



## CITY OF SAINT PAUL, MINNESOTA CONSOLIDATED PLAN, 2018 ACTION PLAN



This Document Includes Information required by the U.S. Department of Housing  
and Urban Development for Fiscal Year 2018:  
Community Development Block Grant Program, Home Investment Partnership,  
Emergency Solutions Grant Program



City of Saint Paul  
Planning and Economic Development Department  
DRAFT

Annual Action Plan  
2018

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## **Executive Summary**

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

#### **1. Introduction**

This document is the one year Action Plan for the City of Saint Paul, Minnesota, for program year 2018 to be submitted to HUD. The Action Plan includes the City's application for 2018 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 provides housing opportunities for homeless persons. This document will be submitted to HUD by May 15, 2018.

The City of Saint Paul is considered an entitlement community by the United States Department of Housing and Urban Development (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 \$6,293,101 of Community Development Block Grant (CDBG) funding, \$1,472,699 of HOME Investment Partnership Program (HOME) funding, and \$571,420 of Emergency Solutions Grant (ESG) funding from HUD in FY2018. In addition, the City estimates receiving about \$556,899 in CDBG program income. These estimates are based on the City of Saint Paul receiving the same level of funding from HUD in FY2018 that was received in FY2017. Should the City of Saint Paul receive less than the estimated amount, funding for all CDBG, HOME and ESG activities will be reduced or increased in direct proportion to the difference in the actual allocations received from HUD.

#### **2. Summarize the objectives and outcomes identified in the Plan**

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

Through the needs and market assessment undertaken through the consolidated planning process, the City of Saint Paul has identified twenty-one priority needs in the Strategic Plan chapter of the City of Saint Paul's 2015-2019 Consolidated Plan. These priorities include:

1. Preservation of existing affordable rental housing;
2. Development of new affordable rental housing;
3. Housing rehabilitation assistance;
4. Non-housing community development (job training and small business development, youth services, financial planning assistance, renter education, credit repair assistance, and criminal record expungement);
5. Fair housing and housing anti-discrimination efforts;
6. Supportive services to help keep households housed;
7. Tenant and landlord education;
8. Increased homeownership opportunities;
9. Homeless prevention strategies;
10. Individual homeless persons' need assessment;
11. Emergency shelters and transitional housing;
12. Transitions to permanent housing;
13. Public facilities;
14. Public infrastructure;
15. Public service needs;
16. Economic development needs;
17. Planning needs;
18. Lead-based paint abatement plan implementation;
19. Acquisition, demolition, and clearance of property;
20. Property maintenance code enforcement; and
21. Community outreach to underserved populations.

Meeting these priorities continues to be the focus of the City of Saint Paul's 2018 Annual Action Plan.

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

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

The housing needs of low income, special needs, and elderly homeowners, as well as the needs of small, large, elderly, and special needs renter households are listed as high priorities in the 2015-2019 Saint Paul Consolidated Plan. The strategies identified in the housing section of the City's Comprehensive Plan were to preserve and construct affordable housing through partnerships, and retrofit for energy efficiency.

The City of Saint Paul's HUD program year runs from June 1 through May 31 each year. The City is required to file its Consolidated Annual Performance and Evaluation Report (CAPER) 90 days after the end of the program year. The City filed the FY2016 CAPER at the end of August in 2017. Historically, the City has expended the majority 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 2016 program year, approximately 94% of the Community Development Block Grant (CDBG) project funding was used for activities that benefit low to moderate income persons. A total of 79 housing units were rehabilitated, 5 businesses were assisted and 5 jobs were created this year. The housing total fell short of the proposed 2016 total housing unit goal identified in the 2015-2019 Consolidated Plan, primarily due to a reduction in the City's CDBG and HOME funding amounts in 2016 from projected amounts.

Using CDBG funds, the City and its subrecipients provided housing assistance to 22 extremely low income (30% of median) households, 24 very low income (50% of median) households and 33 low income (80% of median) households. A total of 24 Asian households, 16 Black households, 34 White households, and 5 other race households were assisted with housing activities during the program year. Five of the households were of Hispanic ethnicity and 26 were female-headed households.

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

The City's HOME program produced 19 rental units during the program year 2016. Of those units, 5 are restricted to households at or below 30% AMI, 12 units restricted to households at or below 50% AMI and 2 units restricted to households at or below 60% AMI. The races of these households are as follows: White-7, Black/African American-10, and Other multi-racial-2.

The City's ESG program includes eligible activities of homelessness prevention, emergency shelter operations, street outreach, rapid re-housing services, data collection, and ESG program administration for which the City's ESG program reported serving 2,498 households comprised of 3,503 persons, during HUD FY16.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The City of Saint Paul's Citizen Participation process centers around the Capital Improvement Budget (CIB) process. Currently, the CIB committee is comprised of 18 Saint Paul residents representing each of the Minnesota senate districts located in Saint Paul. These residents are charged with hearing project proposal presentations, scoring projects and offering comments. A public hearing was 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. There are additional comment periods and public hearings held during the adoption of the City budget and the consolidated planning process.

The City of Saint Paul is under going a complete redesign of its Captital Budget and Citizen Participation process. A copy of the council resolution adopting the process for the 2018-2019 funding cycle and authorizing a complete redesign of the CIB/Citizen Participation process along with 2018-2019 CIB schedule and draft flow chart of the proposed process effective 2020 is included with the Appendix.

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

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

A summary of the comments received during the public hearing held on June 5, 2017 as part of the CIB funding cycle is attached. An additional public hearing for comment on the Annaul Action Plan was on April 12, 2018. No additional coments were received at the April public hearing.

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

The public comment period was March 29, 2018 through April 28, 2018.

## **7. Summary**

**PR-05 Lead & Responsible Agencies – 91.200(b)**

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

Describe the agency/entity 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 (optional)**

The City of Saint Paul's Department of Planning and Economic Development (PED) was established in 1977, and is responsible for the planning, housing and economic activities throughout the City. Our mission is to actively create opportunities and encourage investment for the benefit of Saint Paul residents and businesses, which preserve, grow and sustain downtown and the city's diverse neighborhoods. We have 74.35 full-time equivalent employees that work on our four department teams – Administration & Finance, Economic Development, Housing and Planning (which includes Heritage Preservation and Zoning). The department also staffs the Saint Paul Housing and Redevelopment Authority (HRA) with 2018 budget of \$44.7 million. PED also manages a \$9.3 million annual budget for HUD grants, a \$31.6 million annual budget for the City's Sales Tax Revitalization (STAR) program, \$83.8 million in Parking assets and 50 tax increment financing districts generating approximately \$26.5 million annually. We finance affordable, and some market rate, housing development, implement economic development strategies including promoting commercial corridors, business retention and recruitment, small business lending, home rehabilitation lending and mortgage foreclosure prevention programs, Emergency Solutions Grant programs, and Neighborhood and Cultural Sales Tax loan and grant programs.

**Consolidated Plan Public Contact Information**

Question and/or comments on the Consolidated Plan may be directed to the following PED staff:

- Joe Collins: 651-266-6020
- Beth Ulrich: 651-266-6689

Written comments should be sent to the following address:

Beth Ulrich, City of Saint Paul, Department of Planning and Economic Development, 1400 City Hall Annex, 25 West Fourth Street, Saint Paul, MN 55102

or via email: [beth.ulrich@ci.stpaul.mn.us](mailto:beth.ulrich@ci.stpaul.mn.us)

## **AP-10 Consultation – 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

The City of Saint Paul consulted with numerous organizations, local government agencies, and City departments throughout the consolidated planning process. The City held several community meetings and requested information via phone, e-mail and face to face interviews with organizations. The process also included the review of additional research documentation. Throughout the year, the City's Housing staff consults with the Saint Paul Public Housing Agency, Minnesota Housing Finance Agency, community housing development corporations, for-profit housing providers and non-profit housing providers to finance, construct and preserve affordable housing developments citywide. Additionally, City staff hosts "pop-up" community meetings as an alternative way for community members to participate in Saint Paul's project planning processes as well as comment on City programs and initiatives. The City has determined that "pop-up" meetings work well to reach people who are unable to come to formal public meetings. Previous pop-up meetings have included participation by people within a variety of ages, abilities, and cultural backgrounds. The City recognizes that community voices have a direct impact on citywide projects, so the City encourages feedback and input from all Saint Paul residents in a variety of ways.

The City's Emergency Solutions Grant (ESG) Program also works with the Minnesota Housing Finance Agency, Ramsey County Continuum of Care Committee (including staff from County Correctional department), community agencies that serve at-risk of being homeless residents, emergency shelters, transitional housing providers, affordable housing providers, and community agencies that assist homeless residents challenged with mental illness. As a result, the City's ESG Program is coordinated with other HUD-funded programs, such as Ramsey County Continuum of Care (COC), and the state-funded Family Homelessness Prevention Assistance Program (FHPAP).

### **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 of Saint Paul has strong relationships with numerous organizations, local government agencies, and City departments. The City consults with these organizations on an on-going basis. Specifically, throughout the year, the City's Housing staff consulted with Saint Paul Public Housing Agency, community housing development corporations and assisted housing providers to develop affordable housing developments citywide. Moreover, the City owns the Saint Paul Residence (120 supportive housing units - using the Housing First model). On behalf of the City, Catholic Charities operates Saint Paul Residence in order to serve at risk of being homeless residents, formerly homeless residents, and



chronically-inebriated homeless residents - many of these residents may have physical or mental health issues.

The City's ESG staff worked with mental health and community service providers to assist homeless residents challenged with mental illness. During the year, the City also works with mental health agency street outreach workers to assist homeless residents living in places unfit for human habitation.

**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.**

Throughout the year, the Emergency Solutions Grant (ESG) Program is discussed with Ramsey County COC Governing Board committee members and community agencies. The City's ESG Program staff continually consults with the Ramsey County Continuum of Care (COC) Coordinator in addition to attending the Ramsey County COC Governing Board monthly meetings and Ramsey County Family Homeless Prevention Assistance Program (FHPAP) monthly meetings. The City ESG staff and Ramsey County COC Coordinator also review all ESG, COC, and FHPAP funding allocations and service delivery programs. City staff works with the Ramsey County COC Governing Board and the Ramsey County FHPAP committee to discuss service priorities as established for Ramsey County COC, FHPAP, and the City's Consolidated Plan with its ESG focus. Furthermore, in accordance with the Ramsey County COC Governing Board, the highest service priority is established to assist homeless families (with school age children), second highest priority is to assist homeless unaccompanied youth, and the third highest priority is to assist residents with mental illness. Additionally, in consultation with Ramsey County COC, the City's ESG increased its priority to fund the imminent need for more street outreach to assist homeless residents living outside, sleeping in downtown skyways, or using the transit system as nightly shelter. At the same time, the City and County provided additional funding for a winter shelter administered by Catholic Charities. Furthermore, the City continues provide financing to create more affordable supportive housing, such as the Ain Dah Yung housing development for homeless youth.

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

The City's ESG staff works with the Ramsey County COC Coordinator and the COC Governing Board members. In consultation with Ramsey County COC, ESG funding is allocated to programs that 1) promote a comprehensive delivery of homelessness services 2) assist underserved communities 3)

provide services as needed to achieve the goals of the Ramsey County 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.

Additionally, the City's ESG staff consults with Ramsey County COC Coordinator and COC funders to recommend priorities for ESG funding allocations. Then, City presents its annual ESG Budget allocation to the Ramsey County COC Governing Board for a community discussion about the proposed ESG budget allocation for each ESG program component - emergency shelter, street outreach, homelessness prevention, rapid rehousing and HMIS. The proposed 2018 ESG budget allocations recognize the need for additional street outreach to homeless residents living outside or in areas unfit for human habitation.

The City ESG and Ramsey County COC staff work together to establish performance standards for the ESG, COC and FHPAP programs. Currently, Ramsey County COC staff is developing performance matrices that apply to COC and ESG funded activities. Additionally, project outcomes are also discussed with ESG/COC/FHAP service providers. During 2017, the COC Coordinator and the City's ESG staff conducted a HUD program training for COC, ESG, and FHPAP providers. The COC Coordinator will also provide additional training on the established performance matrix and project outcomes. At the same time, the staff persons from the City's ESG, Ramsey County COC, and Institute for Community Alliance (ICA) (HMIS administrator) affirmed the funding allocations to develop a more responsive HMIS system.

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

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

1	<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 Market Analysis Economic Development
	<b>Briefly describe how the Agency/Group/Organization was consulted. 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 engage residents and businesses in community development planning and decision making, provide planning and advising on the physical, economic, and social development of their areas; identifying needs; and initiating community programs.
2	<b>Agency/Group/Organization</b>	Capital Improvement Budget Committee
	<b>Agency/Group/Organization Type</b>	Planning organization Civic Leaders
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Economic Development
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Capital Improvement Budget (CIB) Committee is the volunteer organization made up of citizens that reviews and ranks all proposals for CDBG funds over the course of several public meetings. After thorough review and a public hearing, the CIB Committee makes recommendations to the elected officials on the allocation of CDBG funds. Those recommendations are sent out to neighborhood organizations and posted on the City's website for additional comments. The CIB budget is then incorporated into the City's budget cycle where a second public hearing is held before adoption. Anticipated outcomes of this process include thorough review and community engagement of the applications received for CDBG funding.

3	<b>Agency/Group/Organization</b>	Ramsey County Human Services
	<b>Agency/Group/Organization Type</b>	Services - Housing Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Anti-poverty Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City's Emergency Solutions Grant (ESG) staff consults with the Ramsey County Continuum of Care (COC) Coordinator and ESG staff attends monthly Ramsey County COC and FHPAP meetings to implement comprehensive services that assist homeless and at-risk of being homeless residents. An anticipated outcome is ESG staff and Ramsey County COC Governing Board recommend funding allocations for COC and FHPAP services. Other anticipated outcomes are that City and County staff are developing ESG, FHPAP, and COC program evaluations, additional service provider staff training, and better coordination of services.
4	<b>Agency/Group/Organization</b>	St Paul Public Housing Agency
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Children Services-Elderly Persons Services-homeless Service-Fair Housing Other government - Local

	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Throughout the fiscal year, the City and PHA representatives participate on the Ramsey County Family Homelessness Prevention Assistance Program Committee and other housing initiatives. The City and Saint Paul PHA have a working partnership which recognizes the challenges faced by the Saint Paul PHA administration and PHA residents. An anticipated outcome is that Saint Paul PHA's Project-Based Section 8 Housing Choice Vouchers assist eligible affordable housing projects financed by the City.
5	<b>Agency/Group/Organization</b>	MINNESOTA HOME OWNERSHIP CENTER
	<b>Agency/Group/Organization Type</b>	Housing Regional organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City's housing staff participates with the Minnesota Home Ownership Center (MNHOC) to implement home ownership programs such as home buying counseling, mortgage foreclosure prevention counseling, and home buying initiative for underserved communities. The anticipated outcome is the continual development of multi-lingual and multi-cultural homeownership classes and mortgage foreclosure counseling services. Additionally, City staff participates with MNHOC's Home Ownership Center's Home Ownership Alliance. Anticipated outcomes are long-term homeownership strategies that may reduce the racial disparity in homeownership.

6	<b>Agency/Group/Organization</b>	RAMSEY COUNTY, MN
	<b>Agency/Group/Organization Type</b>	Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City consults with Ramsey County Community and Economic Development staff in the areas of employment and training initiatives, regional fair housing initiatives, affordable housing development, and public service programs addressing public health services. An anticipated outcome is that County provides comments on the City's consolidated draft action plan.
7	<b>Agency/Group/Organization</b>	Independent School District #625
	<b>Agency/Group/Organization Type</b>	Services-Education Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City ESG staff and the Saint Paul Public Schools Title 1 Coordinator are committee members of the Ramsey County COC Governing Board and Ramsey County Family Homelessness Prevention Assistance Program. The City's ESG staff also consults with Saint Paul Public Schools Title 1 Program staff to discuss the needs of homeless students of the Saint Paul Public Schools, including the needs of students aging out of the foster care system. A possible anticipated outcome is more shelter beds for school-aged homeless children contingent upon securing additional funding.

**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 Human Services	The City's ESG and Ramsey County COC strategic priorities are similar to the goals of each plan.
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 Comprehensive Plan and addenda	City of Saint Paul	The City's Comprehensive Plan is in line with the City's strategic priorities for HUD-funded activities.

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

**Narrative (optional)**



## **AP-12 Participation – 91.105, 91.200(c)**

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

The most significant citizen participation related to the annual allocation of CDBG funds occurs during the Capital Improvement Budget (CIB) process. The CIB committee is comprised of 18 Saint Paul residents representing each of the Minnesota senate districts located in Saint Paul. These residents are charged with hearing project proposal presentations, scoring projects and offering comments. A public hearing was 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 were presented to the Mayor and Council and were the basis for the selection of projects and programs funded with CDBG funds. A copy of the recommendation letter from the CIB Committee to the Mayor is included in the Appendix along with the 2018-2019 CIB schedule.

CIB recommendations were based on the City of Saint Paul receiving the same level of funding from HUD in FY2018 that was received in FY2017. The City anticipates receiving \$6,293,101 of Community Development Block Grant (CDBG) funding, \$1,472,699 of HOME Investment Partnership Program (HOME) funding, and \$571,420 of Emergency Solutions Grant (ESG) funding from HUD in 2018. In addition, the City estimates using about \$556,899 in CDBG program income. Should the City of Saint Paul receive less the estimated amount, funding for all CDBG, HOME and ESG activities will be reduced or increased in direct proportion to the difference in the actual allocations received from HUD.

The City will publish the Annual Action Plan on the City's website and make copies available at every branch library. A public notice announcing the availability of the 2018 Action Plan with 30 day comment period along with notice of public hearing will be published in the local paper. A notification will go out through the City's Emergency Notification System to every District Council asking for review and comments during the comment period. Any comments received will be incorporated into the plan.

**Citizen Participation Outreach**

<b>Sort Order</b>	<b>Mode of Outreach</b>	<b>Target of Outreach</b>	<b>Summary of response/attendance</b>	<b>Summary of comments received</b>	<b>Summary of comments not accepted and reasons</b>	<b>URL (If applicable)</b>
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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 Meeting	Non-targeted/broad community	The 18 members of the CIB committee held interviews of CDBG applicants on April 3, 10 & 17 and also attended a bus tour of the project sites on April 24	Recommendations were made on the distribution of CDBG funds for the 2018 and 2019 Program years	One recommended project was determined not to be eligible for CDBG funds and removed from the list. The City acknowledged the importance of this project to the committee and the community and identified non-CDBG funds for the project.	<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>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Public Hearing	Non-targeted/broad community	A public hearing was held on June 5th, 2017 at 6PM at 15 W Kellogg, Room 40	A summary of comments are attached as an exhibit to this plan.	No comments were not accepted	<a href="https://www.stpaul.gov/sites/default/files/Media%20Root/Financial%20Services/2017%20CIB%20Public%20Hearing%20Notice.pdf">https://www.stpaul.gov/sites/default/files/Media%20Root/Financial%20Services/2017%20CIB%20Public%20Hearing%20Notice.pdf</a>
3	Internet Outreach	Non-targeted/broad community	The CIB recommendations were posted on the City's website as a booklet and through Open Budget for review prior to adoption.			<a href="http://budget.stpaul.gov/#!/year/2018/capital/0/service?vis=barChart">http://budget.stpaul.gov/#!/year/2018/capital/0/service?vis=barChart</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Non-targeted/ broad community	The City Council reviewed the recommended CDBG allocations as part of the complete city budget review process at a public meeting on 11/1/2017.	Additional information was requested by the council on historic allocation. A recommendation was made to increase funding to one proposed recipient.	All comments were considered.	<a href="https://stpaul.legistar.com/Calendar.aspx">https://stpaul.legistar.com/Calendar.aspx</a>

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)
5	Public Hearing	Non-targeted/ broad community	A public hearing was held on the final version of the proposed budget on December 6 at 5:30 PM in Council Chambers at 15 W Kellogg Blvd	All comments received were in regards to the operating budget and the tax levy.	No comments were received in regards to the CDBG allocations.	<a href="https://stpaul.legistar.com/Calendar.aspx">https://stpaul.legistar.com/Calendar.aspx</a>

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)
7	Public Hearing	Non-targeted/ broad community	A public hearing will be held on April 12, 201 at 3PM at 25 W 4th Street, Room #1303, Saint Paul, MN	Comments will be incorporated into the plan.		

**Table 4 – Citizen Participation Outreach**





## Expected Resources

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

#### Introduction

All proposed project amounts stated in the FY2018 consolidated plan are estimates based on the City of Saint Paul receiving the same level of funding from HUD in FY2018 that was received in FY2017. The City anticipates receiving \$6,293,101 of Community Development Block Grant (CDBG) funding, \$1,472,699 of HOME Investment Partnership Program (HOME) funding, \$1,472,699, and \$571,420 of Emergency Solutions Grant (ESG) funding from HUD in FY2018. In addition, the City estimates using about \$556,899 in CDBG program income. Should the City of Saint Paul receive less than the estimated amount, funding for all CDBG, HOME and ESG activities will be reduced or increased in direct proportion to the difference in the actual allocations received from HUD.

