.

### C. SITE IMPROVEMENTS

#### SOIL TREATMENT FOR LEAD HAZARDS

Repair Standard: Interim standards - 1 year - will require monitoring to ensure continued effective control methods. Replacement- 20 years.

Play Area: Bare soil play areas shall be tested for lead content. Any bare soil over 400 PPM in lead shall be covered with a reinforced landscape cloth and impermanent surface covering; e.g., gravel, bark, sod, or artificial turf containing not more than 200 PPM. Loose impermanent covering, such as bark or gravel, shall be applied in a thickness of not less than six (6) inches.

Other Bare Soil: Bare soil outside of play areas shall be tested for lead content. Any bare soil over 2000 PPM in lead, and totaling more than nine (9) square feet per property, shall be covered with a reinforced landscape cloth or other impermanent surface covering containing not more than 200 PPM in lead, an interim control measure which prevents children's access to the area soil. Soil lead levels above 5000 PPM usually requires abatement.

#### TREES

Repair Standard: Minimum Life: N/A

Trees that are too close to the structure, or threaten the structure, shall be trimmed or removed.

Replacement Standard: N/A

#### OUT BUILDINGS

Repair Standard: Minimum Life: 1 year

Unsafe and blighted structures, including out buildings, sheds, garages and barns, will be removed if it is not financially feasible to complete the repairs required to make them structurally sound and leak free with lead hazards stabilized.

Replacement Standard: N/A

No replacement of out buildings is allowed.

#### PAVING AND WALKS

Repair Standard: Minimum Life: 5 years

Badly deteriorated essential paving, such as front sidewalks, will be repaired to match. Non-essential deteriorated paving, such as sidewalks that are unnecessary, will be removed and appropriately landscaped.

Replacement Standard: Essential walks and drives shall be replaced with concrete.

### D. EXTERIOR SURFACES

#### EXTERIOR LEAD HAZARDS

Repair Standard: All exterior paint shall be stabilized using lead-safe practices.

## ATTACHMENT F

Replacement Standard: Lead components shall be replaced, or the paint removed, to create a lead-free exterior.

### EXTERIOR STEPS AND DECKS

Repair Standard: Minimum Life: 5 years

Steps, stairways, and porch decks will be structurally sound, reasonably level, with smooth and even surfaces.

Replacement Standard: 20 years

New steps and stairways shall be constructed of preservative-treated lumber in conformance with the CAB Code. Porch decks shall be replaced with tongue and groove pine.

### EXTERIOR RAILINGS

Repair Standard: Minimum Life: 5 years

Handrails will be present on one side of all interior and exterior steps or stairways, with more than two risers, and around porches or platforms over 30" above ground level. Railing repairs will be historically sensitive.

Replacement Standard: Minimum Life: 10 Years

Railings shall be wrought iron or preservative-treated lumber.

### EXTERIOR CLADDING

Repair Standard: Minimum Life: 10 Years

Siding and trim will be intact and weatherproof. All exterior wood components will have a minimum of two continuous coats of paint, and no exterior painted surface will have any deteriorated paint.

Replacement Standard: Minimum Life: 20 Years

Historically sensitive vinyl siding over house wrap.

### EXTERIOR PORCHES

Repair Standard: Minimum Life: 10 years

Unsafe or unsightly porches will be repaired to conform closely to historically accurate porches in the neighborhood.

Porch repairs will be structurally sound, with smooth and even decking surfaces.

Replacement Standard: Minimum Life: 15 Years

Deteriorated porches shall be rebuilt with preservative treated structural lumber and tongue and groove pine decks.

### EXTERIOR HARDWARE

Replacement Standard: N/A

Minimum Life: 10 Years

Every dwelling unit will have a mailbox, or mail slot, and minimum three (3) inch high address numbers at the front door.



## ATTACHMENT F

### E. FOUNDATIONS AND STRUCTURE

#### FOUNDATIONS / FLOOR SYSTEMS / STAIRS

Repair Standard: Minimum Life: 20+ Years

Foundations / Floor Systems / Stairs will be sound, reasonably level, and free from movement.

Replacement Standard: 50 Years

Construct to comply with building code and construction documents.

#### STRUCTURAL WALLS

Repair Standard: Minimum Life: 50 Years

Structural framing and masonry shall be free from visible deterioration, rot or serious termite damage, and be adequately sized for current loads. Prior to rehab, all sagging floor joists or rafters will be visually inspected, and significant structural damage and its cause will be corrected.

Replacement Standard: 50 Years

Construct to comply with building code and construction documents.

#### FIREWALLS

Repair Standard: Minimum Life 25 Years

Party walls shall be maintained without cracks and plaster deterioration, and covered with 5/8" type X gypsum, glued and screwed to studs.

Replacement Standard: Minimum Life: 25 Years

When frame walls and floors adjoining together dwellings are gutted, new wall finish installation will conform to local requirements for fire ratings.

### F. WINDOWS AND DOORS

#### EXTERIOR DOORS

Repair Standard: Minimum Life: 10 Years

Doors shall be solid, weather-stripped, operate smoothly, including a peep site, a dead bolt and entrance lock set.

Replacement Standard: Minimum Life: 10 Years

All replacement doors, at the front of the property, will be historically sensitive. Steel six-panel doors may be installed at entrances not visible from the front street. Dead bolt locks will be installed on all doors.

#### WINDOWS

Repair Standard: Minimum Life: 10 Years.

All single glaze windows shall be covered by a storm sash, in which the meeting rail matches up with the prime window. Operable windows shall have a locking device and mechanism to remain partially open.

Deteriorated windows with lead paint should be replaced whenever the budget allows.

## ATTACHMENT F

Replacement Standard: Minimum Life: 20 Years

Double-glazed, double or single hung, PVC, Lowe, one over one, with historically sensitive snap-in grids and a minimum R-value 2.

Bedrooms, kitchens and baths shall have one operable window with a screen.

### INTERIOR DOOR / PLACEMENT

Repair Standard: Minimum Life: 10 Years

All bedrooms, baths and closets shall have well operating doors.

Replacement Standard: Minimum Life: 10 Years

Hollow core, pressed wood product with brass plated bedroom lockset.

## **G. ROOFING**

### PITCHED ROOFS

Repair Standard: Minimum Life: 10 Years

Missing and leaking shingles and flashing shall be repaired on otherwise functional roofs.

Replacement Standard: Minimum Life: 25 Years

Fiberglass asphalt, three-tab, Class A shingles weighing at least 200 lbs. and up to 240 lbs., with a pro-rated 25- year warranty with continuous ridge vents.

### FLAT AND LOW SLOPE ROOFING

Repair Standard: Minimum Life: 10 Years

Built-up roofing, flashing and accessories shall be repaired with a five-year leak free warranty.