#### 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	6,293,101	556,899	0	6,850,000	6,356,899	Expected amount available for the remainder of consolidated plan assumes a small decrease in funding for the remaining year.

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	1,472,699	26,690	0	1,499,389	1,499,389	Expected amount available for the remainder of consolidated plan assumes steady funding for the remaining year
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	571,420	0	0	571,420	571,420	Expected amount available for the remainder of consolidated plan assumes steady funding for the remaining year

Table 5 - Expected Resources – Priority Table

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

HUD requires that all participating jurisdictions match no less than 25 cents for each dollar of HOME funds spent on affordable housing. The City of Saint Paul receives a match reduction of 50%. The City will continue to leverage other private and public funds in the development of HOME funded affordable housing and accumulate additional match.

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) Bonding, Metropolitan Council and the Minnesota Department of Employment and Economic Development Agency when appropriate. Private funders include Foundations, Fund raising and developer cash. City funding may include HRA funds, Low-Income Housing Tax Credits, Tax Increment Financing, Conduit Revenue Bonds, City sales tax (STAR) Funds and discounted City/HRA owned land. The Federal Home Loan Bank's program is also a potential funding source for affordable housing.

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

**Discussion**

## 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	2015	2019	Homeless	Citywide	Homeless prevention strategies Assessing individual homeless persons' needs Emergency shelters and transitional housing	ESG: \$571,420	Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted Homeless Person Overnight Shelter: 2700 Persons Assisted Homelessness Prevention: 100 Persons Assisted
2	Housing Rehabilitation	2015	2019	Affordable Housing	Citywide	Affordable Rental Housing Preservation of Affordable Rental Housing Housing rehabilitation assistance Lead based paint	CDBG: \$2,924,000	Rental units rehabilitated: 20 Household Housing Unit Homeowner Housing Rehabilitated: 75 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Public Services	2015	2019	Non-Housing Community Development	Citywide	Non-housing community development Fair Housing and housing discrimination. Public service needs Community outreach	CDBG: \$252,000	Public service activities other than Low/Moderate Income Housing Benefit: 4500 Persons Assisted
4	Community Engagement	2015	2019	Non-Housing Community Development Crime prevention	Citywide	Non-housing community development Public service needs Community outreach	CDBG: \$345,000	Public service activities other than Low/Moderate Income Housing Benefit: 121000 Persons Assisted
5	Youth Employment	2015	2019	Non-Housing Community Development Employment	Citywide	Non-housing community development Public service needs	CDBG: \$371,000	Public service activities other than Low/Moderate Income Housing Benefit: 400 Persons Assisted
6	Economic Development	2015	2019	Non-Housing Community Development	Citywide	Economic development needs	CDBG: \$620,000	Facade treatment/business building rehabilitation: 3 Business Jobs created/retained: 7 Jobs Businesses assisted: 2 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Remediation of Substandard Properties	2015	2019	Non-Housing Community Development	Citywide	Non-housing community development Acquisition, demolition, clearance of property Code enforcement	CDBG: \$375,000	Buildings Demolished: 12 Buildings
8	Development of New Housing	2015	2019	Affordable Housing	Citywide	Affordable Rental Housing Increase homeownership opportunities	CDBG: \$154,000 HOME: \$1,420,000	Rental units constructed: 15 Household Housing Unit Homeowner Housing Added: 11 Household Housing Unit
9	Public Improvements	2015	2019	Public facilities	Citywide	Non-housing community development Public facilities	CDBG: \$421,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 15000 Persons Assisted

**Table 6 – Goals Summary**

### Goal Descriptions

1	<b>Goal Name</b>	Homeless Prevention
	<b>Goal Description</b>	

2	<b>Goal Name</b>	Housing Rehabilitation
	<b>Goal Description</b>	
3	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	
4	<b>Goal Name</b>	Community Engagement
	<b>Goal Description</b>	
5	<b>Goal Name</b>	Youth Employment
	<b>Goal Description</b>	
6	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	
7	<b>Goal Name</b>	Remediation of Substandard Properties
	<b>Goal Description</b>	
8	<b>Goal Name</b>	Development of New Housing
	<b>Goal Description</b>	
9	<b>Goal Name</b>	Public Improvements
	<b>Goal Description</b>	



# 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 2018 with CDBG, HOME, and ESG funding. The Capital Improvement Budget Committee recommended the FY2018 capital projects through the 2018-2019 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 Real Estate Multi-Unit Development Fund
7	Single Unit Rehabilitation
8	Housing Construction
9	Commercial Corridor and Citywide Economic Development
10	Planning and Administration
11	Western Sculpture Park Play Area
12	Eastview Play Area
13	ESG18SaintPaul

Table 7 - Project Information

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

Capital project priorities were recommended by the Capital Improvement Budget 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 funding needs.



**AP-38 Project Summary**  
**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, clearance of property
	<b>Funding</b>	CDBG: \$225,000
	<b>Description</b>	Funds are being requested to enable 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>	12/31/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	Activities are available to eligible properties City-wide
	<b>Planned Activities</b>	Acquisition of vacant or 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, clearance of property
	<b>Funding</b>	CDBG: \$375,000
	<b>Description</b>	This is a citywide, multi-year program which provides resources to clear buildings which are considered nuisance properties, and/or pose a threat to public health and safety. Properties must have been 1) vacant for at least one 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 the City's Code Enforcement personnel in the Department of Safety and Inspections.
	<b>Target Date</b>	12/31/2019

	<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 on a spot by spot basis City-wide
	<b>Planned Activities</b>	demolition of vacant buildings which are considered nuisance properties, and pose a threat to public health and 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>	Non-housing community development Fair Housing and housing discrimination. Tenant and landlord education Public service needs Community outreach
	<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>	12/31/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<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, and senior citizens, domestic violence prevention, citizen participation, conflict resolution, emergency shelter, and community restorative justice. Applications and work plans are evaluated and selected by the 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>	Non-housing community development Public service needs Community outreach
	<b>Funding</b>	CDBG: \$345,000
	<b>Description</b>	This 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. This program also receives local funding.
	<b>Target Date</b>	4/1/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This activity will benefit all Saint Paul Residents. CDBG funds will be used for activities in the CDBG eligible areas of the City. There is additional local funding for non-CDBG eligible areas of the City. Approximately 120,000 low to moderate income residents will be assisted with the CDBG funds.
	<b>Location Description</b>	CDBG eligible districts 1-8,11 &17
	<b>Planned Activities</b>	crime prevention, community development and policy development activities
5	<b>Project Name</b>	Youth Employment
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Youth Employment
	<b>Needs Addressed</b>	Non-housing community development Public service needs Economic development needs Community outreach
	<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>	12/31/2019

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Youth from approximately 322 LMI families will benefit from the employment training and internships.
	<b>Location Description</b>	All City of Saint Paul Youth from Low to Moderate Income households are eligible to participate.
	<b>Planned Activities</b>	Services include remedial education, classroom and occupational skills training, and part-time employment.
<b>6</b>	<b>Project Name</b>	Housing Real Estate Multi-Unit Development Fund
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing Rehabilitation
	<b>Needs Addressed</b>	Preservation of Affordable Rental Housing Affordable Rental Housing Lead based paint
	<b>Funding</b>	CDBG: \$908,000
	<b>Description</b>	Assist in financing the preservation, rehabilitation or new production of affordable housing. Implement CDBG 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. Implement the housing component of larger mixed-use developments as determined by the Mayor, City Council/HRA and neighborhood.
	<b>Target Date</b>	12/31/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 40 families under 80 percent area median household income will benefit from this activity.
		<b>Location Description</b>
	<b>Planned Activities</b>	
<b>7</b>	<b>Project Name</b>	Single Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Housing Rehabilitation

	<b>Needs Addressed</b>	Housing rehabilitation assistance Lead based paint
	<b>Funding</b>	CDBG: \$1,945,000
	<b>Description</b>	City- and CDC-provided loan funding to 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 broken water heaters.
	<b>Target Date</b>	4/1/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 80 Low to 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.
8	<b>Project Name</b>	Housing Construction
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Development of New Housing
	<b>Needs Addressed</b>	Affordable Rental Housing Increase homeownership opportunities
	<b>Funding</b>	HOME: \$1,325,429
	<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>	12/31/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 1 new unit of housing that will benefit a low to moderate income family will be created using CDBG funds.  We estimate 26 families will receive benefit from our HOME investment. Eleven households will benefit from affordable home ownership opportunities and an additional 15 households will benefit from newly constructed affordable rental units.
	<b>Location Description</b>	



	<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.
9	<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 needs
	<b>Funding</b>	CDBG: \$620,000
	<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>	12/31/2019
	<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.
	<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.
10	<b>Project Name</b>	Planning and Administration
	<b>Target Area</b>	
	<b>Goals Supported</b>	Community Engagement
	<b>Needs Addressed</b>	Planning needs Community outreach
	<b>Funding</b>	CDBG: \$1,388,000
	<b>Description</b>	Funding for the management, coordination, oversight, and monitoring of the CDBG program, and for costs included in the City's approved Indirect Cost Plan. Funding for planning activities in CDBG eligible areas of the City, as well as environmental and historic reviews of HUD funded projects. Funding for costs included in the City's approved Indirect Cost Plan.
	<b>Target Date</b>	12/31/2019

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This activity will indirectly benefit all LMI households City-wide.
	<b>Location Description</b>	This activity will not benefit a physical location
	<b>Planned Activities</b>	
<b>11</b>	<b>Project Name</b>	Western Sculpture Park Play Area
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Improvements
	<b>Needs Addressed</b>	Non-housing community development Public facilities
	<b>Funding</b>	CDBG: \$325,000
	<b>Description</b>	Removal of existing play equipment, surfacing, and site improvements located at Western Sculpture Park. Enhancements include new play equipment, resilient surfacing, and other site amenities reflective of Saint Paul's only Sculpture Park. Opportunity to create an artistic play environment that celebrates Western Sculpture Park while meeting required safety and accessibility requirements.
	<b>Target Date</b>	4/1/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area for this park includes 6020 Low to Moderate Income persons.
	<b>Location Description</b>	387 Marion St. St. Paul, MN 55103
	<b>Planned Activities</b>	Removal of existing play equipment, surfacing, and site improvements.
<b>12</b>	<b>Project Name</b>	Eastview Play Area
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Improvements
	<b>Needs Addressed</b>	Non-housing community development Public facilities
	<b>Funding</b>	CDBG: \$96,000

	<b>Description</b>	Removal and replacement of existing play equipment and other site improvements located at the Eastview Recreation Center Play Area. Play area enhancements include new play equipment, resilient surfacing for ADA compliance, and other site amenities such as seating, signage, and landscaping. The most recent improvements to the play area were 17 years ago, in 2001.
	<b>Target Date</b>	4/1/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area of this park includes 9905 Low to Moderate Income persons.
	<b>Location Description</b>	1675 5th Street E, St. Paul, MN 55106
	<b>Planned Activities</b>	Removal and replacement of existing play equipment and other site improvements.
<b>13</b>	<b>Project Name</b>	ESG18SaintPaul
	<b>Target Area</b>	
	<b>Goals Supported</b>	Homeless Prevention
	<b>Needs Addressed</b>	Homeless prevention strategies Assessing individual homeless persons' needs Emergency shelters and transitional housing
	<b>Funding</b>	ESG: \$571,420
	<b>Description</b>	Activities to include homeless prevention, operating costs of shelters, essential services, street outreach, rapid rehousing, and ESG administration. Emergency shelter operations funds and street outreach funds will be less than 60% of ESG funding award.
	<b>Target Date</b>	12/31/2018
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	ESG partially funds Catholic Charities' Family Service Center which is a 65-bed emergency shelter for families. Additionally, the City ESG partially funds Interfaith Action of Greater Saint Paul's Project Home which provides 40 overnight shelter beds for homeless families.

	<b>Location Description</b>	Catholic Charities' Higher Ground Saint Paul provides 172 emergency shelter beds for homeless men, 60 emergency shelter beds for homeless women, and 48 pay-for-stay beds (\$7 each night. Funds are kept in trust and may be used for damage deposit when homeless resident moves to permanent housing.) Overall, Higher Ground Saint Paul provides 280 emergency shelter beds for homeless residents every night.
	<b>Planned Activities</b>	Activities to include homeless prevention, operating costs of shelters, essential services, street outreach, rapid rehousing, and ESG administration.

## **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 two play areas, none of the 2018 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 eligible block groups and tracts and included in the Appendix. All activities providing an area benefit being carried out in 2018 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 subrecipients are available to income eligible households located in the neighborhoods served by the subrecipient. Many of the subrecipients receiving CDBG funds are located in the Inspiring Communities (formerly known as Invest Saint Paul) initiative priority areas with a focus on low income. census tractys and market challenged parts of the city. The City will spend a significant portion of its CDBG and HOME funding on activities located in these areas.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Citywide	100

**Table 8 - Geographic Distribution**

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

By allocating investments city-wide geographically, the City of Saint Paul is working to prevent additional concentrations of low income and minority populations through targeted affordable housing projects, as well as to expand access to opportunity to low- and moderate- income residents city-wide.

### **Discussion**

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	3,000
Non-Homeless	26
Special-Needs	0
Total	3,026

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	26
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	26

**Table 10 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

The City of St Paul anticipates providing HOME funding for the construction of 11 single family homes as home ownership opportunities in partnership with Habitat for Humanity. In addition, the City plans to use HOME funds to assist in the construction of a multi-family rental project with about 15 of those units to be HOME units.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The Saint Paul PHA owns and manages 4,274 public housing units and administers 4,699 Housing Choice Vouchers and related Section 8 subsidies (as of 2/2017), including 100 Family Unification Program vouchers, 117 Disability vouchers, 81 Section 8 Mod rehab SRO vouchers, and 176 Veterans Affairs Supportive Housing (VASH) vouchers. The PHA has allocated 515 Housing Choice Vouchers for use as project-based vouchers; and more than half of those (327) are in supportive housing projects.

The Annual Agency Plan for Saint Paul PHA's Fiscal Year 2019 beginning April 1, 2018 [FY2018], and the Five Year Capital Fund Plan are available on the PHA website at <http://www.stpaulpha.org>.

Saint Paul PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 27 consecutive years. The PHA does not administer HOPE VI activities or Mixed-Finance Modernization and Development. The Saint Paul City Council presented the 2017 Sustainable Saint Paul Award for Green Practices to the Saint Paul PHA in recognition of the PHA's green initiatives.

Saint Paul PHA has also maintained its High Performer status under HUD's Section 8 Management Assessment Program for 16 consecutive years. Saint Paul PHA successfully implements and administers current agreements for Project-Based Vouchers (PBV); including PBV(s) in supportive housing that supports the State of Minnesota's Business Plan to End Long-Term Homelessness.

Saint Paul PHA will continue to advocate for full funding and program reform while preparing contingency plans for possible budgetary cuts in federal funding. Saint Paul PHA is also pursuing the HUD Rental Assistance Demonstration (RAD) Program as a way to preserve and maintain affordable housing in a climate of funding instability.

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

**Public Housing:** Saint Paul PHA is implementing its Five (5) Year Capital Plan. (See: [www.stpha.org](http://www.stpha.org)) Saint Paul PHA uses its Capital Funding Program/Replacement Housing Factor funding supplemented by any grants and long-term loans received from the Minnesota Housing Finance Agency. In past years, Saint Paul PHA expanded its public housing by constructing six new units at Roosevelt Townhomes (2014); four new units at Mt. Airy Homes (completed 2015), and 12 new units at McDonough Homes (completed November 2016). Phase III of Dunedin Terrace Modernization Plan was scheduled for 2017.

Saint Paul PHA's Capital Fund Program renovates public housing properties by financing capital improvements that promote fire safety and life safety while preserving the assets. Saint Paul PHA will also maintain high quality buildings by utilizing green sustainable design principles that conserve energy

and water usage.

**Section 8 Housing Choice Voucher Program:** Saint Paul PHA will continue to maintain full utilization of its 4,699 vouchers and related Section 8 subsidies without exceeding authorized limits. Saint Paul PHA will administer current agreements for Project-Based Vouchers (PBV), including PBVs for supportive housing developments that support Minnesota's Plan to End Long-Term Homelessness. Additionally, Saint Paul PHA renews expiring PBV contracts at successful projects. In 2017, the PHA engaged community stakeholders in discussions to consider whether more Housing Choice Vouchers should be offered for PBV use, and if so, what selection criteria are appropriate. During 2018, Saint Paul PHA is also working with the City's Fair Housing Workgroup to affirmatively further Fair Housing opportunities by considering opportunities that promote Section 8 Voucher mobility.

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

The Saint Paul Public Housing Agency (PHA) Board of Commissioners established the PHA's Resident Advisory Board (RAB) with membership comprised of:

- All members of the Hi-Rise Presidents Council (Presidents -16 Hi-Rise buildings).
- All members of the Family Residents' City-Wide Residents Council (16 members, the four officers from each family housing development).
- Section 8/Housing Choice Voucher representatives who volunteered for the RAB in response to mailings and flyers in the Rental Office.
- Two PHA Commissioners are Public Housing residents: one Commissioner represents the elderly hi-rise residents and one Commissioner represents family residents.

Resident Advisory Board membership fluctuates due to changes in Resident Council officers, as PHA residents move out of public housing or leave the Housing Choice Voucher program, etc. Some public housing resident-leaders who are not currently members of the Presidents Council or City-Wide Resident Council actively participate in the RAB meetings. RAB meeting agendas are sent to all RAB members and Southern Minnesota Regional Legal Services, Inc. (SMRLS).

During the year, the Saint Paul PHA Senior Management meets with members of the Resident Advisory Board (including the Hi-Rise President Council and the Family Residents City-Wide Resident Council) to discuss any significant PHA policy changes, the PHA Annual Plan, and PHA Capital Improvements. Saint Paul PHA actively encourages discussions about planning capital improvements and PHA policies. Additionally, Saint Paul PHA's Resident Initiatives Department and the Resident Councils work together to form new partnerships with community service agencies.



To provide economic opportunities for low-income residents, Saint Paul PHA complies with the Section 3 program, to the greatest extent possible, by hiring qualified PHA residents and qualified 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.

The Saint Paul PHA has no current plans to implement a Voucher Homeownership Program. The PHA's 25-year HOME program (Home Ownership Made Easy - not connected to HUD's HOME program) that ended in 2014 was recognized as one of the most successful home purchase programs for public housing residents and Housing Choice Voucher/Section 8 participants. This program was a collaboration among the PHA, the Family Housing Fund and Thompson Associates that began in 1990. (The City of St. Paul was also an original partner.) Over the life of the program 302 families from public housing (175) and Section 8 (127) became homeowners, with very few mortgages ending in default. Thompson Associates staff provided more than 1,700 counseling and education sessions with PHA residents over this period of time. Recognizing the current climate of funding instability, in January 2018 the Saint Paul PHA's Board gave concept approval for a new PHA Section 32 Homeownership Program that could make public housing scattered site homes available for purchase by their current residents who may be interested and qualified to own their own homes.

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

**Not applicable.** In 2017, Saint Paul PHA received HUD's High Performer rating for the 27th consecutive year under HUD's Public Housing Management Assessment Program (PHAS). Saint Paul PHA also maintains a HUD High Performer rating under HUD's Section 8 Management Assessment Program (SEMAP).

**Discussion**

As previously stated, Saint Paul PHA has achieved High Performer status for both its Public Housing and Section 8 Housing Choice Voucher Program. That said, Saint Paul PHA has a continual need for stable federal funding to maintain its high standards.

In response, Saint Paul PHA will continue to advocate for full funding and program reform while preparing contingency plans for possible federal funding cuts.

During 2017, the Saint Paul PHA submitted applications for the HUD Rental Assistance Demonstration (RAD), to convert the 16 public housing hi-rises and four family housing developments (total 3,852 units)

to project-based rental subsidies under Section 8. RAD is intended to help housing authorities preserve and improve affordable housing by allowing public housing authorities to convert public housing properties to one of two types of project-based Section 8 assistance. A RAD conversion could provide more stable funding with annual inflation adjustments under long-term, renewable contracts with HUD. Saint Paul PHA's RAD applications are currently on HUD's RAD waiting list (February 2018). Saint Paul PHA staff members discussed the RAD option with the Resident Advisory Board and at a series of 23 resident information meetings during 2017.

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

### **Introduction**

The City of Saint Paul proactively addresses the problems of homelessness in numerous ways. Most important, the City has strong working partnerships with Ramsey County Continuum of Care and service providers to establish a coordinated system that serves homeless and at-risk of being homeless individuals, homeless families, and homeless youth. During 2018, the City will work closely with the Ramsey County Continuum of Care Coordinator (COC) and 18+ community agencies to support comprehensive homelessness prevention delivery services that assist homeless single adults, homeless families, homeless veterans, and homeless unaccompanied youth. In partnership with the Ramsey County COC, the City's ESG Program also responds to underserved homeless populations, such as new refugee families and homeless veterans. Additionally, the City owns the Saint Paul Residence (120 units) at which Catholic Charities serves sixty (60) chronically-inebriated single adults (using a Housing First model) and sixty (60) at-risk of being homeless residents.