Replacement Standard: Minimum Life: 20 Years

Fully adhered EPDM over one-inch insulation board, or over plywood.

## **H. INSULATION AND VENTILATION**

### INSULATION / VAPOR BARRIER

Replacement Standard: Minimum Life: 15 Years

Attic areas and crawl space will be insulated with vapor barrier. The goal for attic insulation is R-45, and for crawl space R-19. Frame walls will be insulated with vapor barrier if the wall finish is removed. Plastic vapor barriers will be placed over bare soil in crawl spaces.

### ATTIC VENTILATION

Replacement Standard: Minimum Life: 20 Years

Attics will be ventilated with a minimum of one (1) square foot of free vent for each 300 square feet of roof area to comply with building code.

## ATTACHMENT F

### KITCHEN VENTILATION

Replacement Standard: Minimum Life: 5 Years

Range hoods, or exhaust fans, shall be exterior ducted. 150 CFM, 10 sone or less.

### BATH VENTILATION

Replacement Standard: Minimum Life: 5 Years

Exterior ducted 60 CFM, 6 sone or less, with separate switch in all full baths.

## I. INTERIOR STANDARDS

### LEAD-CONTAINING COMPONENTS

Repair Standard: Lead-containing walls, trim, doors and cabinets must have any deteriorated paint stabilized using lead-safe measures. As an alternative, a liquid encapsulant can be applied on such components when the surface is deemed suitable for such coatings.

Replacement Standards: At the owner's request, when funding is sufficient, lead-containing walls, trim, doors and cabinets identified during a lead-paint inspection can be replaced or enclosed to comply with public health requirements.

### FLOORING

Repair Standard: Minimum Life: 5 Years

Bathroom and kitchen floors shall be rendered smooth and cleanable using polyurethane, or by being covered with water-resistant vinyl flooring. Damaged wood floors will be repaired.

Carpet shall be clean and sanitary without excessive deterioration.

Basement floors shall be continuous concrete.

Replacement Standard: Minimum Life: 7 Years

Baths shall receive sheet vinyl over plywood underlayment. Kitchens shall be sheet vinyl over plywood underlayment. New basement slabs shall be at least three (3) inches thick.

Carpet shall be designed to be easily cleaned with durability to serve 7 years.

### CLOSETS

Repair Standard: Minimum Life: 15 Years

All bedrooms shall have closets with a door, clothes rod and shelf.

Replacement Standard: Minimum Life: 15 Years

All bedrooms shall have four (4) foot long by two (2) wide closets with bi-fold door and wire shelves.

### INTERIOR WALLS AND CEILINGS

Repair Standard: Minimum Life: 10 Years

All holes and cracks shall be repaired to create a continuous surface and any deteriorated paint should be stabilized using lead-safe measures.

Replacement Standard: Minimum Life: 10 Years

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Walls shall be plumb, ceilings level with a smooth finish on at least 1/2' gypsum.

Additional Reference: American Gypsum Association

### CABINETS AND COUNTERTOPS

Replacement Standard: Minimum Life: 10 Years

Doors, drawers and hardware shall be maintained in sanitary condition.

Countertop surfaces shall be maintained in a sanitary Condition.

Cabinet surfaces shall be free of loose paint or varnish.

### APPLIANCES

Replacement Standard: Minimum Life: 7 Years

Appliances shall meet energy efficiency standards.

### HAZARDOUS MATERIALS

Repair Standard: Minimum Life: N/A

Asbestos and lead paint hazards, when identified, shall be addressed in conformance with applicable local, state and federal laws.

Rehabilitated properties shall be cleaned to pass a lead dust clearance test to the levels prescribed by HUD regulations.

## **J. ELECTRIC**

### SERVICE

Repair Standard: Minimum Life: 15 Years

Service capacity must be designed to provide for building size and number of units.

Replacement Standard: Minimum Life: 15 Years

Service capacity must be designed to provide for building size and number of units.

### EXTERIOR ELECTRIC

Repair Standard: Minimum Life: 7 Years

All entrances will be well lighted and either switched at the interior side of the door, or the light will be controlled by a photoelectric cell. Motion activated security lighting will be installed at the rear and sides of properties where it will increase safety. All dwelling units will have at least one exterior, CFCI protected, electrical receptacle.

Replacement Standard: N/A

### INTERIOR ELECTRICAL DISTRIBUTION

Replacement Standard: Minimum Life: 15 Years

Comply with National Electric Code.

Exposed knob and tube shall be replaced. Every room will have a minimum of two (2) duplex receptacles, placed on separate walls and one (1) light fixture or receptacle switched at each room entrance. Where the source wiring circuit is accessible (i.e. first floor above basements, in

## ATTACHMENT F

guttled rooms, etc.), receptacles will be grounded. All switch receptacles and junction boxes shall have appropriate cover plates. Wiring shall be free from hazard and all circuits shall be properly protected at the pane. Floor receptacles shall be removed and a metal cover plate installed.

### GROUND FAULT CIRCUITS

Replacement Standard: Minimum Life: 15 Years

Basement and kitchen receptacles within six (6) feet of a sink, all bath receptacles and at least one (1) exterior receptacle shall be protected by a GFCI.

### KITCHEN ELECTRIC DISTRIBUTION

Replacement Standard: 15 Years

Permanently installed stoves, refrigerators, freezers, dishwashers and disposals, washers and dryers shall have separate circuits sized to NED. Two (2) separate 20-amp counter circuits are required within each kitchen area.

### STAIRWELL LIGHTING

Replacement Standard: Minimum Life: 15 Years

All common halls and stairways between living space must be well lighted with a fixture controlled by three-way switches at both ends of the hall or stairway.

### FIRE ALARM AND SPRINKLER SYSTEMS

Replacement Standard: Minimum life: 15 Years

Fire Alarm and Sprinkler Systems shall be installed and maintained to comply with relevant provisions in the 2007 Minnesota State Fire Code.

Fire Alarm and Sprinkler Systems shall be inspected by City of Saint Paul Fire Code inspectors at Code required time intervals.

## **K. PLUMBING SYSTEM**

### WATER SUPPLY

Replacement Standard: Minimum Life: 30 Years

All fixtures must be: supplied with 3 gallon/minute water flow. All inoperable or leaky main shut off valves shall be replaced. Lead pipe and exposed galvanized pipe shall be replaced with copper pipe.

### DRAIN AND WASTE VENT LINES

Replacement Standard: Minimum Life: 30 Years

Waste and vent lines must function without losing the trap seal.

PVC replacement lines shall be installed to Code

### PLUMBING MINIMUM EQUIPMENT

Every dwelling unit shall have a minimum of one single bowl sink with hot and cold running water in the kitchen, and at least one bathroom containing a sink, and a shower/tub unit, both with hot and cold running water and a toilet.