The City also supports innovative programs that serve homeless residents with mental health illness. As an example, RADIAS Health (case management/street outreach to homeless adults with mental illness) and People Incorporated provide street outreach services that can support police services which are responsive to homeless residents with mental health illness. In past years, the Police Department and Listening House also co-chaired the Police-Downtown Community Homeless Forum to address the needs of downtown homeless residents. Furthermore, the Saint Paul Central Library provides a community room for weekly meetings of outreach services. As a collaborative partnership, the leaders of Ramsey County Board, Saint Paul City Council, Saint Paul Foundation, and the Mayor's Office are working together to address the immediate winter shelter needs of homeless residents who are sleeping overnight in areas not fit for human habitation, such as the downtown skyways or the Metro Transit during the winter nights.

At the same, with major support from private funders and private foundations, the City, Minnesota Housing, and Catholic Charities opened the new Dorothy Day Center-Higher Ground facility (280 shelter beds and 193 units of permanent supportive housing). Furthermore, Catholic Charities is currently building Phase II which will provide an additional 177 units of supportive housing and a new Opportunity Center with wrap around services including job counseling. Together the Dorothy Day Center (Phase I and Phase II) is one of the largest public private partnerships in the state of Minnesota.

### **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) with assessment

of their needs are provided as follows:

**People Inc.'s Metropolitan Homeless Street Outreach Program (MHSOP)** has an ESG grant for street outreach services to unsheltered homeless adults who experience mental illness. MHSOP services include providing street outreach, basic survival gear, and assistance in stabilizing mental illness symptoms, benefit assistance, and housing placement, including access to Ramsey County Group Residential Housing Program for stable housing.

**Radias Health ACCESS Program's** outreach and case management services assist homeless adults with serious and persistent mental illness and substance abuse disorders. The ACCESS staff visit homeless shelters and drop-in centers, and Radias Health also has an ESG grant for its Police-Homeless Outreach Program.

**Coordinated Access to Housing and Shelter (CAHS)** conducts intake assessments to determine the most appropriate referral for homeless families seeking emergency shelter.

**Street Outreach to Homeless Veterans** will be provided by People Inc. for Minnesota Assistance Council for Veterans (MAC-V) Supportive Services for Veteran Families Program (funded by US Department of Veterans Affairs and the City's ESG program). Street outreach services to homeless veterans occur in emergency shelters and places where homeless veterans congregate.

**Community Resource Outreach Project** offers weekly outreach to homeless residents who can access community referrals for community resources in the stable, quiet environment of the Saint Paul Central Library.

**Streetworks** Collaborative of community agencies provide street outreach services to homeless youth, including street outreach performed by Face to Face Health and Counseling Services' SafeZone program.

**Outside-In** The City, County, and Saint Paul Foundation recently funded the *Outside-In* project to which the Saint Paul Police and/or street outreach workers can direct homeless residents currently sleeping in downtown skyways or metro transit to an additional winter emergency shelter. Addressing the immediate need for additional emergency winter shelter, the Outside-In Project is comprised of leaders of the City Council, Ramsey County Board, Mayor's Office, and the Saint Paul Foundation working together for systemic change.

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

**Emergency Solutions Grant (ESG).** The City's ESG partially funds emergency shelters, transitional housing services, street outreach to homeless residents, homelessness prevention, and rapid rehousing programs that assist housing needs of homeless persons. Saint Paul annually allocates its ESG funding after review by the City staff in consultation with the Ramsey County Continuum of Care Coordinator for final approval by the City Council.

**Emergency Shelter.** The City's ESG funds the shelter operations of the Dorothy Day Center (emergency shelter-adults), Family Service Center (emergency shelter-families), Lutheran Social Services Safe House (emergency shelter-youth), Salvation Army Booth Brown House (emergency shelter-homeless youth), Interfaithaction (emergency shelter-families), and The Family Place (day-drop-in center for homeless families).

**Rapid Rehousing.** The City allocates ESG funds for rapid rehousing services for homeless adults currently staying at the Dorothy Day Center – Saint Paul Higher Ground emergency shelter, rapid rehousing services for homeless families staying at the YWCA Saint Paul's housing, rapid rehousing services for homeless single adults staying at Theresa Living Center, and rapid rehousing services provided by SafeZone for homeless youth.

**Transitional housing.** The City's ESG funds partially pay operating funds for transitional housing services such as the YWCA St. Paul's transitional housing and Theresa Living Center's transitional housing.

**Dorothy Day Center (Saint Paul Higher Ground, Dorothy Day Residence and Opportunity Center).** In 2016-2017, City staff worked with Catholic Charities and Minnesota Housing to develop a new Dorothy Day Higher Ground Facility which now has 280 shelter beds and 193 single room living units. During 2018, City staff is currently working with Catholic Charities and Minnesota Housing to develop Dorothy Day Phase II with a new Opportunity Connection Center and up to 170 additional supportive housing units (Dorothy Day Residence).

**Outside-In.** The City, County, and Saint Paul Foundation recently funded the *Outside-In* project to which the Saint Paul Police and/or street outreach workers can direct homeless residents currently sleeping in downtown skyways or metro transit to an additional winter emergency shelter. Addressing the immediate need for additional emergency winter shelter, the Outside-In Project is comprised of leaders of the City Council, Ramsey County Board, Mayor's Office, and the Saint Paul Foundation working together for systemic change.

**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**

**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 specific programs and counseling to previously-institutionalized or homeless individuals through partnerships with nonprofit service providers to assist in the transition to permanent housing. The County and community agency partnerships are the primary network that performs this function which also includes assistance such as help with security deposit, child care, job training, transportation, mental health counseling, chemical dependency treatment, and job search.

Since 2002, the City of Saint Paul has developed supportive housing facilities, such as Crestview, Visitation, and Jackson Street Village, Jeremiah Program, St. Christopher's Place, and Saint Paul's Residence, which serves at-risk individuals and families. During 2016-2017, the City worked with Catholic Charities to develop the new Dorothy Day Center – Higher Ground facility which provides supportive housing and services for homeless adults. With support from local area hospitals, Saint Paul Higher Ground provides medical respite shelter beds (for homeless residents released from hospitals). With HOME financing, Beacon Interfaith's Prior Crossing now provides 4 units of supportive housing for unaccompanied homeless youth. In early 2018, the Saint Paul HRA allocated low-income housing tax credits for Ain Dah Yung Supportive Housing (44 units for homeless young adults). Overall, the City ESG and County COC programs work together to fund community services, including homelessness prevention programs that assist homeless residents. The City's CDBG Funds are also allocated for the Block Nurse Program and other neighborhood non-profit programs that provide assistance to residents-in-need.

## **Discussion**

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

### **Introduction:**

The City has affordable housing opportunities including 12,222 publicly-assisted housing units and 4,664 Housing Choice 8 vouchers such that approximately 36% of all City renters receive some type of housing assistance. Yet, the biggest barriers to securing affordable housing are that: 1) many households lack sufficient incomes to rent modestly-priced apartments; and 2) there is a lack of affordable housing.

Simply speaking, housing statistics for City of Saint Paul demonstrate that:

- The greatest rental needs are households with the lowest incomes, especially 0-50% AMI.
- The greatest homeowner needs are among those with moderate incomes. This is consistent with the data and policy in the City's Comprehensive Plan - Housing Chapter.
- Housing needs for elderly homeowners between 0-50% of the AMI are high priorities because many elderly homeowners have fixed incomes.
- Housing needs for special needs populations are high priorities.

In response, the City's Affordable Housing Policy requires that city-financed rental projects have 10% of the units affordable at 30% AMI and 10% of the units affordable at 50% AMI. The City's Locational Choice Policy and the City's Low Income Housing Tax Credit Selection Process also encourage "a more equitable distribution of affordable housing" citywide. During 2017, the City partially financed the preservation or new construction of 1305 completed multifamily housing units including 1114 housing affordable housing units (228 units - new construction, 788 units of preservation of existing affordable housing, and 96 units refinanced). At the same time, the City financed the rehabilitation of vacant foreclosed homes into 12 owner-occupied housing units, and financed the construction of 13 owner-occupied homes during 2017.

To develop affordable housing, the City must use multiple financing sources, such as City STAR funds, City Tax-Increment Financing, federal low-income housing tax credits and federal funds, such as CDBG, NSP, and HOME funds.

Still, the City must have robust federal and state support to finance affordable housing opportunities. The lack of sufficient federal funding and sufficient allocation of low income housing tax credits – as public policies – have negative effects on the City's affordable housing investments. In 1975, the City received CDBG funding of \$18,835,000 for citywide projects and programs. Forty-two years later, the City's CDBG funding was \$6,293,101 for citywide projects and programs. Similarly, the City received HOME funds of \$2,316,000 in 2000; the 2017 HOME Grant Award was \$1,472,699. At the same time, the City received less Low Income Housing Tax Credits allocated in 2018 to finance affordable rental 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**

As previously stated, Saint Paul has approximately 12,222 publicly-assisted affordable housing units within its city limits. In this section, the City's Action Plan (2018) will identify actions to overcome identified barriers to affordable housing, such as follows:

**Lack of Sufficient Funding and Land for Publicly-Assisted Affordable Housing.** Major barriers to developing publicly-assisted affordable housing in Saint Paul are the lack of sufficient financing and the lack of available land to meet the affordable housing needs of Saint Paul residents. In response, the City finances the preservation, renovation, or new construction of affordable housing units citywide—using City-owned land and housing financing, such as the City's STAR funding, City's Tax Increment Financing, federal low-income housing tax credits and federal funds, such as CDBG, NSP, and HOME funds, as available, for its 2018 affordable housing developments. Additionally, the City has stated its preference to include affordable housing at the Ford site when developed during future years. (The Ford site is privately owned land - currently for sale - to be developed in the future. Any affordable housing development may be contingent upon receipt of federal, state, or city funds.)

The City of Saint Paul has affordable housing opportunities such that approximately 36% of all City renters receive some housing assistance from a variety of housing resources. This statistic is a result of numerous public policies and initiatives that support affordable housing citywide, such as:

**Zoning Code/Land Use Controls/Growth Limitations:** In past years, the City amended its zoning code to increase housing density on high-use transportation corridors. Furthermore, the City's Zoning Code does not impose conditional use permits for supportive housing which has the same zoning code classification as required for an apartment building. Additionally, the City's Zoning Code was amended to facilitate the development of permanent supportive housing for chronically-inebriated residents, such that the City could build the Saint Paul Residence (120 units of permanent supportive housing including 60 units reserved for chronically-inebriated residents) in the Midway neighborhood.

**Service Fees:** The City has developed service fees appropriate for services provided.

**Discussion:**



**Summary:** The City of Saint Paul has working relationships with the federal and state governments to develop affordable housing in Saint Paul. Furthermore, the City's Affordable Housing Policies support the development of affordable housing citywide. However, the City still lacks sufficient financial capacity to meet the affordable housing needs of all its citizens. Therefore, as public policy, any federal and state budgetary restrictions consequently become major barriers to developing affordable housing in Saint Paul.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

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

In 2018, 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 sub-recipients with CDBG, HOME funding, and Low Income Housing Tax Credits. The City allocates its ESG funding to community agencies that serve homeless residents and at-risk of being homeless residents, including homeless residents with mental health challenges. As a result of community discussions, the City ESG will place a higher priority on street outreach to address the needs of homeless residents living in the downtown skyways and Metro Transit. Additionally, the City, County, and private foundations are financially supporting an additional cold-weather emergency shelter. At the same time, the City, Minnesota Housing Finance Agency, Foundations, and private donors are working together to finance Dorothy Day Center Phase II which will provide more supportive housing and a new Opportunity Center to be administered by Catholic Charities.

Still, the largest obstacle to meeting underserved needs is a lack of stable funding for these costly activities.

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

In 2018, 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 which provide assistance for homebuyers, homeowner rehabilitation, rental rehabilitation, and new construction of affordable housing will be carried out by the City and subrecipients. Descriptions of the specific projects and programs can be found in the Consolidated Plan Listing of Projects 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, the Metropolitan Council, the Minneapolis-Saint Paul Family Housing Fund, and the Saint Paul Housing and Redevelopment Authority. As of March 1, 2018, the City estimates that there are approximately 669 vacant residential buildings in the City. The City will use the 60% tax credit rent for determining affordable rents for rental housing that is assisted with CDBG funding. HOME projects will use the established HOME rents.

#### **Actions planned to reduce lead-based paint hazards**

The City of Saint Paul will continue to comply with the HUD regulations concerning lead based paint, 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 on the window replacement program for homes with children and identified lead paint issues.

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

In 2018, the City of Saint Paul will again provide funding for youth workforce development activities and other related public service activities, which complement the programs provided by Ramsey County, who is the primary provider of public services in Saint Paul. The workforce activities include outreach to participants, participant assessment, basic skills training, job training, job placement, work experience, and follow up. The City will continue to give preference to businesses that are comprised of and employ Section 3 residents. The City and some subrecipients also carry out programs that provide assistance to businesses, which may create jobs for low/moderate income persons.

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

Saint Paul's institutional structure gives the City the opportunity to partner with many organizations. In 2018, 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 (Federal, State, & County), 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 and Greater MSP for business recruitment and expansion that will benefit Saint Paul residents and neighborhoods. The City recently participated with the *City Accelerator Infrastructure Finance Cohort* – a special initiative of *Living Cities*, a national foundation with a focus on municipal best practices. The City Accelerator Initiative is designed to help cities build capacity to develop cross-departmental, partnership-based solutions to infrastructure funding challenges.

Furthermore, 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 Saint Paul are very involved with planning and implementing homelessness initiatives. At the same time, Saint Paul Foundation is sponsoring a multi-partner task force to address homelessness issues.

The City and its regional partners are also working together to develop responsive strategies to affirmatively further fair housing with the Twin Cities metro area. Further, there is sustained focus

across Mayoral administrations and addressing racial inequities.

### **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 housing choice vouchers in Saint Paul). The City is also currently working with metro-wide governmental jurisdictions to affirmatively further fair housing regionally in the Twin Cities metro area.

The City will continue to work with Community Development Corporations (CDCs), other non-profit 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 (contingent upon

As an example of public/private partnerships, the City, Minnesota Housing Finance Agency, 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 also provide gap financing, which requires businesses seeking assistance to work with banks and other private sector businesses, as well as CDCs and the Saint Paul Port Authority on commercial and industrial projects. This coordination helps maximize the amount of non-HUD funds invested in these projects.

### **Discussion:**

## Program Specific Requirements

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

#### Introduction:

The City anticipates receiving \$6,293,101 of Community Development Block Grant (CDBG) funding, \$1,472,699 of HOME Investment Partnership Program (HOME) funding, and \$571,420 of Emergency Solutions Grant (ESG) funding from HUD in 2018. In addition, the City estimates using about \$441,899 in CDBG program income and \$115,000 of repaid program funds. These estimates are based on the City of Saint Paul receiving the same level of funding from HUD in FY2018 that was received in FY2017. Should the City of Saint Paul receive less than the estimated amount, funding for all CDBG, HOME and ESG activities will be reduced or increased in direct proportion to the difference in the actual allocations received from HUD.

A consecutive period of three years: 2017, 2018 & 2019 is being used to determine that the minimum overall benefit of 70% 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	531,899
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	25,000
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>556,899</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
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2018

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.

94.00%

**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 guidelines for resale and recapture are included in the following appendix.

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 guidelines for resale and recapture are included in the following appendix.

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. The City includes subordination requirements in its HOME Funded Home Buyer Requirements & Resale/Recapture Criteria, which is attached in the following appendix.

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

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

The 2018-2019 Saint Paul ESG Action Plan is attached in Appendix A.

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 Continuum of Care has an established centralized coordinated assessment that meets HUD requirements for families experiencing homelessness in Ramsey County. As an example, the Ramsey County Coordinated Access to Housing and Shelter (CAHS) conducts standardized assessments for homeless families to determine the most appropriate housing referral/housing alternatives before a homeless family enters the family emergency shelter. The assessment identifies the most appropriate housing program support based upon the needs and barriers of the family.

Families that complete the assessment may be referred to the emergency family shelter or housing programs that offer rapid re-housing, transitional housing, permanent supportive housing. Before entering the shelter, a CAHS Diversion Specialist assist families identify the alternative to shelter. With the limited number of available shelter beds, the Shelter Diversion Services maximizes the use of emergency shelter beds for those families with no other housing option. Currently, Ramsey County COC must use state homelessness prevention funds to pay for the CAHS operations.

Ramsey County COC is also in the early implementation stages of the coordinated assessment for homeless single adults and unaccompanied youth. That said, Ramsey County COC must seek local funding for all of these coordinated assessment systems.

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 allocates its ESG funds to community agencies that provide emergency shelter, transitional housing, rapid rehousing, homelessness prevention assistance, and street outreach services to homeless adults, homeless families, homeless youth, and underserved populations.

The City and the Ramsey County COC recognize that 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 RFP for subrecipient homeless services supported by ESG, the ESG staff consults with the Ramsey County Continuum of Care (COC) Coordinator and the Ramsey County COC Governing Board to develop a preliminary gap analysis of services, including reviewing the needs of underserved populations. Furthermore, the ESG staff consults with the Ramsey County COC Funders Committee to determine ESG funding priorities in consideration of Ramsey County COC and FHPAP funded programs that assist homeless residents.

Additionally, ESG staff persons meet with ESG sub-recipients to determine the service level needs of the communities served. Approximately 18+ community agencies apply for ESG funds annually. All proposals are reviewed. ESG staff person consults with Ramsey County COC before submitting recommendations for City Council approval.

Overall, the ESG funding allocations recognize 1.) services to homeless adults, homeless families, homeless youth, and underserved populations, such as new Americans, refugees, and homeless veterans; 2.) the supplemental funding needs of COC programs; 3.) risk rating and prior performance of ESG sub-recipients; 4.) the national HUD housing objectives; and 5.) City housing objectives.

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 ESG and County COC supports the participation of formerly homeless residents regarding various issues and projects by their membership on the Ramsey County Continuum of Care Governing Board and the Family Homelessness Prevention Assistance Program Committee. Additionally, many ESG sub-recipients have participant-driven programming, such that sub-recipients 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. Moreover, some ESG sub-recipients are encouraging participation of homeless residents on their respective Boards.



5. Describe performance standards for evaluating ESG.

The City's ESG staff person consults with the CPD Monitoring Handbook as well as consults with the City's Compliance Monitoring staff person before conducting a compliance review. When conducting an on-site monitoring review, City staff persons meet with sub-recipients to review the following, as appropriate:

- A copy of the current counseling work plan
- A list of housing counseling staff indicating their years of experience
- Staff training
- Financial records
- List of community service referrals
- Copy of disclosure forms
- Access to housing counseling files
- List of clients counseled; services provided; description of needs of participants (i.e. meeting HUD definition of homeless); screening process; review of case management services; and housing assistance provided; cultural competency, and participant-driven programming

During February 2017, ESG and COC conducted staff training for ESG/COC grantees with emphasis on HUD program requirements and issues of coordinated assessment. At that time, ESG sub-recipients received copies of the CPD Monitoring Handbook that pertain to ESG, as appropriate to sub-recipient's ESG-funded services. In 2018, The City will work with Ramsey County COC regarding future trainings, as appropriate.

## Attachments

## Citizen Participation Comments

### 6/5/17 CIB Committee Public Hearing

#### Public Comment

1. Neighborworks – Jason Peterson – 3 proposals for 3 distinct, existing programs, speaking tonight for homeowner rehab programs. Unique because it serves all 17 planning districts. Leverage these funds with additional funds, so provides the largest loans of all the programs. Committed FY17 funds already. CIB funds are the base leverage for everything we do.
2. Neighborworks – Beth Heiser – North End Revitalization program. CIB funding through 1997 (Sparc, etc.). Critical to the neighborhood, fix up homes. CM Brendmoen helped launch North End initiative. Current customer – needed interior/exterior repairs, partnering with loan funds on lead window issues.
3. Neighborworks – Marie Mal \_\_\_\_ Greenline Home Improvement program, dedicated funds for consistent improvement in these core neighborhoods. Flexible funds can be used for health and safety needs, repairs, etc. Avoid resident displacement. Traditional lending hasn't kept up with need in this area.
4. Anne Dejoy – ESNDC – Business Investment Fund – Vibrant commercial corridors, need the ability to provide resources to businesses. ESNDC has capacity to coordinate the redevelopment. Applaud you for the redesign of the project proposal form.
5. Anne Dejoy – ESNDC – North End Façade Improvement – CDBG fits the needs of that commercial corridor. Doing smaller amounts this year.
6. Patty Lilledahl – PED – Citywide Home Improvement Loan program – work closely with outside orgs to serve people in high need areas. Provide translation services.
7. Patty Lilledahl – PED – Housing Real Estate Multi-Unit Development fund – leverage public funding with private development dollars
8. ESNDC & NEDA – Karen Reid – Commercial façade improvements. NEDA reached out to ESNDC to partner on a commercial program – recreating ESNDC's Payne Ave program on the West Side. Part of a commercial vitality zone program – leveraging that and other private dollars.
9. Victoria Theater – E.D. NE Minneapolis – will allow us to purchase and deal with storm water issues. Many artists in Frogtown who need to go someplace else to perform. Would like to provide space for local artists perform in. Two big updates: received foundation funding for a project coordinator, and designated a non-profit by IRS. Public-Private-Non-profit collaboration. Fills an unmet need.
10. Lots of supporters for Victoria Theater presented and stood.
11. Dayton's Bluff Neighborhood Housing Services – East Side Home Improvement RLF, HIP. Programs are getting better, not sure why we ranked lower than typical. We have the oldest housing stock in the City. Create same number of jobs as the other home improvement programs do. Have a program to train contractors on how to bid on government projects.
12. Patty Lilledahl – PED – Acquisition Fund – housing and commercial, primarily targeted to vacant and boarded properties. Can acquire them when they become available.
13. Travis Bistodeau – DSI – advocating for vacant building program. Have removed an average of 33 per year over last 5 years. Most challenged properties.
14. Griggs Park – Khaliq Rogers – ambassador for the project. Here on behalf of the Parks on Griggs. Lower incomes can be forced out as price of living keeps going up and green space is shrinking. Hosted an event on future of the park and over 200 members of the community come through. Community needs more green spaces. Important to keep community involved so people have a place to meet.