## ATTACHMENT F

### PLUMBING FIXTURES

Replacement Standard: Minimum Life: 10 Years

All fixtures and faucets shall have all components working.

Include single lever, metal faucets and shower diverters with 5-year drip-free warranty.

Include ceramic toilets, double bowl stainless steel sinks, fiberglass tub surrounds and steel enameled 5' tubs.

### WATER HEATERS

Replacement Standard: Minimum Life: 10 Years

Design and install water heater system to provide for building size and number of units to comply with Code and meet energy efficiency standards.

## **L. HVAC**

### HEATING PLANT AND COMMON AREA MAKE UP AIR SYSTEMS

Replacement Standard: Minimum Life: 20 Years

Design and install a HVAC system to include a distribution system for forced air/hot water systems to provide for building size and number of units to comply with Code and meet energy efficiency standards. Include insulation on distribution systems to comply with energy efficiency standards.

### CHIMNEY REPAIR

Repair Standard: Minimum Life: 15 Years

Unsound chimneys shall be repaired or removed. When chimneys are to be used for combustion ventilation, they shall be relined.

Replacement Standard: Minimum Life: 20 Years

Fireplace flues may not be reconstructed in this program. Replacement furnace flues shall be metal double or triple walled to comply with code and recommendations of manufacturer.

### AIR CONDITIONING

Repair Standard: Minimum Life: 3 Years

Air conditioning shall be part of the building HVAC system to comply with Code and energy efficiency standards.

Window air conditioners shall meet energy efficiency standards.

## **M. ELEVATOR SYSTEMS**

### ELEVATORS

Repair/Replacement Standard: Minimum Life: 30 Years

Elevator systems shall be designed, installed and maintained to comply with Minnesota State Building Code Section 1307: Elevators

Elevator systems shall be designed to accommodate the number of units in a building.

## ATTACHMENT F

Elevator systems shall be inspected by City of St. Paul DSI elevator inspectors at Code required time intervals.

### III. NEW CONSTRUCTION STANDARDS

New construction projects shall meet State and Local codes, ordinances, and zoning requirements. In the absence of an applicable State or Local code for new construction, HOME-assisted projects must meet the International Code Council's (ICC's) International Residential Code (IRC) or International Building Code (IBC), whichever is applicable to the type of housing being developed.

The following additional standards are incorporated or specified:

- Accessibility requirements as applicable, in accordance with Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and the Fair Housing Act.
- Disaster mitigation standards, in accordance with State and local requirements or as established by HUD, where they are needed to mitigate the risk of potential disasters (such as earthquakes, hurricanes, flooding, and wildfires).
- PJs shall improve project oversight for new construction. PJs must:
  - Review and approve written cost estimates, construction contracts, and construction documents.
  - Conduct construction progress and final inspections to ensure that work is done in accordance with the applicable codes, the construction contract and other constructions documents.

The following new construction standards involving site design, building design, mechanical and electrical systems, and building components shall be adhered to if receiving City assistance for new construction:

#### H. SITE DESIGN

Site improvements shall comply with all State and Local codes, ordinances, and zoning requirements associated with grading/drainage, parking, garages, sidewalks, play equipment/area, signage, and landscaping.

#### I. BUILDING DESIGN

The building design shall be reasonably appropriate for the intended site, resident population, and anticipated market and shall be in compliance with all State and Local codes, ordinances, and zoning requirements.

#### J. MECHANICAL AND ELECTRICAL SYSTEMS

Housing shall have plumbing, mechanical, sprinkler, elevator, and electrical systems that comply with all State and Local codes, ordinances, and zoning requirements.

#### K. BUILDING COMPONENTS

City encourages the advancement of green/sustainable building strategies designed in accordance with the 2015 Enterprise Green Communities Criteria.

## ATTACHMENT F

### L. SCHEMATIC DESIGN CONCEPT

The Borrower is required to develop a reasonable schematic design concept and cost estimate which conforms to all applicable City regulations

### IV. ACQUISITION

When HOME funds are used to purchase existing rental housing, such housing must be in good condition or it must be rehabilitated to ensure that the housing is in standard condition at the time of project completion.

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## ATTACHMENT G

### CITY OF SAINT PAUL, MINNESOTA RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

#### 1. Steps Taken to Minimize Displacement:

The City will take the following steps to minimize the displacement of families and individuals from their homes and neighborhoods as a result of any activities assisted with Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funding:

- (A) Consider at the feasibility of rehabilitation before pursuing the demolition of unsafe, dilapidated properties.
- (B) Consider alternate locations for new development that requires the demolition of properties and relocation of families and individuals.

#### 2. Relocation Assistance:

Each displaced person is entitled to choose to receive either assistance at the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) levels (49 CFR part 24), or the following relocation assistance:

- (A) Advisory services at the levels described in 49 CFR part 24, subpart C. Tenants shall be advised of their rights in such a matter that will provide a choice between relocating within their neighborhood and other neighborhoods.
- (B) Payment for moving expenses at the levels described in 49 CFR part 24, subpart D.
- (C) The reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit, and for credit checks required to rent or purchase the replacement dwelling unit.
- (D) Interim living costs. The City shall reimburse a person for the actual reasonable out of pocket costs incurred with temporary relocation if the person must relocate temporarily, including moving expenses and increased housing costs.
- (E) Replacement housing assistance. Persons are eligible to receive one of the following two forms of replacement housing:
  - (1) Rental assistance equal to 60 times the amount necessary to reduce the monthly rent and estimated average monthly cost of utilities for a replacement dwelling to the Total Tenant Payment. All or a portion of this assistance may be offered through a certificate or housing voucher for rental assistance. If a certificate or voucher is provided to a person, the City must provide referrals to comparable replacement units where the owner is willing to participate in the Section 8 Program. To the extent that cash assistance is provided, it will be provided in installments.
  - (2) If the person purchases an interest in a housing cooperative or mutual housing association and occupies a decent, safe, and sanitary dwelling in the cooperative or association, the person may elect to receive a lump sum payment. The payment shall be equal to the capitalized value of 60 monthly installments of the amount that is obtained by subtracting the Total Tenant Payment from the monthly rent and estimated monthly cost of utilities at a comparable replacement

## ATTACHMENT G

dwelling unit. To compute the capitalized value, the installments shall be discounted at the rate of interest paid on passbook savings deposits by a Federally-insured Bank or Savings and Loan institution conducting business in the City.

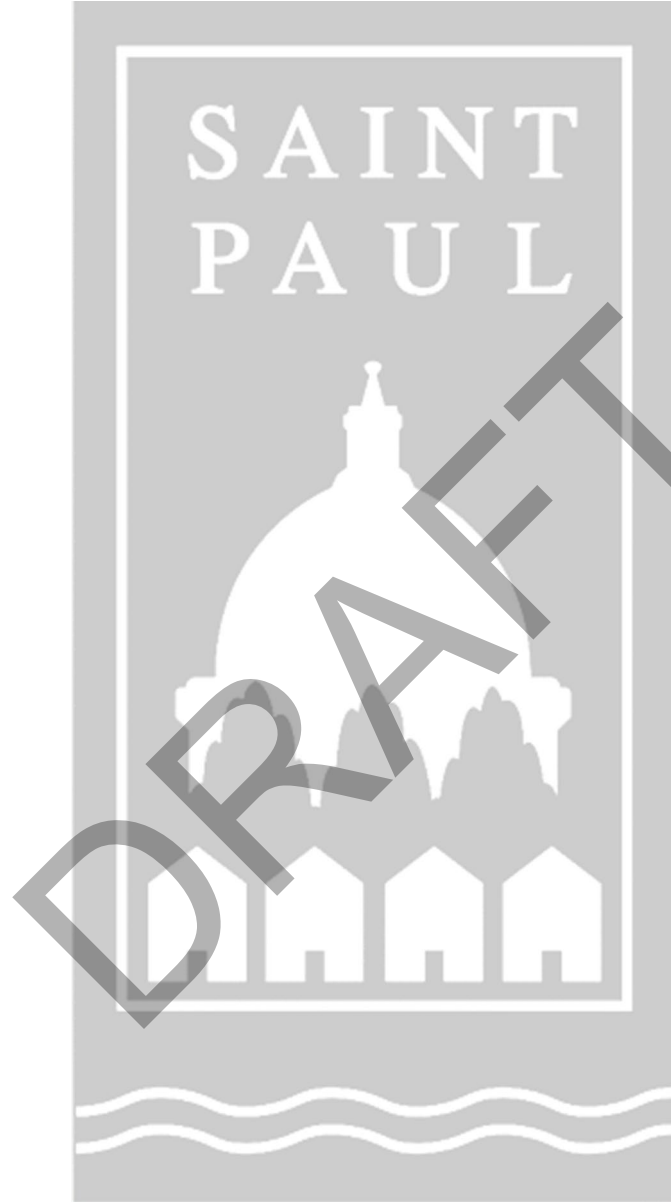
### 3. One-for One Replacement Units:

- (i) All occupied and vacant occupiable low/moderate-income units that are demolished or converted in connection with a CDBG- or HOME-funded activity must be replaced with low/moderate-income units.
- (ii) The replacement units may be provided by any government agency or private developer, and must meet the following requirements:
  - (A) The units must be located within the City of Saint Paul, and to the extent feasible, the units shall be located within the same neighborhood as the units being replaced.
  - (B) The units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units being demolished or converted. The number of occupants who could have been housed in units shall be determined by the City occupancy codes. The City may not replace the units with smaller units unless it is consistent with the needs analysis in the Consolidated Plan.
  - (C) The units must be provided in standard condition.
  - (D) The units must be made available for occupancy at any time beginning one (1) year before the City submits its replacement plan to HUD and ending three (3) years after the commencement of demolition or conversion.
  - (E) The units must be designed to remain low/moderate-income units for at least 10 years from the date of initial occupancy.
  - (F) Replacement units may include public housing or existing housing receiving Section 8 project-based assistance.
- (iii) Before the City enters into a contract for the demolition or conversion of low/moderate-income dwelling units, the following information must be made public and submitted to the local HUD Field Office:
  - (A) A description of the proposed activity to be assisted with CDBG funding.
  - (B) The location on a map and number of low/moderate-income dwelling units by size (number of bedrooms) that will be demolished or converted as a result of the assisted activity.
  - (C) A time schedule for the commencement and completion of the demolition or conversion.
  - (D) The location on a map and the number of dwelling units by size that will be provided as replacement dwelling units. If this information is not available at the time of the submission, the general location and approximate number of dwelling units by size shall be identified. The specific location and exact number of dwelling units shall be submitted and made public as soon as the information is available.
  - (E) The source of funding and a time schedule for the provision of the replacement low/moderate dwelling units.
  - (F) The basis for concluding that each replacement unit will remain a low/moderate-income dwelling unit for at least ten (10) years from the date of initial occupancy.

## ATTACHMENT G

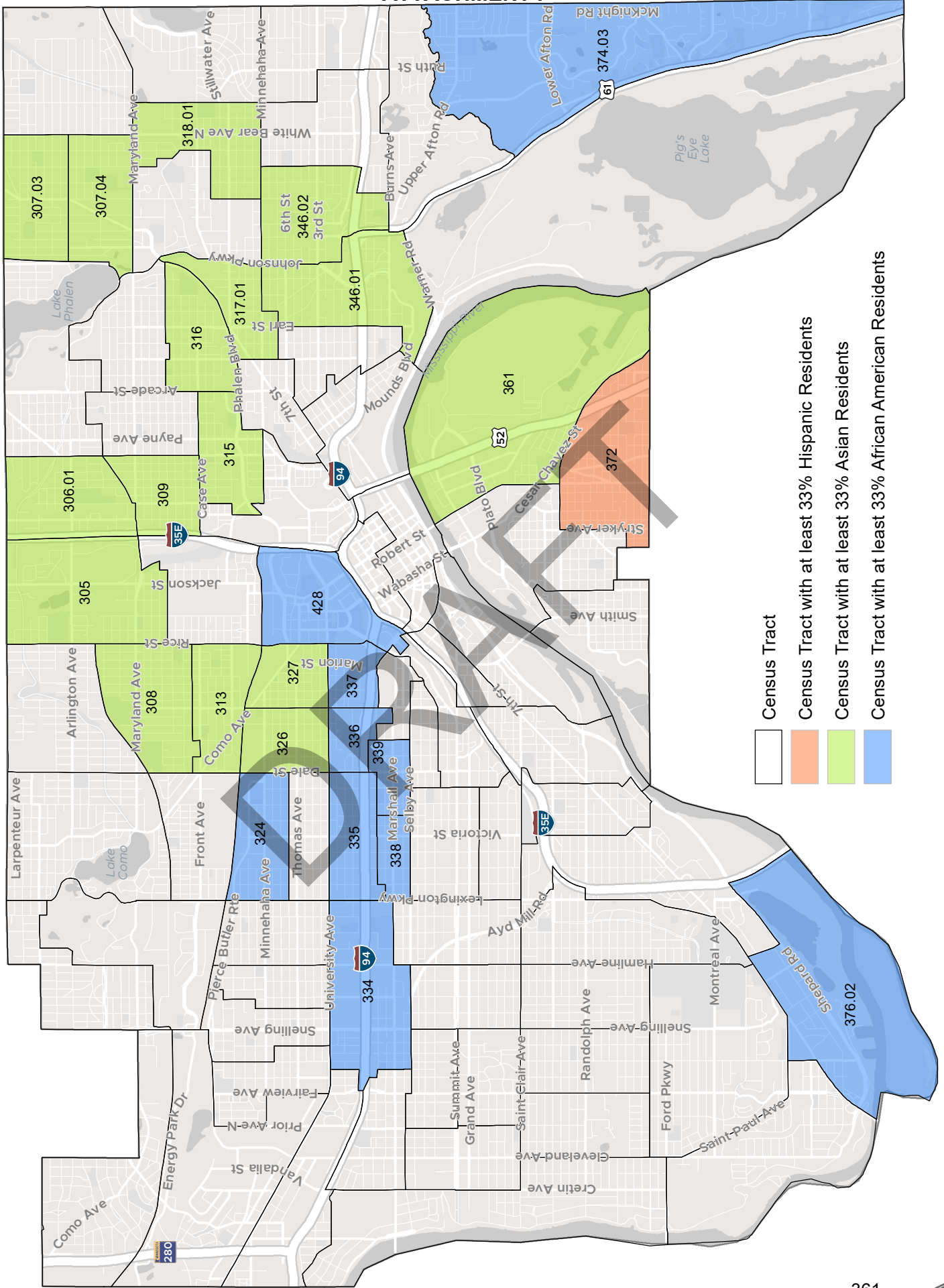
- (G) Information demonstrating that any replacement of units with smaller units is consistent with the City's Consolidated Plan.
- (iv) The one-for-one replacement requirement does not apply to the extent the local HUD Field Office determines that there is an adequate supply of vacant low/moderate-income dwelling units in standard condition available on a nondiscriminatory basis within the City, or an area larger than the jurisdiction of the City. The City must submit a request for this determination to the local HUD Field Office, and also make the request public and inform the public that they have thirty (30) days to provide HUD additional information supporting or opposing the request.