## Grantee Unique Appendices

### APPENDIX A



**Citizen Participation Process for the 2018 & 2019 Annual Action Plans:**

The Annual Action Plan is a tool which guides the City of Saint Paul's use of U.S. Housing and Urban Development (HUD) funds each year. The City of Saint Paul has adopted the following process in an effort to encourage citizen participation in the Annual Action Plan process.

The City of Saint Paul encourages all citizens to participate in the development of the Annual Action Plan, selection of projects funded under the Plan, any substantial amendments to the Plan, and evaluation of performance measurements. The City specifically encourages participation by persons of low to moderate income residing where federal funding is proposed to be used. Contact with social service agencies, advocacy groups, and neighborhood organizations will be used to reach and solicit participation by these groups. In an effort to maximize outreach, there will be multiple points in the Annual Action Plan process where participation is encouraged.

The most significant citizen participation related to the annual allocation of Community Development Block Grant (CDBG) funds occurs during the Capital Improvement Budget (CIB) process. The CIB committee is comprised of 18 Saint Paul residents representing each of the Minnesota senate districts located in Saint Paul. 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. A copy of the recommendation letter from the CIB Committee to the Mayor is included in the Appendix along with the 2018-2019 CIB schedule.

Note: CIB recommendations were based on the City of Saint Paul receiving the same level of funding from HUD in FY2018 that was received in FY2017. The City anticipates receiving \$6,293,101 of Community Development Block Grant (CDBG) funding, \$1,472,699 of HOME Investment Partnership Program (HOME) funding, and \$571,420 of Emergency Solutions Grant (ESG) funding from HUD in 2018. In addition, the City estimates using about \$556,899 in CDBG program income. Should the City of Saint Paul receive less the estimated amount, funding for all CDBG, HOME and ESG activities will be reduced or increased in direct proportion to the difference in the actual allocations received from HUD.

In 2017, the City created a Fair Housing Workgroup committed to Affirmatively Furthering Fair Housing (AFFH). This workgroup participates in the regional Fair Housing Implementation Council. A separate public process was conducted in 2017 to adopt the Addendum to the 2014-2019 Regional Analysis of Impediments to Fair Housing (AI Addendum). Written comments were accepted March 1 – April 3, 2017 and several public meetings were held throughout March. Availability and location of the Analysis of Impediments (AI), AI Addendum and AFFH strategic plan on the City's website is included in the Annual Action Plan. A copy of the City's Antidiscrimination and Relocation Assistance Plan is provided with the published draft Annual Action Plan.

The City will publish the draft Annual Action Plan on the City's website and make copies available at every branch library. A public notice announcing the availability of the 2018 Action Plan with 30 day

comment period along with notice of public hearing will be published in the local paper. A notification will go out through the City's Emergency Notification System to every District Council asking for review and comments during the comment period. The notice will include the availability, upon request, of language assistance for non-English Speaking residents and/or appropriate aids and services leading to effective communication for qualified persons with disabilities. Such appropriate aids and services include qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, or vision impairments. Any comments received will be incorporated into the Plan. Upon completion of the Plan, it will be submitted to City Council for adoption before it is submitted to HUD.

The City of Saint Paul is responsible for carrying out the development and implementation of the Plan. Any person wishing to file a complaint regarding the Consolidated Plan, Annual Action Plan, amendments, and/or performance report may do so in writing to:

City of Saint Paul, Attn: Beth Ulrich, 25 West 4<sup>th</sup> Street, #1400, Saint Paul, MN 55102

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 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 6 years at the above address. All residents or interested parties will be given reasonable access to these records upon request.



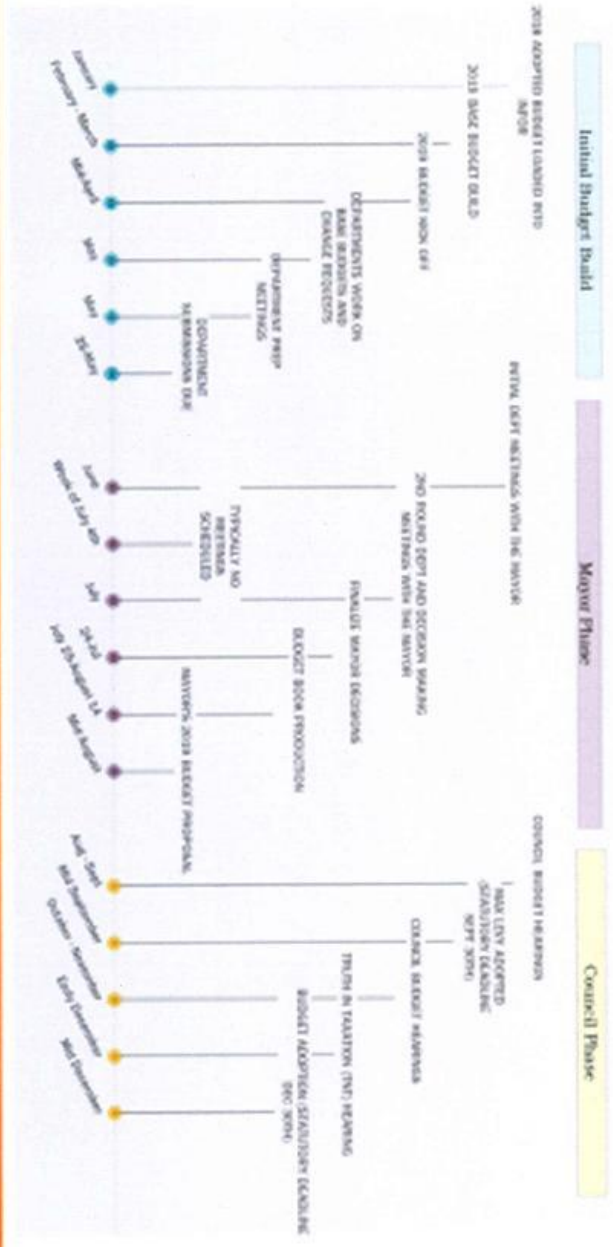
2017 - CDBG Process Calendar

Date	Responsible Group	Meeting Purpose
4/3/2017	CIB Committee	PEd staff gives overview on CDBG to CIB Committee Project proposers give background information on their organizations
4/10/2017	CIB Committee	First round of CDBG proposers present to CIB Committee
4/17/2017	CIB Committee	Second round of CDBG proposers present to CIB Committee
4/24/2017	CIB Committee	Bus Tour of all CDBG Proposal locations
5/1/2017	CIB Committee	CIB Committee conducts first round of deliberations on CDBG funding recommendations
5/8/2017	CIB Committee	CIB Committee conducts second round of deliberations on CDBG funding recommendations
6/5/2017	CIB Committee	CIB Committee holds public hearing on CDBG proposals and initial recommendations
6/12/2017	CIB Committee	CIB Committee finalizes work on 2018-2019 recommendations
6/26/2017	CIB Committee	CIB Committee describes 2018-2019 CDBG funding recommendations to Mayor and City Council
8/15/2017	Mayor	Mayor proposes 2018 budget, including 2018 CDBG plan
11/1/2017	City Council	Council budget hearing on proposed 2018-2019 CDBG budget
12/5/2017	City Council	Council public hearing on 2018 budget
12/13/2017	City Council	Council adopts 2018 budget, including 2018 CDBG plan

Elected Officials  
Decision Making Period



# Budget Process

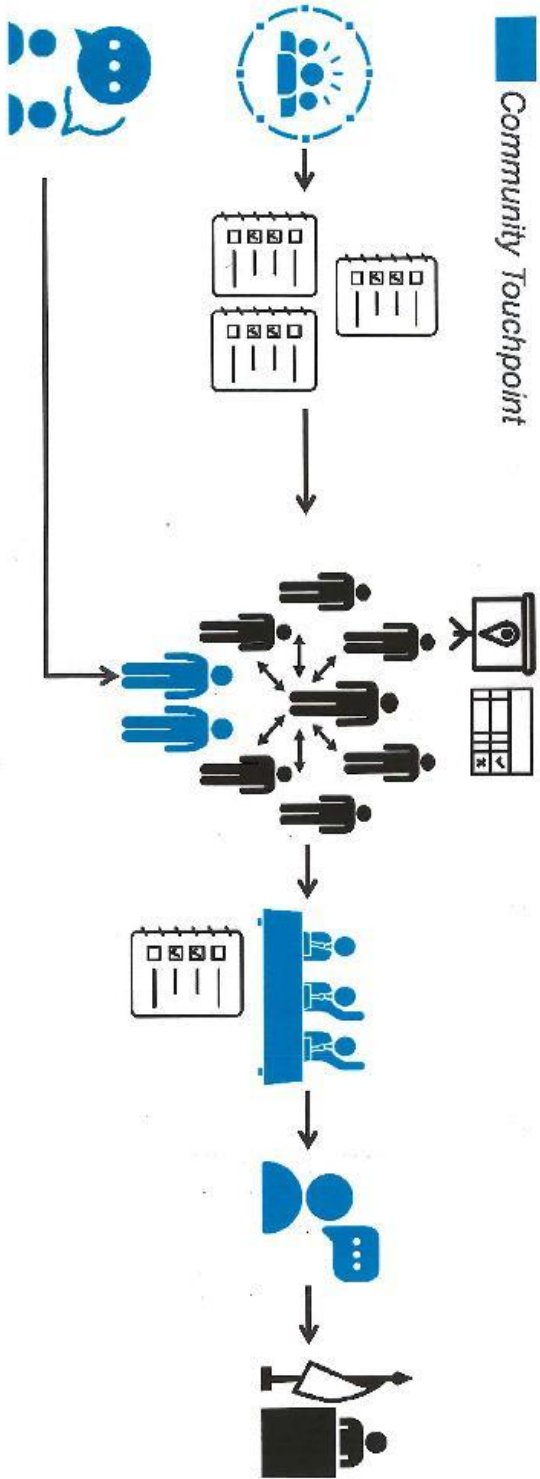




# Cycle Year 1: City Capital Improvement Plan (CIP) Development

Available: [Total Capital Improvement Budget] minus \$500K

JUL      OCT      FEB      APR - MAY      JUN      AUG



- City Departments**  
draft 5-year capital plans
- Cross-functional working group**  
uses data and engagement to create citywide 5-year plan
- CIP Committee**  
recommends project priorities for 2-year funding cycle

## Cycle Year 2: Community-Led Projects Available: \$500K

AUG

OCT

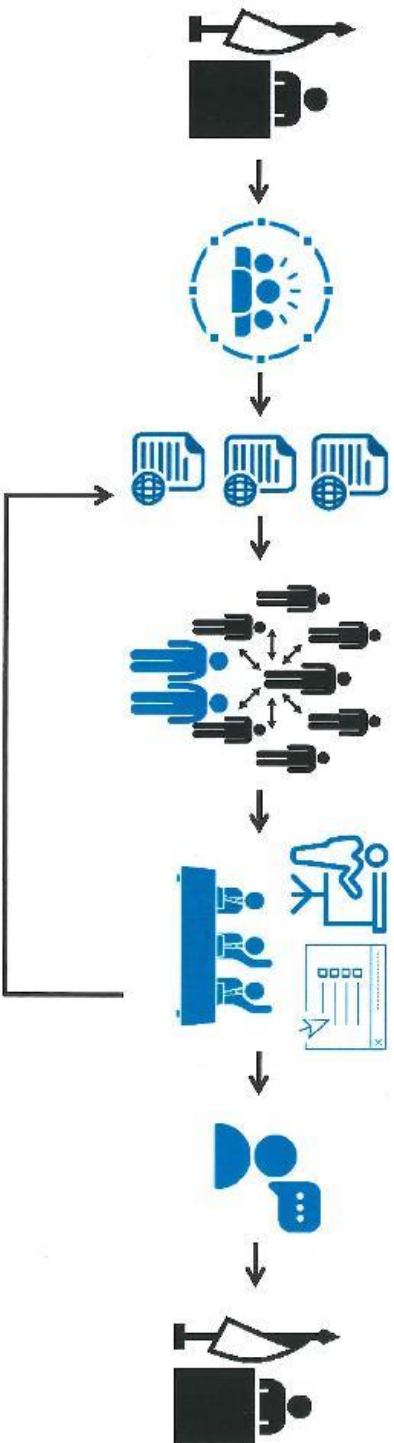
FEB

APR - MAY

JUN

AUG

### Community Touchpoint



Mayor outlines priorities. City recruits applications.

Working group screens for eligibility. All eligible proposals present to CIP Committee. Public can weigh in via online polling.

CIP Committee recommends project priorities for 2-year funding cycle

**City of Saint Paul Annual Action Plan – HUD FY 2018**  
**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 Partnership Program (HOME) funds, the City of Saint Paul (City) certifies that the City affirmatively furthered fair housing initiatives during the HUD 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, 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 regarding to public assistance, and strictly in accord with their individual merits as human beings.<sup>3</sup>

During the HUD program year, the City will continue to use its housing policy and housing practices to determine whether its actions to affirmatively further fair housing.

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<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.

## **ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING (AI)**

As a funding member of the Fair Housing Implementation Council (FHIC), the City participated with the drafting process of 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 (HUD FY17).

*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 the FHIC's 2014 *Analysis of Impediments* 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 agreements, 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 this 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%20II%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 HUD determined that the City had resolved the issues of noncompliance. HUD continued to instruct the City to continue to take specific actions to overcome the impediments identified in the Analysis of Impediments. See Attachment: *HUD Letter of Determination of Compliance under Voluntary Compliance Agreement - Saint Paul*.



**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.
9. Support Multicultural Housing Needs
10. Support Residents' Fair Housing Rights.

The City's Annual Action Plan demonstrates the City's housing programs, housing policies, and procedures are proactively working towards responding to the abovementioned goals in order by further fair housing.

In anticipation of the *Addendum to the 2014 Analysis of Impediments*, the 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. Later, the City Housing staff developed established a fair housing chart which identifies possible future Saint Paul Actions as recommended goals.

At the same time, the Mayor's the Department of Safety and Inspections 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 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 their last inspection
- All Fire Certificate of Occupancy inspection reports will be available online through the DSI website (anticipated 1<sup>st</sup> quarter of 2017)
- Developed many fire safety Public Service Announcements in Multiple Languages

Inspections must be addressed using an equity model rather than an equality one

- Implemented a DSI wide staff training module with a focus on improving the understanding around equity include the city sponsored Beyond Diversity and Foundations of Racial Equity training, and participation in the RACE exhibit at 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, i.e. appointment letter.
- Partner with the Department of Planning and Economic Develop to create funding sources to help owners better maintain their properties
- Developed Landlord 101 training program at no cost to new rental property owners

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 Department of Safety and Inspections to ensure that the Fire Certificate of Occupancy program is supporting and growing safe and high quality housing, 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 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 effectiveness of 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, tiny home communities;
9. Support the continuation of the Commercial Vitality Zone 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 in the City of Saint Paul specializing in the proactive work of eliminating Fair Housing barriers, collaborating in the existing work around reducing the number of the unsheltered homeless in Ramsey County, coordinating the work of housing advocates and stakeholders, and generating Fair Housing policies.

**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,

since many communities lack affordable housing opportunities<sup>4</sup> and economic conditions discourage the development or preservation of affordable housing.<sup>5</sup> In response, the Saint Paul City Council's Affordable Housing Policy requires that city-financed rental projects have 10% of the units affordable at 30% AMI and 10% of the units affordable at 50% AMI as a condition of receiving city financing. The City's Affordable Housing Policy also implements the City Council's directive to create affordable housing citywide in neighborhood locations that promote easy access to jobs<sup>6</sup>.

Currently, the City of Saint Paul's has approximately 12,228 publicly-assisted affordable housing units (including supportive housing units) and approximately 4,668 Section 8 vouchers for city households.<sup>7</sup> With a reference to the U.S. Census,<sup>8</sup> approximately 30% of all households living in Saint Paul receive some type of affordable housing benefit.

During the HUD program year, the City will

- Provide financing or favorable loan terms in order to preserve, renovate, or construct affordable housing rental housing units affordable at or below 60% of area median income – using a combination of financing, including low-income housing tax credits, federal funds, such as CDBG, NSP, HOME, TIF, and City's STAR funds.<sup>9</sup>

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<sup>4</sup> 57% of Saint Paul renters pay more than 30% for housing. (2010-2014 Con. Plan). To rent a modest two bedroom unit, Ramsey County workers must earn \$15.01 to \$18.9 per hour, 40 hours per week, all year long. However, the typical renter in Ramsey County earns the equivalent of \$14.26. This report is published annually by the National Low Income Housing Coalition, with Minnesota data released jointly by Minnesota Housing Partnership. *Out of Reach Report 2014*, Minnesota Housing Partnership, March 2014.

<sup>5</sup> There is a continual need to assess an owner's decision to pre-pay or opt-out of subsidized housing. *Regional Analysis of Impediments to Fair Housing, prepared for the Cities of Saint Paul, Bloomington, Minneapolis, and Plymouth; the Counties of Anoka, Dakota, Hennepin, Ramsey, and Washington and Minnesota Housing Finance Agency for the Counties of Scott and Carver*. May 2001, p. 69.

<sup>6</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.

<sup>7</sup> Reference to Consolidated Plan and Submission 2015, City of Saint Paul; 2014 Annual Report, Saint Paul Public Housing Agency.

<sup>8</sup> U.S. Census American Community Survey 2007-2011.  
<http://factfinder2.census.gov/faqs/tableservices/jsf/pages/productview.xhtml?sr=-bkmk>

<sup>9</sup> During HUD program year, City assisted multi-rental housing affordable renting at or below 60% AMI including: Hamline Station (new construction-108 units); Cambria Apartments (new construction- 60 senior housing units); Western University (new construction- 60 units); Janestown, (preservation-73 units), 72 Cesar Chavez (40 new construction), Lonnie Adkins (preservation-77 units), Dorothy Day Residence (new construction – supportive housing). HRA Board also approved loan extensions, loan assignments, and debt transfers to finance preservation of existing affordable housing (Hanover Townhouse, Van Dyke Townhouses, Carondelet Village, and Mode! Cities)

- Work with several affordable housing developments under construction, such as Dorothy Day Center Phase II (new permanent supportive housing and Opportunity Center)
- Work with for Ain Dah Yung Supportive Housing Development (new culturally-designed supportive housing) for homeless youth/young adults.<sup>10</sup>

Moreover, the City Council's Locational Choice Policy and the Saint Paul HRA's Low Income Housing Tax Credit Selection Priority Process encourage economic integration citywide as it moves "the City toward a more equitable distribution of affordable housing throughout the City." As an example, under the leadership of the Saint Paul HRA Board of Commissioners, Hamline Station was constructed in an IRS non-impacted census tract<sup>11</sup>.

Still, the City has limited financial capacity to produce affordable rental housing especially since the City received Low Income Housing Tax Credits (9% and 4% Credits) to sufficiently finance 1-2 affordable housing development projects each year. Consequently, the City must partner with HUD, Minnesota Housing Finance Agency (MHFA), and various foundations to develop other comprehensive financing plans necessary to develop affordable housing developments. That said, the City received less Credits in 2017. On the other hand, it is important that MHFA allocated 2017 Credits in a manner that equitably develops more affordable housing metro-wide<sup>12</sup> which may promote fair housing choice within the Twin Cities metro area.

#### **ACCESSIBILITY ISSUES – ACCESSIBLE-DESIGNED HOUSING & CITY SERVICES**

(See: Impediments: #8, #9) (See: Goal #10)

Saint Paul's affordable housing policies also effectively create more new accessible-designed rental housing units because large multi-family housing developments (5 units or more) must comply with the American with Disabilities Act (ADA).

Still, persons with physical challenges also need city services that can encourage self-reliance. In response, the City continues to upgrade other city services that can assist residents with disabilities, such as new City's traffic lights designed to respond to the needs of visually-impaired residents and the Ramsey County Emergency Community Center's Vital Emergency Response Information Form

<sup>10</sup> During HUD program year, in addition to financial support, Saint Paul HRA staff worked with the development of 2700 University (construction of new 198 market rate apartments including 50 affordable units); Prior Crossing (new construction of 44 affordable housing units for at-risk of being homeless youth); and Selby Victoria Milton (30 affordable new construction units).

<sup>11</sup> In 2013, Port Road Flats (44 units-family supportive housing) opened for occupancy in Highland Park neighborhood – a more affluent city neighborhood. During 2015, Hamline Station Housing (108 affordable units) was constructed within an IRS non-impacted census tract.

<sup>12</sup> Letter to Minnesota Housing, regarding the proposed distribution of low income housing tax credits metro-wide, dated May 21, 2015.

that lessens the emergency response time for emergencies affecting city residents with disabilities.

Furthermore, 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 in order to better integrate transportation planning and projects with land use decisions such as zoning, neighborhood and comprehensive planning, and infrastructure investments. The Transportation Committee has reviewed planning or design documents for consistency with Complete Streets approach and Universal Design guidelines.

The Mayor's Advisory Committee for People with Disabilities (MACPD) also advised the City on challenges facing people with disabilities in Saint Paul. At the same time, the Mayor's new *8-80's Vitality* initiative aimed to increase activity and vitality on City streets and public spaces by making them more accessible to people of all ages and abilities, including developing the new Victoria Park - Saint Paul's first universally accessible playground for visitors of all abilities.

#### **AFFORDABLE SUPPORTIVE RENTAL HOUSING**

(See: Goals #2, #4, #6, #8)

To further fair housing choice, the City recognizes the diverse needs of its citizens by financing supportive housing citywide<sup>13</sup> that serve citizens with challenges. During the HUD program year, City staff will continue to work Dorothy Day Center Phase II (new construction of permanent supportive housing and Opportunity Center) and Ain Dah Yung Supportive Housing Development (new construction of new culturally-designed supportive housing) for homeless youth/young adults in addition to existing affordable supportive housing developments located citywide,<sup>14</sup> including the

<sup>13</sup> Since 2002, the City has financed affordable housing. The City's Housing 5000 program created 500 units of affordable housing at 30% and 500 units of affordable housing at 50%, including such projects as American House (SRO units-downtown), Struss Apartments (very affordable MARIF-funded units-downtown) Homes for Learning (large family housing-East Side), and Crane Ordway (workforce housing with supportive housing-downtown), River Pointe Lofts (mixed-income & affordable housing-West 7th), Rice-Winnipeg Apartments (affordable housing-North End), PPI.-Delancey (supportive housing for chronic at-risk of being homeless residents - Summit-University), University Dale (affordable housing with supportive housing - Summit-University), and Prior Crossing, (affordable supportive housing for youth/young adults).

<sup>14</sup> During 2002-2015, the Saint Paul HRA also financed 256 supportive housing units, such as 7<sup>th</sup> Landing (supportive youth housing); American House (SRO housing with support services serving high functioning residents with developmental disabilities); Arlington Gardens (supportive housing for seniors & persons with limited mobility); YWCA Transitional Housing (rehabilitation of existing supportive housing); Visitation (supportive family housing); Crestview (supportive housing for chemically-dependent families); Model Cities (supportive family housing); St Christopher (SRO 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), Crane Ordway (70 units of workforce housing with 14 units for long-term homeless

City-owned Saint Paul Residence (60 units for at-risk of being homeless residents, and 60 units for long-term homeless units for chronic inebriates in the Midway neighborhood) and

At the same time, the City will continue to participate with the MHFA's Intergovernmental Stabilization Committee and MHFA's Stewardship Committee 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 condition use permits for supportive housing developments.<sup>15</sup> 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 chronically-inebriated homeless residents and at-risk of being homeless residents. Finally, the Zoning Code encourages high density affordable rental housing along the transit ways, such as Central Corridor, which can easily 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>16</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.

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residents.) Midway Residence (60 long-term homeless units for chronic inebriates and 60 units for at-risk homeless residents), Jeremiah Project (supportive housing for women and children), Dorothy Day Overnight Shelter for Homeless Women (40 beds), Rice-Winnipeg Apartments, Minnesota Building (workforce housing with supportive housing units) and Renaissance Box (workforce housing with supportive housing units), Fort Road Flats (44 units of supportive family housing); and Carondelet Village (149 apartments, 46 assisted living units, 19 memory care units, and 45-bed nursing facility), Ramsey Hill Apartments (54 units of supportive housing); Rolling Hills Apartments (preservation of 107 affordable housing units including housing with support services targeted to refugee populations) and Saint Philip's Garden (preservation of 55 units of workforce housing with 41 project-based Section 8 units and 4 supportive housing units) – all available for occupancy.

<sup>15</sup> The Saint Paul Zoning Code clarifies supportive housing as apartment buildings.

<sup>16</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.

For many homeless citizens, the lack of economic opportunities also is a major barrier to stable housing. As previously stated, 60% of Ramsey County renters lack sufficient incomes (i.e. \$17 hourly wage) to pay the fair-market rent for a two bedroom apartment. (See footnote #5.) Moreover, many single-parent households who lack sufficient education or job training skills are constantly at-risk of becoming homeless.

In response, the City finances affordable housing, affordable supportive housing (both as noted previously) and homelessness prevention programs that serve Saint Paul homeless residents and at-risk of being homeless residents, such as follows:

*Heading Home Ramsey Governing Board.* During the HUD year, City staff will participate with the Homeless Advisory Board to implement the City/County's *Heading Home Ramsey – Plan to End Homelessness*.<sup>17</sup> This year, 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 single adults.* During the HUD program year, City staff will partner with the Heading Home Ramsey COC Care Coordinator, and community service providers to respond to homelessness issues facing Saint Paul residents, such as developing community-based responses to the increasing demand for emergency shelters for homeless individuals, homeless families, and homeless youth. For example, City, County, Catholic Charities and Union Gospel Mission may work together again to maintain cold-weather overflow emergency shelters to meet the increasing demands of single homeless adults.<sup>18</sup> At the same time, the City's Saint Paul Residence works with Catholic Charities which uses the Housing First model to assist (60) chronically-intoxicated single adults and (60) at-risk of being homeless residents.

In recognition of the emergency shelter need, the City is allocating Emergency Solution Grant (ESG) funding for Shelter Operations and rapid rehousing programs for homeless adults, homeless families, and homeless unaccompanied youth. Moreover, community agencies are providing drop-in weekly outreach to homeless residents using the downtown Central Library during the daytime and staying at Dorothy Day Center at night. These responsive rapid rehousing initiatives were direct results of City's involvement at the bi-monthly Downtown Police/Homeless Forums.

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<sup>17</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.

<sup>18</sup> Since fall 2010, the Mayor's Office has coordinated discussions with City and County officials, including County COC Coordinator and City's ESG Coordinator, to create a winter overflow shelter for single adults. Since the City, County, and Catholic Charities have funded an overflow shelter site as well as Union Gospel Mission had additional shelter beds. The overflow shelter demand has been a continual concern, such that Catholic Charities, Minnesota Housing, City, and private donors have worked together to develop the new Dorothy Day Center Higher Ground.



Most important, after developing the new Dorothy Day Center Higher Ground/Saint Paul (emergency shelter, pay for stay, and permanent supportive housing) the City, Catholic Charities, and Minnesota Housing will continue to develop Dorothy Day Phase II (permanent supportive housing and the opportunity center to be built in 2018-2019).<sup>19</sup>

*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 Heading Home Ramsey Governing Board. Furthermore, the City-financed affordable housing development will continue to provide more affordable housing opportunities for at-risk of being homeless families, who often state that the lack of affordable housing is their major problem or otherwise challenged when one family member has a disability – often mental illness – which affects the family’s ability to sustain income for housing.

In addition to affordable housing financing, the City is allocating HUD ESG funding to various organizations, such as Catholic Charities – Family Service Center, the YWCA transitional housing, and the YWCA rapid rehousing program for families. Furthermore, the City provided additional capital funding to the YWCA Saint Paul and Casa Guadalupe for building improvements. At the same time, the City’s ESG funds homelessness prevention initiatives, such as East Side Family Center, Southern Minnesota Regional Legal Services – Project Hope, and House Calls (utility assistance funds).

*Responding to the needs of homeless youth.* The City and County recognized that the affordable housing and the number of emergency shelter beds for homeless youth remain insufficient. In response, the Otto Bremer Foundation provided grant funding to increase shelter capacity for homeless youth<sup>20</sup>. During the HUD program year, 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 (emergency shelter and a rapid rehousing program) – all programs for unaccompanied homeless youth of which some have mental health challenges. Moreover, the City is working with Ain Dah Yung Center to develop permanent supportive housing for homeless youth/young adults.

<sup>19</sup> Dorothy Day Center - Higher Ground/Saint Paul is a successful housing model that provides multi-housing services, such as emergency shelter beds, pay-for-stay beds and permanent supportive housing for homeless adult residents (many with mental health issues or are challenged with disabilities). The Dorothy Day/Higher Ground project has been awarded a major financial commitment from Minnesota Housing. Construction to occur in 2016.

<sup>20</sup> Ramsey County and numerous homeless youth service providers, such as Lutheran Social Services, Streetworks Collaborative, Ain Dah Yung, and Salvation Army, worked diligently to state the need for additional emergency shelter beds for homeless youth and homeless young adults. Otto Bremer Foundation responded with a \$4 million grant award for six projects in the Twin Cities area, including one grant for 11 beds at the Salvation Army Booth Brown House (which is also receive a \$15,000 operating ESG operating subsidy).

*Emergency Solutions Grant Program*

The City of Saint Paul will administer the federal Emergency Solutions Grant Program (ESG). During the HUD FY year, the City's ESG is assisting 17 community agencies with funds for emergency shelter operations and costs of providing services, including essential services, case management, legal services, and transportation to homeless families and individuals in emergency shelters and transitional housing. ESG also funded street outreach and rapid rehousing programs.

ESG-funded community agencies provide "lifelines" to homeless residents or at-risk of being homeless residents. For single adults, Dorothy Day Center opens its doors each night to provide emergency shelter while providing supportive services, such as mental health counseling, during the day. Across town, Catholic Charities' Family Service Center provides emergency shelter for families for up to 60 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 The Family Place (a day drop-in center for homeless families).

As transitional housing, 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, West Side Community Health Services' *HouseCalls*, and East Side Family Center provides emergency financial assistance, including emergency utility assistance especially as a response to the State's Cold-Weather Rule. Southern Minnesota Regional Legal Services provide legal assistance to tenants-at-risk of losing their housing.

Finally, ESG assisted homeless youth with services, such as culturally-response emergency shelter offered by Ain Dah Yung, day drop-in center/supportive services offered by *SafeZone*, and transitional housing services offered by Lutheran Social Services' *SafeHouse*. During the HUD program year, *SafeZone* also provided rapid rehousing services for homeless youth.

Most of all, ESG-funded community agencies recognize the hard fact that homeless residents often have multiple barriers to securing permanent housing. Although some homeless residents lack sufficient funds for stable housing, many homeless residents also have disabilities that limit their ability to earn sufficient income required for stable housing. That said, in addition to providing housing services, ESG-funded agencies provide supportive services so that homeless citizens can 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.

To further promote fair housing choice, the City's Home Loan Fund staff provides multilingual home ownership services in Hmong<sup>21</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, Inc. (NeDA), Greater Frogtown CDC, SPARC, 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, granting a deed in lieu of foreclosure, executing a short sale, or provided basic default counseling).

During the HUD program year, MFPP provides individualized mortgage foreclosure prevention counseling with case 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.

Working with these industry partners, the City can expedite loan modifications for homeowners – effectively shortening the time frame of the modification process from approximately six (6) months to 30-45 days.

Finally, although predatory lending practices are not discriminatory per se, predatory lending practices may have disparate discriminatory impacts on communities of color, such as Saint Paul neighborhoods of Frogtown, East Side, and Summit-University. Still, homebuyers of color can be

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<sup>21</sup> City has housing staff that also speak Vietnamese and Russian as well as the City contracts for language translation services, as needed.

proactive by participating in according to Minnesota Home Ownership Center home buying classes.

22

### **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 local 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 at least \$43,131,819 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 Saint Paul with the greatest need for stable housing. The quality of housing also increased the overall affordability, as these homes should not require major capital investments for 10-15 years. Additionally, these investments encouraged neighboring homeowners to reinvest in their neighborhoods.

As of July 2016, 237 housing units have been developed for occupancy (176 owner-occupied units and 61 rental units). Moreover, 49% of *Inspiring Communities* homeowners were households of color, and 64% of *Inspiring Community* renters were households of color.

As compared to the City of Saint Paul, *Inspiring Communities* homes have larger household sizes, 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 Goal #3 and Goal #7)

The City of Saint Paul recognizes that Limited English Proficient (LEP) residents are often unable to access housing service information in their primary languages.

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<sup>22</sup> 44% of homebuyers receiving homeownership counseling from Minnesota Home Ownership Center were homeowners of color. Minnesota Home Ownership Center 2014-2015 Homebuyer Service Report, February 2015

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 Limited English Proficient individuals have meaningful access to programs, services, and information provided by the City. The Saint Paul Department of Human Rights and Equal Economic Opportunity coordinates and maintains the City's Limited English Proficiency Program as well as Saint Paul Planning and Economic Development (PED) has a LEP policy with multilingual staff to provide information about the following housing programs:

***Minnesota Home Ownership Home Buying Classes*** (See: Goal #3, #7, #9)

Minnesota ranked second nationally in homeownership rates (73%) but also ranked second in the largest homeownership gaps between emerging market populations and white/non-Hispanic populations (36%)<sup>23</sup>

That said, the City financially supports the Minnesota Home Ownership Center's (HOC) which offered individualized home buyer counseling and home-buying educational classes (*Home Stretch* workshops), including multicultural and multilingual home buying classes offered in Saint Paul. In metro area, homeownership workshops were held in English, Hmong, Somali, Karen, and Spanish as well as HOC works with the African Development Center to outreach to Somali and African new Americans.<sup>24</sup> HOC's *Framework* – an online educational program- is also offered in Spanish. As a result of these efforts, approximately 44% of households served by HOC's *Home Stretch* were families of color.<sup>25</sup>

Finally, even with its budgetary restrictions, the City reaffirms its funding of the Home Ownership Center – recognizing that HOC's home buying classes serve first-time low and moderate income homebuyers as well as HOC's leadership role in responding to foreclosures.

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<sup>23</sup> US Census (2000) and American Community Survey (2001-2010). Emerging Market Demographic Trends in Minnesota, Minnesota Housing Finance Agency (2012)

<sup>24</sup> Seventy-two percent of all Minnesotans own their own home, which ranks us near the top in the nation. However, Minnesota has one of the largest disparities in homeownership rates between white households and households of color. The Center and members of the Homeownership Advisors network work together to support and increase homeownership opportunities for emerging and underserved markets. Some *Home Stretch* workshops were targeted towards emerging markets as *Home Stretch* workshops are available in Hmong, Somali, Karen, and Spanish. Minnesota Home Ownership Center, [www.hocmn.org](http://www.hocmn.org). 2015

<sup>25</sup> 2511 households of color in the Twin Cities area participated with HOC's *Home Stretch* (home buying educational classes). 2015 Homebuyer Services Report. Minnesota Home Ownership Center. 2015

***City's Home Loan Fund/Mortgage Foreclosure Prevention Program*** (See Goal #3, #7)

To ensure access to housing programs, the City's Home Loan Fund's staff will continue to provide home ownership services and default counseling in English, Hmong, and other language translation services as needed.

***Relocation Counseling***. (See: Goal #7) The City will provide culturally-sensitive relocation assistance in Hmong, as needed. However, during this HUD program year, there was no need to provide multilingual relocation services.

**EMERGING HOUSING MARKET INITIATIVES:** (See: Goal #3, #7, #9)

During HUD program year, the City will continue to participate with Minnesota Homeownership Center's *Home Ownership Alliance* (HOA) Initiative in order to develop strategies and actions that achieve outcomes that can lead to system changes to close Minnesota's homeownership gap. Since fall 2014, the HOA members have met to develop a business plan, including reviewing prior homeownership initiatives in serving emerging markets and the results of extensive research into understanding the homeownership gap. While Minnesota consistently has one of the highest homeownership rates in the nation, Minnesota also has one of the largest gaps between homeowners of color and white homeowners.<sup>26</sup>

Emerging markets refers to those persons or groups who are underrepresented in homeownership 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 Minnesota Home Ownership Center (HOC) which is developing and compiling best practices, current research, and in parallel, HOC will continue working 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

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<sup>26</sup> Minnesota Homeownership 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 Skolb, 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/statcolhomeownership> and <http://www.hocmn.org/2013/11/new-report-on-homeownership-disparities>.

- Develop and implement a targeted outreach program that: articulates and advances what “successful homeownership” looks like and what it contributes to homeownership; and expands support for the Center and the network with an emphasis on diverse communities.

**SAINT PAUL DEPARTMENT OF HUMAN RIGHTS AND EQUAL ECONOMIC OPPORTUNITY**

(See: Goal #7, #9)

Pursuant to the Saint Paul Human Rights Ordinance, the Saint Paul Human Rights and Equal Economic Opportunity Department (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 bringing the 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 four 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 Opportunity Commission and the US Department of Labor to 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.** (See: Goal #2, #9)

Often, legal representation is needed to enforce FAIR Housing rights. Thus, since 1997, the City has financially supported the Housing Equality Law Project<sup>27</sup> administered by Southern Minnesota Regional Legal Services (SMRLS) which provides fair housing enforcement services. With this grant, the City partially funds one attorney to assist Saint Paul residents who are treated unfairly when seeking or maintaining their housing. Legal services included negotiating settlements, assisting people file complaints with enforcement agencies, and representing people in court. Persons who benefit from these services include low-income persons of color, immigrants and refugees, disabled

<sup>27</sup> Southern Minnesota Regional Legal Services (SMRLS) provides fair housing enforce services through its Housing Equality Law Project (HEL.P). 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 HEL.P attorney, a fair housing complaint was filed with the St. Paul Department of Human Rights. The case settled and the owner paid \$500 in damages to tenant and owner had to complete fair housing training.

persons and female heads of households and their families who are treated unfairly, and in violation of anti-discrimination laws, by landlords when they look for housing, live in housing, or try to keep their housing.

Finally, the City is awarding a HUD Emergency Solutions Grant to partially fund SMRLS's Project Hope which provides emergency financial assistance to at-risk homeless residents, and legal representation (i.e. removing expungements, etc.) as necessary to stabilize their 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 Bloomington, Eden Prairie, Minneapolis, Plymouth, Minnetonka, Woodbury, Anoka County, Carver, Dakota County, Hennepin County, Ramsey County, and Washington County as participating members of the Fair Housing Implementation Council

FHIC recognized that the 2015 Analysis did not sufficiently address racial disparities in the Twin Cities metro area. In response, 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 2015 Analysis.

At the same time, Affordable Housing Connections (AHC) is providing 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 had practical guidance on how to lawfully follow fair housing marketing and occupancy rules, including recent changes to Fair Housing requirements as well as understand the potential penalties for violating fair housing laws.

**SUMMARY**

The City of Saint Paul is committed to providing equal opportunity to all people in all areas of City services and City 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 a fabric of Saint Paul government, its rules, and regulations. In addition to the Mayor's Racial Equity Initiative, Saint Paul PED 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 of Saint Paul.

Again, the City of Saint Paul is committed to affirmatively furthering fair housing.





## City of Saint Paul

### Signature Copy

Resolution: RES 17-2064

City Hall and Court  
House  
15 West Kollogg  
Boulevard  
Phone: 651-268-8560

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**File Number: RES 17-2064**

Directing staff of the Fair Housing Workgroup to develop a Fair Housing Strategic Plan.

WHEREAS, the City Council adopted Resolution 17-994 creating a Fair Housing Workgroup to make policy and budget recommends to the Mayor, Housing and Redevelopment Authority and City Council with the goal of eliminating housing disparities, lowering barriers to affordable housing, and ensuring access to economic opportunity in the City of Saint Paul; and

WHEREAS, the City of Saint Paul is committed to furthering fair housing, housing choice, and access to economic opportunity and has a longstanding practice of coordinating investments to achieve these goals; and

WHEREAS, decent, safe and stable housing are the bedrock upon which individuals, families, and a community can thrive; and

WHEREAS, neighborhoods are shaped by access to transit, commercial corridors, parks and recreation, libraries, quality roads, and emergency services;

WHEREAS, in order to remove barriers to education, health, safety, employment and housing opportunities based on race, the City of St. Paul is committed to developing equitable policies through inclusive and thoughtful decision making regarding the allocation of resources toward city projects, programs and the provision of city services; and

WHEREAS, the City of Saint Paul, together with regional city, county, and community partners, has undertaken an extensive analysis of housing discrimination and fair housing issues, and provided recommended strategies to address those concerns in the completed Addendum to the 2014 Analysis of Impediments to Fair Housing (AAI); and

WHEREAS, the AAI provides guidelines and recommendations to achieving a balanced approach to fair housing and access to opportunity which is currently being evaluated for implementation within the City of Saint Paul; and

WHEREAS, the City of Saint Paul's Comprehensive Plan's Housing Chapter strongly supports the preservation of existing and development of new affordable housing within the City of Saint Paul; and

WHEREAS, under Resolution 10-935, for the years 2011-2020, the City of Saint Paul has agreed to work toward the goal of providing 2,625 affordable housing units for households earning less than or equal to 60 percent of the area median income, as a condition of its participation in Metropolitan Council's Livable Communities Program; now, therefore be it

RESOLVED, that the Fair Housing Workgroup will develop a strategic plan including policy and budget recommendations with the goal to eliminate housing disparities, lower barriers to affordable housing, and ensure access to economic opportunity in the City of Saint Paul; and be it

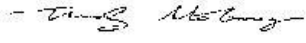
RESOLVED, that the Fair Housing Workgroup will, at a minimum:

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 Department of Safety and Inspections to ensure that the Fire Certificate of Occupancy program is supporting and growing safe and high quality housing, 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 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 effectiveness of 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, tiny home communities;
9. Support the continuation of the Commercial Vitality Zone 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 in the City of Saint Paul specializing in the proactive work of eliminating Fair Housing barriers, collaborating in the existing work around reducing the number of the unsheltered homeless in Ramsey County, coordinating the work of housing advocates and stakeholders, and generating Fair Housing policies; and be it further

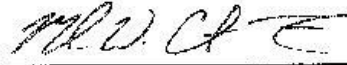
RESOLVED, that the staff of the Fair Housing Workgroup will report back to the City Council on March 28, 2018 with progress on the above listed goals and to present the Fair Housing Strategic Plan; and be it finally

RESOLVED, that the staff of the Fair Housing Workgroup will prepare a budget proposal to support the Fair Housing Strategic Plan.