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# City of Saint Paul Concentrations of Disproportionately Greater Need Subpopulations

## ATTACHMENT I



- Census Tract
- Census Tract with at least 33% Hispanic Residents
- Census Tract with at least 33% Asian Residents
- Census Tract with at least 33% African American Residents

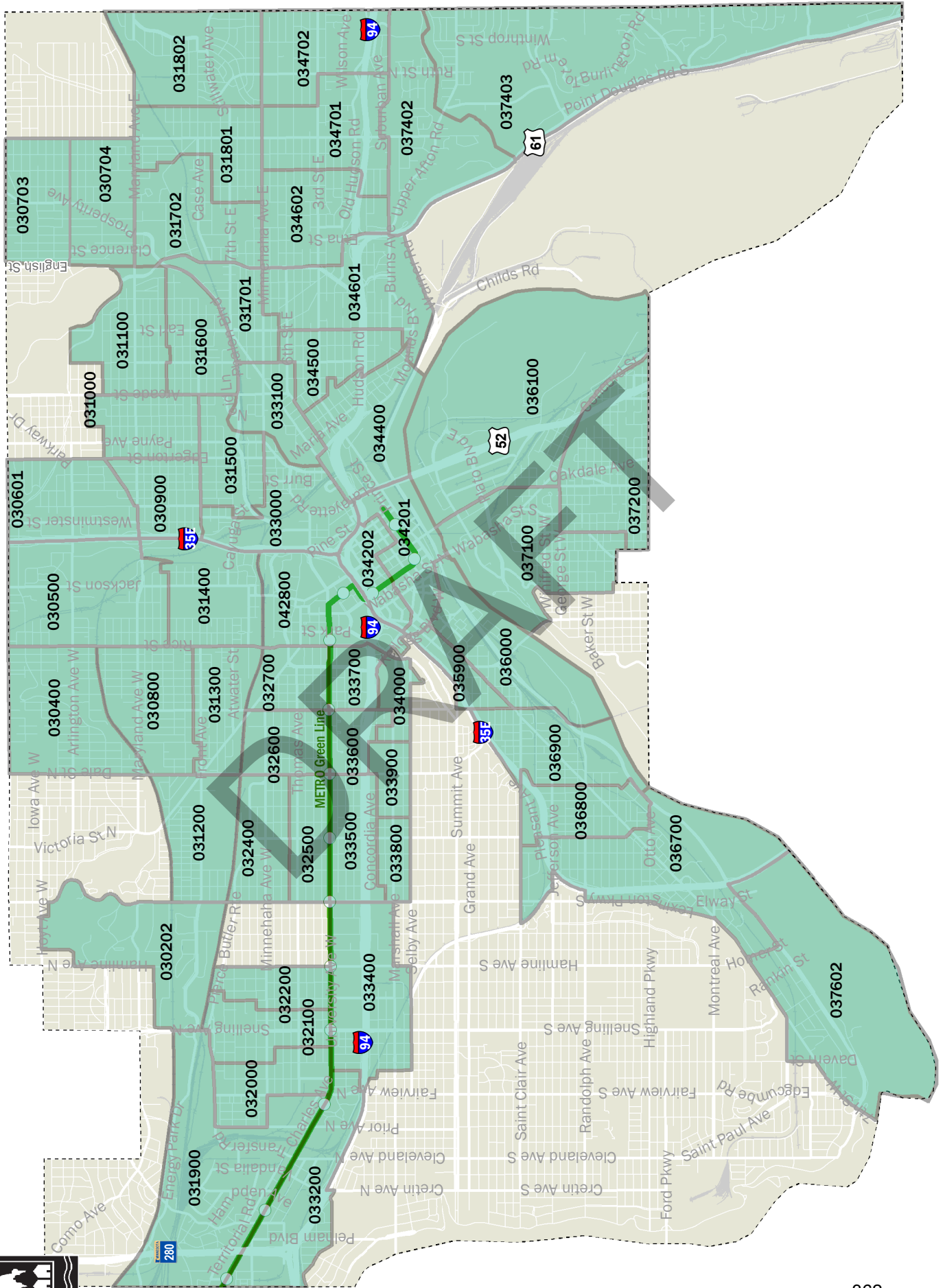


Sources: U.S. Census (2017), Metropolitan Council, Ramsey County, City of Saint Paul



# CDBG-Qualified Census Tracts 2020

January 2020



This document was prepared by the Saint Paul Planning and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such. Data source: St. Paul Enterprise GIS, 2018.