At a meeting of the City Council on 12/20/2017. This Resolution was Passed.

Vote Attested by   
Council Secretary Trudy Moloney

Date 12/20/2017

Approved by the Mayor   
Melvin Carter III

Date 12/22/2017



**Goal #1: Improve Opportunities for Mobility within the Region**  
 Renters households struggling 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").

**COLOR CODE: YELLOW - POTENTIAL ACTIONS FOR PEO**  
**BLUE - POTENTIAL ACTIONS FOR CITY COUNCIL/CITY ATTORNEY/DSE**  
**GRAY - POTENTIAL ACTIONS FOR OTHER METRO-WIDE JURISDICTIONS**

No.	Recommendation	Fair Housing Issued Addressed	Title Frame	Responsible Parties	Current St Paul actions	Future St. Paul Actions	City/Council/HRA Direction
1B	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, MPPA		Saint Paul could adopt income protection ordinance similar to Minneapolis which refers to limits on advertisements. Then, develop an community strategy	
1C 2	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	Enhancements 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 owners 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 HAREED to action like Mpls or Chicago? Or advocate for state legislation
1D 8	Develop and implement an ongoing campaign to promote the acceptance of HCVs, especially in suburban communities.  Receive HCV acceptance for housing using public funds and monitor for compliance.	Distribution of Affordable Housing	Ongoing, beginning 2018	Enhancements, Met Council	In various phases, the City advanced for affordable housing in Twin Cities regions.  LHRC housing must accept Housing Choice Vouchers	As a condition of City financing, such as TIC, CDBs, HOMEs, 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.	

No.	Recurrence/Status	Fair Housing Issues Addressed	Time Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	City Council direction
1E	9	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 MPHA 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 MPHA's implementation approach for those that are most promising. b) Evaluate recommendations in "Enhancements and Best Practices Designed to Expand Resident Choice and Mobility in Minneapolis" that are relevant to other PHAs and HRA's and develop an implementation approach. c) Develop a demonstration program to pool HCVs across multiple PHAs/HRA's and examine results relative to expanding mobility and choice for low-income families.	Multi-tiered Values on Neighborhoods and Housing  Part (c) - 2018	PHAs  HRA's	None: St. Paul PHA has a high utilization rate 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/section.  When appropriate, City/Saint Paul HRA could support Saint Paul PHA's efforts to work with other PHAs in the state housing choice mobility within the Twin Cities region.	City Council
1F	10	Monitor the success of Met Council's mobility program for strategies that can be adapted or duplicated elsewhere.	Multi-tiered Values on Neighborhoods and Housing  2018-2021	PHAs  HRA's		City should notify Saint Paul Public Housing Agency regarding this objective.	
1G	34	Review and update tenant screening policies related to criminal background based on revised HUD guidance issued in 2016.	Regulations and Policies Impact Housing Development  2017	PHAs  HRA's		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.	
1H	35	Review residency preferences for impact on mobility across the region. Amend as needed to better advance regional fair housing choice.	Regulations and Policies Impact Housing Development  2018	PHAs  HRA's		City should notify Saint Paul Public Housing Agency regarding this objective.	



No.	Recommendation	Fair Housing Issues Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	City Council direction
2A	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		City council could request City Attorney's office to research the applicability of the City of Seattle Just Cause eviction ordinance.	Does the City Council want HREF or EXD to take further action?
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		City council could request City Attorney's office to research the applicability of the City of Seattle Just Cause eviction ordinance.	Does the City Council want HREF or EXD to take further action?
2B	Monitor state legislation regarding right of first refusal statutes and develop program to implement locally as appropriate.	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	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	Municipalities and Saint Paul (Partners: HOME Line, MHP)	City has a deterrent on special assessments for public improvements if homeowner is disabled or over 65 years old.	Council could request Council Research to evaluate CURA Research on grandfathering. Council could request Saint Paul Legislative staff to advocate for reinstatement of the State of MN "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?

**Goal #2: Reduce Resident Displacement**  
 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 vacant units tend to become less affordable. These twin consequences – greater demand for affordable housing and a transfer that provides less of it – compound the effects of displacement and underscore the importance of countering its displacement pressure is anticipated.

**Goal #2: Reduce Resident Displacement**  
 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 uncovering it. 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 preventing securing affordable units in areas where displacement pressure is anticipated.

No.	Recommendation	Fair Housing Issued Adversely	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	City Council action
20 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	Burlington's Partners	<p>CityLiving's Home Loan Fund provides financing to rehab homes</p> <p>City's Inspiring Communities renovates vacant for-closed homes into energy-efficient housing.</p> <p>City supports CDC citywide that provide funding for rehabilitation and new construction.</p> <p>PEPD works with multi-unit buildings to maintain affordability (MOAH)</p> <p>PEPD developed a Fair Housing Racial Equity assessment tool for ranking PED activities citywide.</p>	<p>City's Planning Division or Council Research could research whether there is displacement of existing affordable housing.</p> <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>	City Council action

**Goal #3: Increase Access to Homeownership**  
 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 downpayments, steering toward 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	Council Action
34	Use distribution of government financial relationships (within banking regulations) to incentivize fair and affordable housing by financial institutions using research such as that of the Responsible Banking study.	Access to Housing is Reduced for Some Groups	2018	Entirements	City has its the Specialty Responsible Investment Fund for financial institutions with a track record of investing in racial, ethnic, Section 8 households, housing initiatives, etc. Investment Policy Statement of the City (2015) allows City to deposit funds in 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.	
35	Require that financial institutions report on home mortgage lending and other fair lending activities.						
36	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	Entirements	City's Mortgage Foreclosure Prevention Program refers homeowners in default to neighborhood credit counseling agencies, such as Urban Social Services, YEDA, and Community YHS. City supports MN Home Partnership Center for home buying counseling as well as financial literacy counseling and Banking Counseling through the Minnesota Home Ownership Center's network of counseling agencies.		

**Goal #3: Increase Access to Homeownership**  
 Households of color have significantly lower homeownership rates than white households. In addition to prohibiting housing choice discrimination, increased access to mortgage lending and homeownership opportunities also reduce these disparities. Research indicates a variety of factors that contribute to this gap, including low mortgage loan application rates, higher mortgage loan application denial rates, less resources available for downpayments, 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.	Recurrent/Initiation	Key Housing Issue Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Values St. Paul Actions	Council Action
30	new	Work with public and non-profit agencies to expand information and services related to fair lending and foreclosure prevention, such as: <ul style="list-style-type: none"> <li>• Alternative 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> Ensure that all outreach efforts are accessible to non-English speaking residents, including oral presentations of information.	2017	Settlements (Partners; Housing Justice Center; MFLA; SFRUS)	<p>City has 31+ years of providing Mortgage Foreclosure Counseling at Saint Paul households in default.</p> <p>City's Living Program supports home improvement loans.</p> <p>For 30+ years, City has financially supported Minnesota Ownership Center for homeownership counseling services.</p> <p>City/working - strong partnership with MN Housing's loan ownership programs</p> <p>City supports efforts of CDC(s) such as Habitat for Humanity, NEDM, 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 City's Living Program does not provide low-interest home mortgages, as done in earlier years.</p> <p>City can continue to support MN's Housing efforts</p> <p>City can continue to support MN Home Ownership Center's Home Ownership Alliance - which is partnering to implement strategies to increase homeownership among persons of color.</p> <p>City should evaluate whether its outreach efforts are accessible to non-English speaking residents, including oral presentations.</p>	Does City Council want to request Council Research to evaluate the City's outreach efforts?
30	new	Increase HUD and public-sector participation in the Homeownership Alliance.	2018	HUD, Endowments, PHAs/HRAs	<p>City supports Land Trusts, such as Rondo Land Trusts.</p> <p>City supports innovative programs, such as Daydon's Bull NIS's Bridge to Success Contract for Deed Program which utilized contracts for deed to create affordable housing opportunities for homebuyers who may not be ready to qualify for a traditional mortgage.</p> <p>City's web site - feedback on contract for deed</p>	<p>Does the HUD or City Council want to allocate more funds to programs such as Land Trusts or Contract for Deed?</p>	

**Goal #3: Increase Access to Homeownership**  
 Households of color have significantly lower homeownership rates than white households. In addition to reducing 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 downpayments, 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 pact lenship 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	Council Action
3E	Conduct code enforcement to make sure that landlord-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	City of Saint Paul	<p>City's Inspiring Communities Program renovates vacant foreclosed homes into energy-efficient affordable owner-occupied housing.</p> <p>City and Office of Technology and Communication are developing 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 the system. Complainants will automatically be made aware of all inspection results and actions taken by field or subcontractors.</p> <p><b>Other DSJ Actions:</b></p> <ul style="list-style-type: none"> <li>Require all new Fire Code property owners attend the 8 hour Landlord 101 training program</li> <li>Provide "cheat sheet" to property owners on how to receive highest scores possible, which may result in lower inspections and fees, prior to conducting the inspection</li> <li>Updated Fire Safety website to provide "cheat sheet" information to all owners prior to an inspection</li> <li>Developed an interactive residential Fire Certificate of Occupancy <a href="#">interactive map</a> on DSJ website to allow tenants and landlords to see the letter grade properties received during their last inspection</li> <li>All Fire Certificate of Occupancy inspection reports will be available online through the DSJ 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 as a cost to new rental property owners.</li> <li>Updated Fire Safety website "Resources" page to provide property owners and tenants more information regarding services available within the Saint Paul area.</li> </ul>	DSJ	

Goal #4: Expand Funding for Affordable Housing								
Presently, the Low 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 w/ DI incomes below 50% AMI.								
No.	Recommendation	Fair Housing Issue/ Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Council Action	
44 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 philanthropics for funding.	Distribution of Affordable Housing	Ongoing, beginning 2017	Enlightenments (Partner: MHP)	City/Saint Paul HRA uses non-revenue financing tools to preserve existing affordable housing or construct new housing units (affordable housing financing may include LIHTC, CDBG, HOME, STAR funding, etc.) Saint Paul (RA) partners with CDBG, including NeDA and Habitat for Humanity to construct new single family housing affordable to low-income households or CDBG-eligible income eligible household. Saint Paul HRA also partners with Aurora St. Anthony – MCASA programs. Saint Paul HRA Board's LHTC Site Selection priorities can effectively implement the City's annual housing priorities. Saint Paul sponsors the annual M-July/Saint Paul Home Tour. City financially supports MN Home Ownership Center's efforts to promote home buying classes and homeownership programs. RED "pop-up" events seek citizen opinions about City programs. City held numerous public meetings about the Ford Site. Wich Family Housing Fund, the Program Revisit Home Fund works to improve programs and resident's ownership and access to housing solutions, while supporting community campaigns to improve housing conditions and housing opportunities. 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.			Does Council/HRA take actions similar to Minneapolis?
48 7	Use locally-controlled resources to preserve naturally occurring affordable housing. Work with GMHC to support NOAH fund, publish success stories, market to susceptible property owners, increase capitalization and funding sources.	Distribution of Affordable Housing	Ongoing	Enlightenments (Partner: Minnesota Housing Fund)	Minneapolis has established a funding priority for NOAH in their Affordable Housing Fund. Minneapolis is also considering a sale modification requirement where all rental housing owners must provide 90 day notice prior to sale. This modification requirement would also prohibit owners from raising rents or terms for many days after the sale or make them eligible for relocation assistance.		Does Council/HRA take actions similar to Minneapolis?	

**Goal #5: Improve Fair and Affordable Housing Planning**  
 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 BHIC 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 Issues Addressed	Time Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Council Action
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	<p>Saint Paul has diverse programs that affirmatively further fair housing, including Inspiring Communities, multi-racial housing counseling staff, City's IEP program, City's Section 8 program, City's Vendor Outreach Program – all programs that provide housing or employment opportunities.</p> <p>Many of Saint Paul's LIHTC affordable housing developments offer affordable housing with support 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.</p> <p>Saint Paul Public Housing Agency provides affordable housing opportunities for seniors, physically-challenged or mentally-challenged persons, or persons with brain injury.</p>		
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	<p>Saint Paul has a consistent history of working to meet its affordable housing goals established by Metropolitan Council.</p>		
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	Courtes	<p>Saint Paul's LIHTC Site Selection Priorities award points to properties that support economic integration.</p>		Does BHIC want to award LIHTC Site selection Priority points to housing in non-impacted areas or outside qualified Census Tracts?
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 sub-categories) for fair housing issues.	Regulations and Policies Impacting Housing Development	2020	Met Council (Partner: CDR&JW, or other organization with zoning research capacity)	<p>N/A applies to non-entitlement jurisdictions.</p>		

**Goal 15: Improve Fair and Affordable Housing Planning**  
 A serious and sustained effort to expand fair and affordable housing will require ongoing planning, research, and closely-building. This set of recommendations focuses on developing capacity at the local level through technical assistance and program, 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 PHC 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	Council Action
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	Buildings (Partners: CURA, IMO, MHR)	<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 investment for 10-15 years.  Additionally, Inspiring Communities Program encourages neighboring homeowners to reinvest in their neighborhoods.	City Council could request Council Research to: --- Study neighborhood trends to determine whether gentrification or loss of affordable may be occurring. --- Monitor real estate trends along Central Corridor.	
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	MHR, SmallBusiness (Partner: HousingLink)	During 2016-2015, the City financed 21 affordable housing developments: (23 affordable housing developments sites) with LIHTCs (the 1-9% and 15% of these projects sites were located in R/BCAP areas (precisely/technically concentrated areas of poverty areas) and 9 affordable housing developments (6396) projects were located outside R/BCAPs. <ul style="list-style-type: none"> <li>These 21 sites had a total of 2058 affordable housing units of which 1206 units (59%) were located in R/BCAPs and 852 units (41%) were located outside R/BCAPs.</li> <li>City works to build new affordable housing where there is no concentration.</li> <li>Preservation of affordable housing: 95% of the LIHTC preservation units were built inside R/BCAPs and</li> <li>New Construction: 74% of new units were built outside R/BCAPs.</li> </ul>	City will continue to update HousingLink data.	

<sup>1</sup> During 2009-2015, St. Paul financed 21 developments with LIHTCs (4% or 9%). Minnesota Building and Commerce Building received both 9% and 4% Credits. 17 of had three projects sites that are located in two distinct neighborhoods.  
<sup>2</sup> St. Paul's Park and River Parcels, although within R/BCAPs are located on boundary lines of R/BCAPs.



No.	Recommendation	Fair Housing Issues Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Council Action
5C 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 choices.	Fair Housing Enforcement and Education is Needed	2019	FHIC Municipalities and Counties (Partners: Housing Justice Center, MMA, SMARTS)	The Mayor's Office, Saint Paul City Departments, and city staff have participated in Mayor's Racial Equity Initiatives. PEI staff/personees 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 DHHC affordable housing. DSF held community input meeting for racial equity in DSF's inspection program for rental properties.	Saint Paul could train more city staff on disparate impact	Does Council want to request HHSU to provide more staff training on disparate impact?
5H 38	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 Issues on Neighborhoods and Housing	2017	FHIC		As a FHIC member, Saint Paul could support a standing fair housing advisory committee	
<p><b>Goal #6: Expand Locations of Affordable Housing</b></p> <p>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 for communities of choice. This goal contains several strategies relevant to zoning changes, but also includes actions recommended by NHC 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.</p>							
No.	Recommendation	Fair Housing Issues Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Council Action
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 householding units nonetheless a functionally equivalent family.	Regulations and Policies Impact Housing Development	2018	Cyrus, Minneapolis	Not applicable to Saint Paul.		

Goal #6: Expand Locations of Affordable Housing	When affordable housing is limited to some communities and leading to 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 prohibited. 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 MTC Challenge Team or, for areas in municipal 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	Council Action
69	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 permitting effectively prohibit re-use 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.	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 permitting effectively prohibit re-use 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, Logan, Eden Prairie, Minnetonka	Not applicable to Saint Paul.		
66	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 size, and decreasing minimum viable floor areas of individual dwelling units.	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 size, and decreasing minimum viable floor areas of individual dwelling units.	Regulations and Policies Impact Housing Development	2018	Lakeville	Not applicable to Saint Paul.		
60	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 precluded, should be adopted across all jurisdictions to encourage or require mixed-income, affordable units.	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 precluded, 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 (S&IOM or larger) have decreased by an impressive 70% from 2015 to 2016 alone.		

Goal #6: Expand Locations of Affordable Housing	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 they presently do not exist. 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.	Fair Housing Issued Addressed	Time Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Current Action
18	Review and update zoning codes for consistency with the state Planning Act regarding manufacturing 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	Lakewood	Not applicable to Saint Paul.		
66 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.		
66 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.		
61 20	Consider adoption of an inclusionary zoning ordinance requiring set-aside of affordable housing units especially for developments requiring city building site location assistance, or planning approvals.	Regulations and Policies Impact Housing Development	2018	Aigle Valley, Blaine, Brooklyn Center, Brooklyn Park, Burnsville, Coon Rapids, Crystal, Edgemoor, Eden Prairie, Hopkins, Minnetonka, Plymouth, Richfield, Saint Paul.	Saint Paul's LIHTC Site Selection Priorities award points to properties that support economic integration. During 2016-2015, City financed 21 affordable housing developments (23 affordable housing developments sites), with both 9% and 4% LIHTC's). <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 - 2018 affordable housing units of which 1206 units (59%) were located in R/ECAPs and 852 units (41%) were located outside R/ECAPs.</li> </ul> City preserves affordable housing where it currently exists and works to build new affordable housing where there is no construction. * Preservation of affordable housing: 95% of the LIHTC New Construction - 7% of new units built outside R/ECAPs. EPD Planning Staff is working with Grounded Network 50 unions 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>1</sup> During 2006-2015, St. Paul financed 21 developments with LIHTC (4% or 9%). Midwestern Building and Commerce Building received 2018 9% and 4% Credits. TWV had three projects sites that are located in two distinct neighborhoods.  
<sup>2</sup> St. Albert's Park and River Pointe Units, although within R/ECAPs are located on boundaries lines of R/ECAPs.

No.	Recommendation	Pair Housing Addressed	Time-Frame	Geographic	Current: St Paul actions	Future St Paul Actions	Council Action
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) Combine 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, siting, 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	Fertile Grounds and Suburbs	<p>1) ISF 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>2) The City Council's Locational Choice Policy and the Saint Paul HRM's LHHC Selection Priority Process encourage economic integration citywide (i.e. Handlue Station was constructed in an ISF non-impacted census tract &amp; Port 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> <ul style="list-style-type: none"> <li>1. Sec. 63.201: Off-street parking exempts the B4 and B5 districts (Crownlow 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 - T6) when located within 1/4 mile of University Avenue. This section also refers to parking reductions allowed for through shared parking (Sec. 63.205(d)), bicycle parking (Sec. 63.201(b)), and shared vehicle parking (63.221).</li> </ul> <p>As part of major transit upgrades (Green Line, Gold Line, and A Line), the City will build increased transit near station areas &amp; transit corridors.</p> <p>The Saint Paul City Council's Affordable Housing Policy requires an 18% requirement for city-financed rental projects have 10% of units affordable at 30% AMI and 10% units affordable at 50% AMI as a condition of receiving City financing. City's Affordable Housing Policy implements Council's directive to create affordable housing opportunities in neighborhood locations that promote easy access to jobs.</p> <ul style="list-style-type: none"> <li>• Preservation of affordable housing: 95% of the LHHC preservation units were built inside R/ECAPs and</li> <li>• New Construction: 74% of new units built outside R/ECAPs</li> </ul>		
61	<p>Monitor relevant legislative proposals (including a recent proposal by HAYEN (Housing Advances for Priority and Equity Now)), the QAP or MHA and local stakeholders, 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, transit, location of new units in areas of opportunity, income restrictions to serve extremely low-income households).</p>	Distribution of Affordable Housing	2018	MHA, Suburbs			
30	<p>Monitor relevant legislative proposals (including a recent proposal by HAYEN (Housing Advances for Priority and Equity Now)), the QAP or MHA and local stakeholders, 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, transit, location of new units in areas of opportunity, income restrictions to serve extremely low-income households).</p>	Regulations and Policies Impact Housing Development	2017	Washington County	<p>Not applicable to Saint Paul</p>		
33	<p>Revised 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.</p>	Regulations and Policies Impact Housing Development	2017	Washington County	<p>Not applicable to Saint Paul</p>		

Many of the City's affordable housing developments, such as 3700 University, Hillside Station, Garden City, Saint Albert's, and Cambie Apartments, are located along the high-frequency transit corridor.

<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 zoning and related issues.							
<b>Planning processes should be reconstructed to require and accommodate engagement that is impactful and not merely a "check the box" exercise.</b>							
No.	Recommendation	Fair Housing Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Council Action
75	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 FHC member, Saint Paul financially supported community engagement efforts to develop the final Draft of the Addendum to the AI.	City should consider testing RFP for community engagement efforts to explore robust public comments for the 2020-2025 Consolidated Plan (during Fall 2019 and Winter 2020).	
78	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 Factors Board 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.	
77	Review LBP 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 a LBP plan.	Council should request City Council Research evaluate whether City's LBP serves the need of all cultures and communication needs.	
70	Council staff resources to efforts to enhance engagement with communities of color regarding available housing programs and needs. Enforcement 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.	

Goal #7: Institute Effective and Meaningful Community Engagement							
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 impartial and not merely a "check the box" exercise.							
No.	Recommendation	Fair Housing Issues Addressed	Time-Frame	Responsible Parties	Current St Paul actions	Future St Paul Actions	Council/HRRA Action
7E	Improve coordination with school districts. Consider the impacts of affordable housing development and integration of affected schools.	Concentrated Poverty Requires Place-Based Investment	Ongoing	Enrollments	None: Quality housing and quality schools are essential to address racial inequalities. 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 of affected schools. City may consider funding outside study with Saint District.	
7E	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 housing 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.	
<p><b>Goal #8: Invest in Place-Based Community Improvements</b></p> <p>Research 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 a number of different communities simultaneously and is key to creating real change in a place and its people. The strategies described here include several different variations from which a place-based investment model can be employed.</p>							
8A	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	Enrollments	Current St Paul actions City's Consolidated Plan recognizes the needs of its citizens. 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 interventions, such as Heading Home Kenney, building of Higher Ground, developing permanent supportive housing in LHLC developments. During 2006-2015, City financed 21 LHLC affordable housing developments. 12 affordable housing developments (57%) were located in R/ECAP areas (racially/ethnically-concentrated areas of poverty areas).	City must consistently balance the public policy needs of preserving existing affordable housing in ACPSO neighborhoods and use need to construct new affordable housing in higher opportunity areas.	Council Action

Goal #8: Invest in Place-Based Community Improvements							
Focusing investment in distressed 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 a number of 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	Council Action
8B 27	Review capital improvement planning models to ensure process is informed by data on concentrated poverty and areas of low opportunity.	Concentrated Poverty: Resilient Place-Based Investment	2019	Prerequisites	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 multi-generational families, should be considered.							
No.	Recommendation	Fair Housing Issue Addressed	Time Frame	Responsible Parties	Current St. Paul Actions	Future St. Paul Actions	Council Action
9A 32	Routinely review PHA suitability standards, LHRT QAFs, and other housing program policies and occupancy standards to ensure accommodation of units for large, multi-generational families.	Multigenerational Values on Neighborhoods and Housing	Ongoing annually, beginning 2018	Subsidiaries PHAs HRAs Encouragements	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 may want to consider expanding LHRT Case Selection Priority points to affordable housing that offers large-sized (50+ sq) units. The City could target its new Rental Rehab program on larger-sized duplex properties.	
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	Encouragements, Subsidies, PHAs, HRAs	DSI continues to evaluate all documents from a plain language perspective. An appointment letter updates its Updated Fire Safety website "Residence" 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 project. Made on DSI website to allow tenants and landlords to see the letter prior to 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 process citywide.	

No.	Recommendation	Fair Housing Issue Addressed	Time Frame	Responsible Parties	Current St. Paul actions	Future St. Paul Actions	Council Action
36-44	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	PHIC	Current St. Paul actions	Future St. Paul Actions 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 Council Action
<p><b>Goal #16: 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 enforcing a recommendation for a region-wide program of fair housing testing to document 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 subdivided 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.</p>							
100-37	Continue dialogue between code enforcement and welfare agencies, and housing rehabilitation programs to discuss linkages that would provide assistance to tenants living in substandard conditions.	Displacement Issues a Loss of Affordable Housing	2018	Enforcement Parties	DSI had meetings with the community as part of our Rental Equity Impact Assessment for the Five 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 "HomesCall" which works with DSI and residents living in substandard conditions.	Future St. Paul Actions	Council Action

**Goal #9: Support Multicultural Housing Needs**  
 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 other non-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 multi-generational families, should be considered.



**Goal #10: Support Residents' Fair Housing Rights**

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 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 realm 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 WG Issued/Addressed	Time-Frame	Responsible Parties	Current St. Paul actions	Future St. Paul actions	Council Action
10B 38	Review local code enforcement departments are created 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	Enforcement Cities	DSI is partnering with the Office of Technology and Communication to fully implement the See-Click-Fix complaint 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. Complaints will automatically be made aware of all inspection resolutions 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 evictor. Poster could be helpful.	Fair Housing Enforcement and Education is Needed	2018	PHIC (Partners: MMJA, SMRS, HOME Line)	With PHIC funding, HousingLink made fair housing video in English, Spanish, Hmong, and Somali.	City should work with PHIC 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	PHIC (Partners: SMRS, MMJA)	In past years, PHIC awarded grant funds to Affordable Housing Connections (AHC) to provide fair housing training to frontline PHIC 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.	PHIC will consider fair housing testing initiatives contingent upon available funds.	
10E	Review affirmative marketing plans and enact as new appropriate policies or provisions that ensure non-discrimination in the lease of publicly-subsidized rental housing.	Fair Housing Enforcement and Education is Needed	2019	Enforcements			



## City of Saint Paul HOME Resale/Recapture Criteria

HOME requires that HOME-assisted housing have “continued affordability” for a period of years (the continued affordability period), and these continued affordability periods for HOME-assisted ownership and rental properties are shown in the table, below.

HOME Investment, per-unit	Affordability/Compliance Period
Less than \$15,000	5 years
\$15,000 to \$40,000	10 years
More than \$40,000	15 years
Rental New Construction	20 years

### HOMEOWNERSHIP HOUSING

#### Overview

The continued affordability period for homeownership housing is enforced through resale and recapture requirements of the HOME Regulations, specifically 24 CFR §92.254.

To determine the amount of HOME funds invested in the unit, you must determine whether you are providing a “development subsidy,” or a “direct subsidy.”

#### Subsidy Types

**A direct subsidy** consists of any financial assistance that reduces the purchase price of a property from fair market value to an affordable price, or otherwise directly subsidizes the purchase. The amount of the direct subsidy determines the minimum affordability period.

Examples of direct subsidies would include downpayment assistance or a reduction in the purchase price to less than the lower of total development cost or market value.

**A development subsidy** is the amount of the HOME funds that are invested in the property that exceed the fair market value at the time of sale to a homebuyer. The amount of the development subsidy in and of itself is irrelevant to the minimum affordability period. But when there is a development subsidy, the continued affordability period is determined by the total amount of HOME funds that were invested in the property, either temporarily or permanently. For example, if \$100,000 of HOME funds are invested in a property, the development subsidy is \$100,000, regardless of whether or not the buyer obtained financing that paid back part or all of the HOME investment.

#### Resale or Recapture?

**Resale restrictions** require the homeowner to sell the property at an affordable price to buyers with income not exceeding 80% of AMI for the period of continued affordability, while at the same time ensuring that the owner/seller receives a fair return on their investment. Resale may be employed when the subsidy provided is either a direct or a development subsidy, or if both types of subsidies are provided.

**Recapture** permits the HOME-assisted homeowner to sell the property to **whomever** he or she wishes for **whatever** price the market will bear during the period of continued affordability, but a portion or all of the HOME assistance must be repaid which may not exceed the net proceeds of the sale. If the property ceases to be the homeowner's principal residence, then the full amount of the assistance must be recaptured.

Recapture may be employed **only when a direct subsidy** is used. The direct subsidy may be provided in conjunction with a development subsidy, in which case the affordability period is based on the direct subsidy.

**Resale**

Because the underlying financing may be repaid at any point, the resale restriction will not be recited only in a mortgage. To survive a mortgage or contract for deed satisfaction that could occur if the homebuyer sells the property or even refinances it, the resale restriction will be contained in a declaration of covenants that is also recorded against the property.

**HOME funds on Community Land Trust projects**

The process for determining fair return must include an appraisal at initial purchase and an appraisal at sale from an independent, third party appraiser. The cost of the appraisal cannot be charged to the homeowner but may be charged as a HOME administrative cost. The difference between the initial and time-of-sale appraisals represents the increase in market appreciation of the unit. The City of Saint Paul may multiply the increase in market appreciation value by a reasonable standard appreciation factor to determine the fair return to the homeowner (e.g., 25 -35%). The subsequent sales price of the unit must be based on the original purchase price plus the share of appreciation determined via the appraisals and the market appreciation factor.

Since the value of any capital improvements made by the homeowner is accounted for in the appraisal, it is not necessary for the City to undertake a separate accounting and valuation of the homeowner's capital improvements as described in CPD Notice 12-003.

HUD Example:

\$150,000	- current sale appraisal	
-\$100,000	- initial purchase price	
<u>\$50,000</u>	= market appreciation	
<u>\$50,000</u>	- market appreciation	
X 25%	- PJ's determined reasonable standard appreciation	
<u>\$12,500</u>	= fair return to homeowner	
\$100,000	- Initial purchase price	
<u>+ \$12,500</u>	- fair return to homeowner	
\$112,500	= subsequent sales price to new homebuyer	

The City of Saint Paul does not buy down the appraised price. The subsequent sales price is the purchase price for the subsequent homebuyer. Buying down the appraised price would mean using additional HOME funds in the unit and providing the original homeowner with more than the calculated

fair return. If the City of Saint Paul is concerned about influencing the local market, it could increase the standard appreciation factor to provide a greater return to the homebuyer and ensuring that the subsequent sales price is closer to market rates - still needs to be affordable to a reasonable range of low-income homebuyer though. Note: that the subsequent homebuyer may require additional HOME assistance to purchase unit. The City of Saint Paul underwriting would dictate how much assistance, if any, is needed.

## **RENTAL HOUSING**

### **How to Determine the per-unit HOME Investment**

The per unit investment of HOME funds is dependent on the amount of HOME funds invested in the project relative to other funding sources, and the number of units that are reserved for occupancy by HOME income-eligible tenants paying HOME qualified rents.

- If a structure contains one housing unit, the HOME investment is the amount of HOME funds.
- If a structure contains two housing units, at least one of the units must be occupied by and restricted for occupancy by an HOME income-eligible tenant paying HOME-qualified rent, in which case the per-unit investment of HOME funds is the total HOME investment in the property. If both units are occupied and restricted for HOME income eligible tenants paying HOME-qualified rents, the per-unit investment is the average of HOME investment over the two units.
- If a structure contains three or more housing units, the proportion of units occupied by low, moderate and middle income households must be equal to or greater than the proportion of the total project development costs borne by HOME funds. Thus, if HOME funds represent 50% of the total development costs for a project, then at least 50% of the units must be occupied by low, moderate and middle income persons upon completion and occupancy. If HOME funds are the sole funding source for a project, then all units must be occupied by low, moderate and middle income persons.
- If a HOME Funded homebuyer buys a foreclosed fourplex, where the owner will live in one unit, and HOME funds represent 60% of the acquisition and rehabilitation costs, then 2 of the 3 rental units must be occupied by income eligible tenants in addition to the homebuyer; but if HOME funds were no more than 25% of the total costs, then none of the rental units need be occupied by income eligible tenants.

### **Enforcement Mechanisms**

The mechanisms to enforce continued affordability for home ownership or rental housing are promissory notes, grant agreements, and documents recorded against the property, such as declarations of covenants and mortgages. Refer to the HOME Regulations, specifically 24 CFR §92.252 (a), (c), (e), and (f), which apply to The City of Saint Paul's HOME program for rental housing.



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 St. 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.

**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.

### **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.

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.

#### **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.

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.

#### 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

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, GFCI 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 gutted 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 & Sprinkler Systems shall be installed and maintained to comply with relevant provisions in the 2007 Minnesota State Fire Code.

Fire Alarm & 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, & 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.

##### **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.

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.

#### **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.



**City of Saint Paul, Minnesota**  
**Residential Antidisplacement and Relocation Assistance Plan**

**1. Steps Taken to Minimize Displacement:**

(i) - 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 Investments Partnership 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:**

(i)-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 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 year before the City submits its replacement plan to HUD, and ending three 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 10 years from the date of initial occupancy.

(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 30 days to provide HUD additional information supporting or opposing the request.

**CITY OF SAINT PAUL, MINNESOTA  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
SUBSTANTIAL AMENDMENTS TO THE CONSOLIDATED PLAN**

In accordance with 24 CFR 91.505, the City of Saint Paul has developed the criteria to be used to determine what changes in the Community Development Block Grant (CDBG) program constitute a substantial amendment, and therefore require an amendment to the City's Consolidated Plan. These basic criteria have been incorporated since the beginning of the CDBG program, 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 Section of the City of Saint Paul has determined that the following actions will be considered substantial amendments to the CDBG program:

- The addition of a project not described in the Consolidated Plan;
- 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 greater than \$50,000.00 and also exceeds 25 percent of the amount appropriated for the project;
- A change in 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.



**CITY OF SAINT PAUL, MINNESOTA  
EMERGENCY SOLUTIONS GRANT  
HUD FY2018 ACTION PLAN**

Information regarding the 2018-2019 Action Plan

Please call Joe Collins, Saint Paul Planning and Economic Development at 651-266-6020 or [joe.collins@ci.stpaul.mn.us](mailto:joe.collins@ci.stpaul.mn.us)

**Table 3**  
**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant

**Project Description**

The City will use Emergency Solutions Grant funding for homeless prevention, operating costs of shelters, essential services, rapid rehousing (rental assistance, case management, data collection) and ESG administration. The allocation process for the upcoming ESG funds will occur in late summer or early fall when an RFP will be published and also sent to providers of homeless services. All applicants are required to provide a 1 to 1 match, which consists of foundation, private sector, State or local funding. The total ESG amount is an estimate based upon prior year funding. Final allocations may be adjusted based upon final HUD allocation.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:     Availability/Accessibility    Affordability    Sustainability

**Location:** Community Wide

<b>Objective Number</b> Housing 4 Homeless 1 - 4	<b>Project ID</b> 14	<b>Funding Sources:</b> CDBG
<b>HUD Matrix Code</b> 03C	<b>CDBG Citation</b> 570.201(C)	ESG            \$571,420
<b>Type of Recipient</b> Recipient	<b>CDBG National Obj.</b>	HOME HOPWA Total Formula    \$571,420
<b>Start Date</b> 01/01/18	<b>Completion Date</b> 12/31/18	Prior Years Funding Assisted Housing
<b>Performance Indicator</b> Number of Persons Served	<b>Annual Units</b> 3,000 Persons	PHA Other Funding
<b>Local ID</b>	<b>Units Upon Completion</b> 3,000 Persons	<b>Total</b> <b>\$571,420</b>

The primary purpose of this project is to help homeless residents.

**Table 3**

**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant – Street Outreach

**Project Description**

The City may use Emergency Solutions Grant funding for street outreach to homeless youth and/or homeless adults with mental health challenges who are living outside. The allocation process for the upcoming ESG will occur during late summer or early fall when RFP will be published and sent to homeless services. ESG requires a 1 to 1 match so that applicants must provide 1 to 1 match by securing funds from foundations, the private sector, State funds, or local funds. Overall the 1 to 1 match may also be recognized within the total ESG program.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:  Availability/Accessibility    Affordability    Sustainability

**Location:** Community Wide

<b>Objective Number</b> Housing 4 Homeless 1 – 4	<b>Project ID</b> 14	<b>Funding Sources:</b> CDBG
<b>HUD Matrix Code</b> 03C	<b>CDBG Citation</b> 570.201(C)	ESG                    \$41,020
<b>Type of Recipient</b> Sub-recipient	<b>CDBG National Obj.</b>	HOME HOPWA
<b>Start Date</b> 01/01/18	<b>Completion Date</b> 12/31/18	Total Formula        \$41,020 Prior Years Funding Assisted Housing
<b>Performance Indicator</b> Number of Persons Served	<b>Annual Units</b> Outreach to approximately 100 persons	PHA Other Funding
<b>Local ID</b>	<b>Units Upon Completion</b> Outreach to approximately 100 persons	<b>Total (max allocation) \$41,020</b>

The primary project purpose assists homeless residents.

**Table 3**

**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant – Emergency Shelter Operations

**Project Description**

The City will use Emergency Solutions Grant funding for operating costs of emergency shelter and transitional housing. The allocation process for the upcoming ESG will occur during late summer or early fall when RFP will be published and sent to homeless services. ESG requires a 1 to 1 match so that applicants must provide 1 to 1 match by securing funds from foundations, the private sector, State funds, or local funds. Overall the 1 to 1 match may also be recognized within the total ESG program.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:  Availability/Accessibility    Affordability    Sustainability

Location: Community Wide

<b>Objective Number</b>	<b>Project ID</b>	<b>Funding Sources:</b>	
Housing 4 Homeless 1 – 4	14	CDBG	
<b>HUD Matrix Code</b>	<b>CDBG Citation</b>	ESG	\$279,400
03C	570.201(C)	HOME	
<b>Type of Recipient</b>	<b>CDBG National Obj.</b>	HOPWA	
Sub-recipient		Total Formula	\$279,400
<b>Start Date</b>	<b>Completion Date</b>	Prior Years Funding	
01/01/18	12/31/18	Assisted Housing	
<b>Performance Indicator</b>	<b>Annual Units</b>	PHA	
Number of Persons Served	2000 persons	Other Funding	
<b>Local ID</b>	<b>Units Upon Completion</b>	<b>Total (estimated)</b>	<b>\$279,400</b>
	2000 persons		

The primary project purpose assists homeless residents.

**Table 3**

**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant – Homeless Prevention Component

**Project Description**

The City will use Emergency Solutions Grant funding for homelessness prevention component. The allocation process for the upcoming ESG will occur during late summer or early fall when RFP will be published and sent to homeless services. ESG requires a 1 to 1 match so that applicants must provide 1 to 1 match by securing funds from foundations, the private sector, State funds, or local funds. Overall the 1 to 1 match may also be recognized within the total ESG program.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:  Availability/Accessibility    Affordability    Sustainability

**Location:** Community Wide

Objective Number	Project ID	Funding Sources:	
Housing 4 Homeless 1 – 4	14	CDBG	
<b>HUD Matrix Code</b>	<b>CDBG Citation</b>	ESG	\$85,000
03C	570.201(C)	HOME	
<b>Type of Recipient</b>	<b>CDBG National Obj.</b>	HOPWA	
Sub-recipient		Total Formula	\$85,000
<b>Start Date</b>	<b>Completion Date</b>	Prior Years Funding	
01/01/18	12/31/18	Assisted Housing	
<b>Performance Indicator</b>	<b>Annual Units</b>	PHA	
Number of Households Served	100 households (approximately)	Other Funding	
<b>Local ID</b>	<b>Units Upon Completion</b>	<b>Total Estimated</b>	<b>\$85,000</b>
	100 households (approximately)		

The primary project purpose assists at-risk of being homeless residents.

**Table 3**

**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant – Rapid Rehousing Program Component

**Project Description**

The City will use Emergency Solutions Grant funding for rapid rehousing program. The allocation process for the upcoming ESG will occur during late summer or early fall when RFP will be published and sent to homeless services. ESG requires a 1 to 1 match so that applicants must provide 1 to 1 match by securing funds from foundations, the private sector, State funds, or local funds. Overall the 1 to 1 match may also be recognized within the total ESG program.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:     Availability/Accessibility    Affordability    Sustainability

**Location:** Community Wide

<b>Objective Number</b>	<b>Project ID</b>	<b>Funding Sources:</b>
Housing 4 Homeless 1 – 4	14	CDBG
<b>HUD Matrix Code</b>	<b>CDBG Citation</b>	ESG                    \$125,000
03C	570.201(C)	HOME
<b>Type of Recipient</b>	<b>CDBG National Obj.</b>	HOPWA
Sub-recipient		Total Formula            \$125,000
<b>Start Date</b>	<b>Completion Date</b>	Prior Years Funding
01/01/18	12/31/18	Assisted Housing
<b>Performance Indicator</b>	<b>Annual Units</b>	PHA
Number of Households Served	Approximately 100 households	Other Funding
<b>Local ID</b>	<b>Units Upon Completion</b>	<b>Total (approximately) \$125,000</b>
	Approximately 100 households	

The primary project purpose assists homeless residents.