## ATTACHMENT I

GEOID	Tract	State ID	County ID	Low-Income Population in Tract	Total Population in Tract	% Low-Income
27123030202	302.02	27	123	1,190	2,115	56.26%
27123030400	304.00	27	123	4,900	6,620	74.02%
27123030500	305.00	27	123	4,445	5,500	80.82%
27123030601	306.01	27	123	4,600	6,005	76.60%
27123030703	307.03	27	123	2,400	3,835	62.58%
27123030704	307.04	27	123	3,070	4,360	70.41%
27123030800	308.00	27	123	3,710	5,195	71.41%
27123030900	309.00	27	123	2,815	3,715	75.77%
27123031000	310.00	27	123	3,175	4,245	74.79%
27123031100	311.00	27	123	2,755	3,945	69.84%
27123031200	312.00	27	123	1,780	3,095	57.51%
27123031300	313.00	27	123	1,890	2,410	78.42%
27123031400	314.00	27	123	2,380	2,990	79.60%
27123031500	315.00	27	123	2,015	2,605	77.35%
27123031600	316.00	27	123	3,255	4,660	69.85%
27123031701	317.01	27	123	2,315	3,010	76.91%
27123031702	317.02	27	123	5,115	6,405	79.86%
27123031801	318.01	27	123	3,430	4,760	72.06%
27123031802	318.02	27	123	2,260	3,645	62.00%
27123031900	319.00	27	123	1,505	2,135	70.49%
27123032000	320.00	27	123	2,375	3,360	70.68%
27123032100	321.00	27	123	1,365	2,475	55.15%
27123032200	322.00	27	123	1,385	2,405	57.59%
27123032400	324.00	27	123	1,700	2,745	61.93%
27123032500	325.00	27	123	3,415	4,190	81.50%
27123032600	326.00	27	123	2,800	3,620	77.35%
27123032700	327.00	27	123	2,125	2,635	80.65%
27123033000	330.00	27	123	985	1,295	76.06%
27123033100	331.00	27	123	1,160	1,375	84.36%
27123033200	332.00	27	123	1,580	2,740	57.66%
27123033400	334.00	27	123	1,960	2,480	79.03%
27123033500	335.00	27	123	2,785	3,740	74.47%
27123033600	336.00	27	123	1,575	1,605	98.13%
27123033700	337.00	27	123	1,270	1,350	94.07%
27123033800	338.00	27	123	1,625	2,190	74.20%
27123033900	339.00	27	123	1,030	1,665	61.86%
27123034000	340.00	27	123	870	1,525	57.05%
27123034201	342.01	27	123	1,280	2,045	62.59%
27123034202	342.02	27	123	2,995	5,030	59.54%
27123034400	344.00	27	123	1,675	2,090	80.14%
27123034500	345.00	27	123	3,155	4,470	70.58%
27123034601	346.01	27	123	3,370	4,895	68.85%
27123034602	346.02	27	123	3,015	4,465	67.53%
27123034701	347.01	27	123	2,985	4,620	64.61%

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27123034702	347.02	27	123	2,430	3,865	62.87%
27123035900	359.00	27	123	535	715	74.83%
27123036000	360.00	27	123	1,185	2,270	52.20%
27123036100	361.00	27	123	1,375	1,595	86.21%
27123036700	367.00	27	123	2,770	4,865	56.94%
27123036800	368.00	27	123	1,190	2,280	52.19%
27123036900	369.00	27	123	1,205	1,930	62.44%
27123037100	371.00	27	123	3,580	4,950	72.32%
27123037200	372.00	27	123	4,265	5,895	72.35%
27123037402	374.02	27	123	2,220	4,125	53.82%
27123037403	374.03	27	123	3,315	6,575	50.42%
27123037602	376.02	27	123	4,040	5,680	71.13%
27123042800	428.00	27	123	1,970	2,320	84.91%

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## GLOSSARY OF TERMS, ACRONYMS, AND ABBREVIATIONS

**4(d) Affordable Housing Incentive Program** – a program that preserves affordable housing by helping rental building owners obtain property tax reductions if they agree to keep a minimum percentage of their rental units affordable over a specified period of time. The program may also help owners make existing buildings greener through cost sharing for energy efficiency improvements and solar installations.

**ADA – Americans With Disabilities Act** - a civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and all public and private places that are open to the general public.

**ADU – Accessory Dwelling Unit** – a secondary dwelling unit, subordinate to a principal one-family dwelling, within or attached to a one-family dwelling or in a detached accessory building on the same zoning lot, with the property owner of record occupying either the principal dwelling unit or the accessory dwelling unit as their permanent and principal residence.

**Affordable Housing** – defined as housing where the occupant(s) is/are paying no more than 30% of his/her income for gross housing costs, including utilities.

**Annual Action Plan (AAP)** - annual plans for the period of time covered by the Consolidated Plan (typically three to five years) which provide a concise summary of the actions, activities, and specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified in the Consolidated Plan.

**Assisted Housing** – housing which is subject to restrictions on tenant income and rents because of one or more governmental subsidies.

**AFFH – Affirmatively Furthering Fair Housing** - a legal requirement that federal agencies and federal grantees further the purposes of the Fair Housing Act.

**AI – Analysis of Impediments to Fair Housing** - is a comprehensive review of an Entitlement jurisdiction's laws, regulations, and administrative policies, procedures, and practices how those laws, etc. affect the location, availability, and accessibility of housing, both public and private, and the affect on housing choice for all protected classes.

**ALP – Wilder Assisted Living Program** - brings supportive services to residents who live in two STPHA hi-rises.

**AMI – Area Median Income** - the midpoint of a specific region's income distribution – half of families earn more than the median and half earn less than the median. For housing policy, income thresholds set relative to the area median income — such as 80% of the area median income — identify households eligible to live in income-restricted housing units and the affordability of housing units to low-income households.

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**CAHS - Coordinated Access to Housing and Shelter** - the process that conducts intake assessments to determine the most appropriate referral for homeless families and individuals seeking emergency shelter.

**CDBG - Community Development Block Grant** - an annual entitlement grant of federal dollars, from HUD to the City of Saint Paul, used to fund activities that primarily benefit low/moderate-income citizens.

**CDC – Community Development Corporation** - a nonprofit, community-based organizations focused on revitalizing the areas in which they are located, typically low-income, underserved neighborhoods that have experienced significant disinvestment.

**CFR – Code of Federal Regulations** – Federal regulations; HUD regulations are at 24 CFR.

**CHSP - Congregate Housing Services Program** - develops individualized services for elderly or disabled STPHA residents to maintain his/her independence.

**Conduit Revenue Bonds** – are tax-exempt revenue bonds issued by the HRA and are used for not-for-profit organization capital improvement projects.

**Consolidated Plan (Con Plan)** – a required strategic plan for any local unit of government receiving HUD funds which requires the jurisdiction to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions.

**CoC - Continuum of Care** - a comprehensive system designed to move individuals and families from homelessness to permanent housing by providing specialized assistance (e.g., job training, psychological counseling, budget counseling, education, etc.).

**CROP – Community Resource Outreach Project** - weekly outreach at the City's Central and Rondo Community Libraries to provide referrals to community services and resources.

**CVZ – Commercial Vitality Zone** - invests in neighborhood commercial districts to promote city-wide vitality, growth, and equity. Project areas are catalytic – projects leverage other investments and opportunity to build off existing plans; are targeted toward areas of concentrated poverty and/or where 50% or more of residents are people of color (ACP or ACP50); increase vitality, strengthen commercial areas and make them more vibrant; and funded projects will grow the tax base.

**CWRC – Citywide Resident Council** – its purpose is to advocate for residents before STPHA and other agencies; evaluate physical and social conditions at respective developments or buildings; encourage programs and activities designed to promote leadership, self-sufficiency, safety, and education; and encourage good working relationships between residents and STPHA staff.

**DOL – Department of Labor** - a department of the U.S. federal government responsible for occupational safety, wage and hour standards, unemployment insurance benefits, reemployment services, and some economic statistics. The purpose is to foster, promote, and develop the wellbeing of wage earners, job seekers, and retirees;

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improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights.

**DSI – Department of Safety and Inspections** – a City Department whose mission is to preserve and improve the quality of life in Saint Paul by protecting and promoting public health and safety for all through code compliance; building, property, and fire inspections; permits; zoning compliance; dog licensing, among other things.

**EEOC – Equal Employment Opportunity Commission** - a federal agency that administers and enforces civil rights laws against workplace discrimination. The EEOC investigates discrimination complaints based on an individual's race, children, national origin, religion, sex, age, disability, sexual orientation, gender identity, genetic information, and retaliation for reporting, participating in, and/or opposing a discriminatory practice.

**Elderly** – a person who is at least 62 years of age and older (applies to housing activities). A person who is at least 60 years of age and older (applies to non-housing Community Development Block Grant activities).

**Emergency Shelter** – any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or specific segments of the homeless population.

**Entitlement Community** – a community that receives funding directly from HUD and develops its own programs and funding priorities, for example, the City of Saint Paul.

**ESG – Emergency Solutions Grant** - provides funding to assist homeless individuals/families or prevent individual/families from becoming homeless.

**Extremely Low-Income** – persons/households whose income falls below 30% of the area median income.

**FHPAP – Family Homeless Prevention and Assistance** – a program which provides grants to encourage and support innovation at the county or regional level by establishing a comprehensive service system, including prevention services, for families, single adults, and youth who are homeless or at risk of becoming homeless.

**FHEO – Fair Housing and Equal Opportunity** - an agency within the U.S. Department of Housing and Urban Development. FHEO is responsible for administering and enforcing federal fair housing laws and establishing policies that make sure all Americans have equal access to the housing of their choice.

**FHIC – Fair Housing Implementation Council** - a collaboration of local and county governments that recognize a regional approach is necessary to effectively eliminate impediments to fair housing and promote fair housing opportunities. The collaboration consists of: Saint Paul, the counties of Anoka, Dakota, Hennepin, and Washington; the Metro HRA (Metropolitan Council); the Community Development Agencies of Scott and Carver Counties; and the cities of Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, Coon Rapids, and Woodbury.

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**FSS – Family Self-Sufficiency Program** – designed to enable families to improve their education and employment status and thereby achieve a great measure of economic independence self-sufficiency.

**HAP – Housing Assistance Program** – provides housing assistance for households under the Section 8 voucher program.

**HCV - Housing Choice Voucher** – the federal government's largest program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. The eligible renter pays no more than 30% of adjusted income toward rent and utilities, and the balance of the rent is paid by the public housing agency. Housing assistance is provided on behalf of the participant who are then able to find their own housing, including single-family homes, townhouses, and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. The program is administered locally by public housing agencies.

**HMIS – Homeless Management Information System** - a database to combine data on homeless populations served within a specific geographic area (e.g., St. Paul, Ramsey County).

**HOA – Home Ownership Alliance** - a statewide collaboration to eliminate Minnesota's homeownership gap.

**HOME Program – The HOME Investment Partnerships Program** - provides formula funding, from HUD to the City of Saint Paul, for a wide range of affordable housing activities for low-income people which can include rental, homeownership, and rehabilitation of existing housing.

**Household** – one or more persons occupying a given housing unit (Census Bureau). Occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Household Income** – the total income for all persons who occupy a housing unit.

**HRA – Housing and Redevelopment Authority** - a City of Saint Paul public entity which undertakes housing, commercial and business development activities. The HRA authorizes the acquisition of real estate, housing and commercial loans and grants, and the issuance of bonds.

**HTF – Housing Trust Fund** - an affordable housing production program that complements existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households and may include homeless families. HTF funds are typically used for the production or preservation of affordable housing through the acquisition, new construction, reconstruction, and/or rehabilitation of non-luxury housing with suitable amenities.

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**HREEO - Human Rights and Equal Employment Opportunity** - a department at the City of Saint Paul serves to improve the inclusive contracting practices and workforce development strategies of the City.

**HUD – United States Department of Housing and Urban Development** - the federal agency from which the City receives its CDBG, HOME program, and ESG funding.

**IDIS – Integrated Disbursement and Information System** - a nationwide database that provides HUD with current information on the status of HUD-funded activities.

**Inclusionary Zoning** - an affordable housing tool that links the production of affordable housing to the production of market-rate housing. It either requires or encourages new residential developments to make a certain percentage of the housing units affordable to low- or moderate- income residents.

**Inspiring Communities** - a City of Saint Paul housing redevelopment strategy providing focused investment in neighborhoods most impacted by foreclosure and vacancy. The program funds assist developers with development gap financing for construction of new housing on vacant lots or rehabilitation of vacant structures.

**LIHTC – Low-Income Housing Tax Credits** - a program provides tax incentives, written into the Internal Revenue Code, to encourage developers to create affordable housing. These tax credits are provided to each State based on population and are distributed to the State's designated tax credit allocating agency. In turn, these agencies distribute the tax credits based on the State's affordable housing needs with broad outlines of program requirements from the federal government. Tax credit subsidies provide a moderate level of affordability through rent restrictions. Tax credits may be combined with additional sources of federal or state funding

**LBP** – Lead-Based Paint.

**LEP – Limited English Proficiency** - individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English.

**LMI (or low/mod)** – Low- and/or Moderate-Income – generally refers to individuals and/or households with incomes at or below 80% of area median income.

**Low-Income** – households/persons whose income is at or below 50% of the area median income.

**MACPD – Mayor's Advisory Committee – People with Disabilities** - advises and makes recommendations to the Mayor and City Council regarding problems, issues, and opportunities facing people with disabilities and specifically focused on issues related to employment, public education, and accessibility.

**MAC-V – Minnesota Assistance Council for Veterans** - directly helps veterans and their families affected by homelessness or those in danger of becoming homeless.

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**Mainstream Program – Mainstream Housing Opportunities for Persons with Disabilities** - provides vouchers to through Public Housing Agencies that enable persons with disabilities (elderly or non-elderly) to access affordable private housing of their choice. Also assists PHAs and nonprofit disability organizations in providing housing choice vouchers (HCVs) for any group identified in a community as having the worst housing need, i.e., very low-income persons with a disability.

**MBE – Minority-owned Business Enterprise** - business owned by at least 51% minority individuals.

**MESH – Minnesota Engagement on Shelter and Housing** - helps regions, communities, and organizations develop strategic and customized solutions for ending homelessness, based on national best practices.

**MHFA – Minnesota Housing Finance Agency** (a.k.a. Minnesota Housing or MN Housing) - the state's housing finance agency that provides access to safe, decent and affordable housing and to build stronger communities across the state by providing funding for homebuyers.

**MHU – Mental Health Unit** - Specialized SPPD officers who conduct proactive and reactive services citywide in an effort to connect citizens in need of mental health services with available community resources.

**MNHOC – Minnesota Homeownership Center** - provides homebuyer services through classes and one-on-one counseling, and helps homeowners facing foreclosure stay in their homes.

**Moderate-Income** – households/persons whose income is from 51% and 80% of the area median income.

**Multifamily Housing** – A building with 4 or more residential units, including apartments, condominiums. Multifamily units are generally attached and share a common lot. Housing type should not be confused with ownership; multi-family units may be owner-occupied or renter-occupied.

**NOAH – Naturally Occurring Affordable Housing** - refers to residential rental properties that maintain low rents without federal subsidy. It is the most common affordable housing in the U.S.

**OFE – Office of Financial Empowerment** - seeks to directly address the root causes of poverty and inequity in Saint Paul. Creation of the OFE will connect low-income residents to financial education and counseling, help them establish savings and build credit, and provide them with tools to achieve financial stability.

**OZ – Opportunity Zones** - a new community development program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income and urban communities nationwide.

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**PBV – Project Based Voucher** - helps pay for rent in privately owned rental housing, but only in specific privately-owned buildings or units (see PBRA). The voucher holder does not get to choose the unit as is done with an HCV.

**PHA** – Saint Paul Public Housing Agency.

**PI – Program Income** - income directly generated from a CDBG or HOME program funded activity (e.g., loan repayments).

**PIT – Point-In-Time Count** – a count of all sheltered and unsheltered people in a specific community. Outreach workers and volunteers canvas a community to count the people who appear to be living in places not meant for human habitation. During a PIT count, communities identify whether a person is an individual, a member of a family unit, or an unaccompanied youth. In addition, communities also identify if a person is chronically homeless, indicating long-time or repeated homelessness, and if a person has a disability.

**PJ – Participating Jurisdiction** - a state or local government, for example, the City of Saint Paul, designated by HUD to receive funding through the HOME Program.

**POHP – Publicly Owned Housing Program** – Through Minnesota Housing Finance Agency, assistance is provided to PHAs that provide public housing to individuals and families (households with children) to rehabilitate and preserve public housing units.

**PSH - Permanent Supportive Housing** – Housing with supportive services; an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people.

**RAB – Resident Advisory Board** - provides the PHA and the residents with a forum for sharing information about the Agency's Annual Plan, developing and/or making any significant modifications or amendment to the plan. PHAs are required to establish one or more RABs as part of the PHA Plan process and is comprised of individuals who reflect and represent the residents assisted by the PHA.

**RAD – Rental Assistance Demonstration Program** - allows public housing agencies (PHAs) and owners of other HUD-assisted properties to convert units from HUD rental assistance to project-based Section 8 contracts. The primary benefit is that properties are able to private sources of capital financing for owners to address deferred maintenance issues.

**RCCHSD** – Ramsey County Community Human Services Department.

**RRH – Rapid Re-Housing** - an intervention designed to help individuals and families that do not need intensive and ongoing supports to quickly exit homelessness and return to permanent housing.

**RUSH - Re-directing Users of Shelter to Housing** - a group of Ramsey County community partners that aims to move all frequent users of emergency shelters into stable housing.

## ATTACHMENT J

**SBE - Small Business Enterprise** - a business that meets specific economic criteria and is owned, operated, and controlled by one or more persons.

**Section 3 Program** - requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting, and other economic opportunities to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.

**Single-family Housing** – A residence which includes conventional stand-alone housing units as well as patio homes, townhomes, duplexes, or structures with up to four units, one of which is occupied by the owner.

**SPPD** – Saint Paul Police Department.

**SPPS** – Saint Paul Public Schools, Independent District #625.

**SRO – Single Room Occupancy** - a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single eligible individual. The unit need not, but may, contain food preparation or sanitary facilities, or both.

**STAR Funds – Sales Tax Revitalization** - funds are derived from a City of Saint Paul half-cent sales tax levy for capital improvements to further residential, economic, and commercial development.

**Supportive Housing** – Housing that includes planned supportive services.

**TBRA – Tenant-Based Rental Assistance** - a rental subsidy that helps make up the difference between what a renter can afford to pay and the actual rent for a home or apartment.

**TIF – Tax Increment Financing** - a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects.

**TOD – Transit-oriented Development** - is walkable, moderate to high density development served by frequent transit with a mix of housing, retail, and employment choices designed to allow people to live and work with less or no dependence on a personal car.

**TPV – Tenant Protection Vouchers** (also referred to as **Enhanced Vouchers**) – are meant to ensure there is no displacement of low-income residents occurs as a result of various actions resulting in a loss of subsidy assistance. In other words, tenants may be displaced when a property in which the tenant lives is no longer subject to income restrictions, but the tenant does not have a voucher to ensure continued affordability. These tenants would receive a voucher to ensure affordability and protection from potential rent increases.

**Transitional Housing** – a project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months.



## ATTACHMENT J

**VASH – Veterans Affairs Supportive Housing** - combines HUD HCV rental assistance for homeless veterans and their families with case management and clinical services provided by the Department of Veterans Affairs at its medical centers and in the community.

**Very Low-Income** – households/persons whose income falls below 30% of the area median income.

**VOP - Vendor Outreach Program** - a City of Saint Paul business assistance program aimed at helping WBE, MBE, and SBE have greater access to contracting opportunities with the city.

**WBE – Woman-owned Business Enterprise** – a business where at least 51% is owned and controlled by a female.

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