**Table 3**

**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant – Administration

**Project Description**

The City will use Emergency Solutions Grant funding for administration of the Emergency Solutions Grant Program.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:  Availability/Accessibility    Affordability    Sustainability

**Location:** Community Wide

<b>Objective Number</b> Housing 4 Homeless 1 – 4	<b>Project ID</b> 14	<b>Funding Sources:</b> CDBG	
<b>HUD Matrix Code</b> 03C	<b>CDBG Citation</b> 570.201(C)	ESG	\$30,000
<b>Type of Recipient</b> Recipient	<b>CDBG National Obj.</b>	HOME	
		HOPWA	
		Total Formula	\$30,000
<b>Start Date</b> 01/01/18	<b>Completion Date</b> 12/31/18	Prior Years Funding	
		Assisted Housing	
<b>Performance Indicator</b> Number of Persons Served	<b>Annual Units</b> Approximately 3000 people will be served.	PHA	
		Other Funding	
<b>Local ID</b>	<b>Units Upon Completion</b> Approximately 3,000 persons will be served.	<b>Total (estimated)</b>	<b>\$30,000</b>
		(less than allowable 7.5% of overall grant award)	

The primary project purpose assists homeless residents.

**Table 3**

**Consolidated Plan Listing of Projects**

**Applicant's Name** City of Saint Paul, MN  
**Priority Need** Homeless  
**Project Title** Emergency Solutions Grant – HMIS Component

**Project Description**

The City will use Emergency Solutions Grant funding for HMIS component for the Emergency Solutions Grant Program.

Objective Category: Suitable Living Environment     Decent Housing    Economic Opportunity

Outcome Category:  Availability/Accessibility    Affordability    Sustainability

**Location:** Community Wide

<b>Objective Number</b> Housing 4 Homeless 1 – 4	<b>Project ID</b> 14	<b>Funding Sources:</b> CDBG
<b>HUD Matrix Code</b> 03C	<b>CDBG Citation</b> 570.201(C)	ESG                 \$11,000
<b>Type of Recipient</b> Sub-recipient	<b>CDBG National Obj.</b>	HOME HOPWA
<b>Start Date</b> 01/01/18	<b>Completion Date</b> 12/31/18	Total Formula         \$11,000 Prior Years Funding
<b>Performance Indicator</b> Number of Persons Served	<b>Annual Units</b> Approximately 3,000 persons entered into HMIS	Assisted Housing PHA
<b>Local ID</b>	<b>Units Upon Completion</b> Approximately 3,000 persons entered into HMIS	Other Funding <b>Total (estimated) \$11,000</b>

The primary project purpose assists homeless residents.



**CITY OF SAINT PAUL  
2018-2019 EMERGENCY SOLUTIONS GRANT PROGRAM – ACTION PLAN**

**OVERVIEW:** For HUD FY 2018-2019, the City will allocate its Emergency Solutions Grant (ESG) funds to agencies that provide homeless prevention services, emergency shelter facilities, transitional housing, rapid rehousing services, counseling services, street outreach services, and data collection. The ESG funds will be awarded after the proposals are reviewed by the City with consultation with Ramsey County Continuum of Care (COC) Coordinator, Ramsey County COC Governing Board, City Council, and Mayor's Administration. In general, approximately 18 community agencies that serve Saint Paul residents who are homeless or at-risk of being homeless apply annually for ESG funds for which the City Council considers for final approval. In consideration of HUD national objectives, the City's Emergency Solutions Grant Program (2018) places additional emphasis on street outreach – especially to homeless residents sleeping in downtown skyways or Metro Transit.

During HUD FY 2018, the City partners with Ramsey County to implement the County's Continuum of Care program which provides homelessness prevention and rapid rehousing services to homeless single adults, homeless families, and homeless youth. The County (and City when necessary) staff will participate with the Ramsey County Continuum of Care (COC) Coordinator and community agencies to implement a coordinated entry and coordinated assessment for single adults and homeless youth, when appropriate. Furthermore, the City participates with the Ramsey County COC Governing Board, and Ramsey County FIAP Committee to implement *Heading Home Ramsey* – a comprehensive plan to end homelessness in Ramsey County.<sup>1</sup>

At the same time, the City owns the Saint Paul Residence which provides 120 units of support housing, including 60 units for chronically-inebriated residents. Minnesota Housing and City staff also work with Catholic Charities to seek financing for the new Dorothy Day Center Higher Ground-Phase 2 facility, which will have an "Opportunity Center" and permanent supportive housing that can respond to the increasing service demands of homeless residents using the Dorothy Day Center.

Throughout the HUD year, the City supports innovative programs that serve homeless residents with mental illness. As an example, in past years, the Saint Paul Police Department worked with Listening

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<sup>1</sup> *Heading Home Ramsey* called for the creation of 670 units of permanent supportive housing in Saint Paul by 2010. By December 2011, the City and its funding partners achieved its goal by financing 738 supportive housing, including new construction or rehabilitation (375 units), securing additional 349 rental assistance/vouchers and operating subsidy for 14 supportive housing units. Nonetheless, the viability of the *City/County Plan to End Long-Term Homelessness* is remains dependent upon receiving rental assistance funds from HUD. Without such federal funds, the City has limited ability to support this federal initiative to serve chronically homeless citizens.

House and South Metro Human Services to develop police services responsive to homeless residents with mental illness. One result of the community forum discussions was the Central Library offer community space once a week so that community agencies can meet downtown homeless residents in at the Downtown Saint Paul Central Library during the day.

As the ESG administrator, the City supports the participation of homeless residents on various issues and projects, such as the Ramsey COC and the Family Homelessness Prevention Assistance Program (FHPAP) Committee. It is encouraging to see formerly-homeless residents become empowered by their ongoing participation with these committees.

Finally, it should be noted that CDBG funds are allocated to the Block Nurse and Neighborhood Non-Profit programs which provide assistance for homeless persons as well as persons with special needs. Moreover, the City is fortunate to have the Health Care for the Homeless (HCH) clinics that generally serve approximately 3500 unduplicated homeless residents annually at eight shelter and drop-in centers in Saint Paul. This program receives federal grant funds allocated from the Stewart McKinney-Bruce Vento Act to End Homelessness. The Health Care for the Homeless remains an essential service for our homeless residents. Moreover, Catholic Charities' Dorothy Day Center Higher Ground now has medical respite designated housing units to assist emergency shelter residents who are "medically-compromised."

#### **2018-2019 ESG § 576.100 General provisions and expenditure limits.**

For HUD FY 2018, the City of Saint Paul will allocate its ESG funds to five program components street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS; as well as administrative activities. The five program components and the eligible activities that may be funded under each are set forth in 24 CFR §576.101 through §576.107. Eligible administrative activities are set forth in 24 CFR §576.108.

Under § 576.100(b) the total amount of the recipient's fiscal year grant that may be used for street outreach and emergency shelter activities cannot exceed the greater of:

- (1) 60 percent of the recipient's fiscal year grant totaling \$342,842; or
- (2) The amount of Fiscal Year 2010 ESG grant was \$350,982.
- (3) The City will allocate up to 60% of its fiscal year grant to street outreach and emergency shelter activities.

Under § 576.100(c), the total amount of ESG funds for administrative activities will not exceed 7.5 percent of the recipient's fiscal year grant.

## 2018-2019 ESG STREET OUTREACH COMPONENT

Pursuant to C.F.R. §24.576.102., the City's ESG funds may be used for street outreach if provided to homeless youth or homeless single adults who live outside and have mental health challenges. The maximum allocation for street outreach will be \$41,020 for HUD FY 2018.

Sub recipients that request ESG funds for street outreach must comply with C.F.R. §24.576.101, as follows:

- (a) *Eligible costs.* Subject to the expenditure limit in §576.100(b), ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term "unsheltered homeless people" means individuals and families who qualify as homeless under paragraph (1)(i) of the "homeless" definition under §576.2. The eligible costs and requirements for essential services consist of:
  - (1) *Engagement.* The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities may include initial needs assessment, eligibility assessment; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting homeless residents to appropriate services, including mainstream social services and housing programs, such as emergency shelter, community-based services, permanent supportive housing, and rapid re-housing programs. Eligible costs may include the cell phone costs for street outreach workers during the performance of these activities.
  - (2) *Case management.* The cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Eligible services and activities are as follows: using the centralized or coordinated assessment system; conducting the initial evaluation required under §576.401(a), including verifying and documenting eligibility; counseling; coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning for permanent housing stability.
  - (3) *Transportation.* The transportation costs of travel by outreach workers or other service providers are eligible, provided travel occurs during the provision of eligible services. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible.

- (4) *Services for special populations.* ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs (a)(1) through (a)(3) of this section.
- (b) *Minimum period of use.* The sub-recipient must provide services to homeless individuals and families for the period during which ESG funds are provided.
- (c) *Maintenance of effort.* The City's ESG funds will not be used to replace funds the local government provided for street outreach and emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit.

**2018-2019 ESG EMERGENCY SHELTER COMPONENT**

In recognition of the local needs, the City's 2018-2019 ESG funds places a high priority on paying operational costs for emergency shelters (homeless adults, homeless families, and homeless youth), and transitional housing (homeless women and homeless families) operations. Consequently, the City ESG allocates \$279,400 for its ESG shelter component. That said, during 2018, the City will not allocate ESG funds for rehabilitations, conversions or building renovations. Sub-recipients requesting ESG funds for emergency shelter and essential services must comply with C.F.R. §24.576.102, as follows:

- (a) *General.* Subject to the expenditure limit in §576.100(b), ESG funds may pay for providing essential services to homeless families and individuals in emergency shelters and operating costs emergency shelters, including transitional housing.
- (b) *Essential services* may include case management, including using the centralized or coordinated assessment system. However, it must be noted that the Ramsey County and community agencies have developed coordinated assessment for families (funded with State of Minnesota funds). This coordinated assessment process includes screening, initial evaluation, and diversion. At this time, Ramsey County COC and community services providers are implementing the coordinated assessment process for homeless individuals and homeless youth – still being contingent upon availability of funding. As necessary, coordinated assessment will include more intensive evaluation in order to provide referral to emergency shelter or other community services. Eligible activities could include:
  - (1) Conducting the initial evaluation required under §576.401(a), including verifying and documenting eligibility;
  - (2) Counseling;
  - (3) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
  - (4) Monitoring and evaluating program participant progress;
  - (5) Providing information and referrals to other providers;

- (6) Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
- (7) Developing an individualized housing and service plan, including planning a path to permanent housing stability.

(c) *Shelter operations.* For HUD FY2018, Saint Paul ESG funds may pay eligible operating costs of emergency shelters or transitional housing, such as maintenance costs (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. NOTE: The ESG-Emergency Shelter Program Component is essential to the Heading Home Ramsey Plan. Therefore, in consultation with Ramsey County Continuum of Care and Saint Paul homeless service providers, the City places a high priority of allocating ESG funds for emergency shelter operations. Additionally, the City recognizes that the new Saint Paul Higher Ground facility – the major emergency shelter – provides more housing services within its facility. Consequently, ESG recognizes that Saint Paul’s Higher Ground has higher operational costs.

As part of the ESG – Emergency Shelter Component, Saint Paul ESG may also pay for the transportation costs of a program participant's travel for medical care, employment, child care, or other eligible essential services. Transportation costs may include cost of a program participant's travel on public transportation; service worker's transportation costs to visit program participants; or operating costs, such as cost of gas, insurance, taxes, and maintenance for the vehicle as necessary to transport program participants and/or staff serving program participants. Additionally, transportation costs may include the costs to transfer shelter beds and equipment to faith-based institutions that are participating with Project Home which provides overnight emergency shelter for homeless families.

*Prohibition against involuntary family separation.* The age of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses Emergency Solutions Grant (ESG) funding or services and provides shelter to families with children under age 18.

- (c) *Non-funded costs for Saint Paul ESG.* In response to local needs, the City's ESG funds will not pay for costs incurred for day care, education services, employment assistance, job training, outpatient health services, life skills training, mental health services, mental health services, or substance abuse treatment services.

*Minimum period of use.* Where ESG funds are used solely for essential services or shelter operations, the sub-recipient must provide services or shelter to homeless individuals and families for the period during which ESG funds are provided. The sub-recipient does not need to limit these services or shelter to a particular site or structure, so long as the site or structure serves the same type of persons originally served with the assistance or serves homeless persons in the same area where the sub-recipient originally provided the services or shelter.

## **HUD YR 2018-2019 ESG HOMELESSNESS PREVENTION ASSISTANCE**

Pursuant to C.F.R. §24 576.103, the City's ESG funds may pay for homelessness prevention, such as housing relocation and stabilization services, short-term rental assistance, and medium-term rental assistance, utility default payment, and legal services as necessary to prevent individuals or families from moving into emergency shelters or other place as described in paragraph 1 of the "homeless" definition of C.F.R. §24 576.2. For 2018, the City's ESG will allocate \$85,000 for homelessness prevention initiatives.

Homelessness prevention assistance may be provided to individuals or families who meet the criteria under the "risk of being homelessness" as defined in C.F.R. §24 576.2 or who meets the criteria under paragraph (2), (3) or (4) of the "homeless" definition in C.F.R. §24 576.2 and have incomes at or below 30% of AMI as determined by HUD.

In general, Saint Paul ESG funds – Homelessness Prevention Component will be used for default rental payments, default utility payments, first month's rent payment, rental deposits or legal costs provided by Legal Aid as necessary to prevent eviction or building condemnations which could result in homelessness. Legal services may also be used to represent homeless residents who may challenge the Coordinated Entry procedures established to access to shelter.

The costs of homelessness prevention activities are only eligible to the extent that homelessness prevention assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing and stabilization services requirements in C.F.R. §24 576.05, the short-term and medium rental assistance in C.F.R. §24 576.106, and the written standards and procedures established under C.F.R. §24 576.400.

### **RISK FACTORS FOR DETERMINING ELIGIBILITY- PREVENTION ASSISTANCE.**

Sub-recipients will use the guidelines to identify risk factors and determine whether homelessness prevention assistance is the appropriate ESG response to assist at-risk individuals or families from entering emergency shelters and requiring higher use of emergency crisis community resources.

Case managers will target ESG homelessness prevention services to program participants at or below 30% of area median income and who are most likely to become homeless without ESG homelessness prevention assistance. Additionally, case managers will target to households who are in the most of need of temporary assistance and most likely to achieve stable housing. Case managers will use the Screening tool to consider risk factors of individuals or families with Level 1 (minimum barriers) and Level 2 (moderate barriers) to maintaining housing.

In determining eligibility for homelessness prevention assistance, case managers may also consider other risk factors, such as:

1. Eviction within 2 weeks from a private dwelling (including housing provided by family or friends);
2. Residency in housing that has been condemned and is no longer meant for human habitation;
3. Sudden and significant loss of income;
4. Sudden significant increase in utility costs;
5. Mental health and substance abuse issues;
6. Physical disabilities and other chronic health issues, including HIV/AIDS;
7. Severe housing cost burden (greater than 50 percent of income for housing costs); homeless in last 12 months;
8. Young head of household (under 25 with children or pregnant);
9. Current or past involvement with child welfare, including foster care;
10. Pending foreclosure of rental housing;
11. High overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size);
12. Past institutional care (prison, treatment facility, hospital);
13. Recent traumatic life event, such as death of a spouse or primary care provider;
14. Recent health crisis that prevented the household from meeting its financial responsibilities;
15. Credit problems that preclude maintaining stable housing; or
16. Significant amount of medical debt.

#### **ELIGIBLE POPULATION (C.F.R. §24.576.2) – HOMELESSNESS PREVENTION**

*At risk of homelessness means:*

- (1) An individual or family who:
  - (i) Has an annual income below 30 percent of median family income for the area median income (AMI) area as determined by HUD;
  - (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in this section; and
  - (iii) Meets one of the following conditions:
    - (A) Has moved because of economic reasons two or more times during the sixty (60) days immediately preceding the application for homelessness prevention
    - (B) Is living in the home of another because of economic hardship
    - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance
    - (D) Lives in a hotel or motel and the cost of the hotel and motel stay is not paid or living situation will be terminated within 21 days after the date of application for assistance;

- (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons per room, as defined by U.S. Census Bureau;
  - (F) Is existing a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
  - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.
- (2) A child or youth who does not qualify as "homeless" under this definition, but qualifies under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637(11) of the Head Start Act (42, U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), Section 330(h)(5)(A) of the Public Health Services Act (42 U.S.C. 254(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7, U.S.C 2012(m)), section 17(b)(15) of the Child Nutrition Act of 1966 (42, U.S.C. 1786(b)(15))
- (3) A child or youth who does not qualify as "homeless" under this definition, but qualifies under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a (2)), and the parent(s) or guardian(s) of the child or youth if living with him or her. OR
- (4) An individual or family who will imminently lose their primary nighttime residence, provided that:
- (i) The primary nighttime residence will be lost within 14 days of the date of the application for homeless assistance;
  - (ii) No subsequent residence has been identified; and
  - (iii) The individual or family lacks the resources or support networks, e.g. family, friends, faith-based or other social networks needed to obtain other permanent housing;
- (5) Any individual or family who:
- (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence against the individual or family member, including a child Is fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
  - (ii) Has no other residence; and
  - (iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing

#### **ELIGIBLE ACTIVITIES**

1. The City's ESG funds may pay for homelessness prevention assistance, such as short-term rental assistance (one month's rent), rental application fees, rental arrears costs (one month's rent, and related fees), unlawful detainer court fees, rental payment late fees, security deposits, utility deposits, utility payment assistance, reasonable moving costs, case management costs, and related costs of sub-recipient to provide such services (if not paid under other subsections).



2. Sub-recipients must not make payments directly to program participants, but only to third parties, such as landlords or utility companies.

**HUD FY2018 ESG RAPID RE-HOUSING ASSISTANCE COMPONENT.**

ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible from an emergency shelter into permanent housing and achieve stability in that housing. This rapid re-housing assistance, may be provided to program participants who meet the criteria under paragraph (1) of the "homeless" definition in §576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition. The rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization services requirements in §576.105, the short- and medium-term rental assistance requirements in §576.106, and the written standards and procedures established under §576.400. For HUD FY2018, the City ESG will allocate \$125,000 for rapid rehousing initiatives.

**ELIGIBLE PROGRAM PARTICIPANTS – RAPID RE-HOUSING:**

For 2018, ESG rapid re-housing assistance may assist extremely low-income adults, families, and youth/young adults who meet the criteria of "homeless" as defined in CFR 24, §576.2, as follows:

- (1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - (i) An individual or family with 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, including a car, park, abandoned building, bus or train station, airport or camping ground;
  - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
  - (iii) An individual who is exiting an institution where he or she resided for ninety (90) days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
- (2) An individual or family who will imminently lose their primary nighttime residence, provided that
  - (i) The primary nighttime residence will be lost within 14 days of the date of the application for homeless assistance; and
  - (ii) No subsequent residences has been identified; and
  - (iii) The individual or family lacks the resources or support networks (i.e. family, friends, faith-based or social networks, needed to obtain other permanent housing

- (3) Unaccompanied youth under 25 years of age, or families with children and youth who do not otherwise qualify as homeless but who
- (i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42, U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), Section 330 (h) of the Public Health Services Act (42 U.S.C. 254(h)), section 3 of the Food and Nutrition Act of 2008 (7, U.S.C 2012), section 17(b) of the Child Nutrition Act of 1966 (42, U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
  - (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or
- (4) Any individual or family who:
- (iv) Is fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
  - (v) Has no other residence; and
  - (vi) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

## WRITTEN STANDARDS AND PROCEDURES FOR RAPID RE-HOUSING PROGRAM

See applicable provisions under §576.400.

### ELIGIBLE ACTIVITIES FOR ESG RAPID RE-HOUSING PROGRAM

Pursuant to 24 CFR §576.104 - §576.106, ESG Rapid Re-Housing Initiative has four categories of eligible activities: financial assistance, housing relocation and stabilization services, data collection and evaluation, and administrative costs. These eligible activities are intentionally focused on housing—either financial assistance for housing costs, or housing stabilization and relocation services that assist homeless residents secure housing. ESG's goal is to rapidly assist program participants gain housing stability, either by their means or by public assistance, as appropriate. ESG does not provide long-term support for program participants nor will ESG address all financial and supportive services needs of households that affect housing stability. Rather, ESG focuses on assisting homeless residents move from emergency shelters, securing housing, linking program participants to community resources and mainstream benefits, and helping them develop a plan for preventing future housing instability.

ESG case managers will meet with program participants at least monthly for the duration of the assistance. Case managers will develop individual plans to assist program participants to overcome barriers to secure permanent housing and provide assistance to stabilize occupancy after ESG assistance ends. Case manager will monitor and reevaluate program participants, as necessary.

ESG funds may be used to provide housing relocation and stabilization services, short term rental assistance and/or medium rental assistance as necessary to assist homeless individuals or homeless families move as quickly as possible out of emergency shelters into permanent housing. Rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization service requirements in 24 CFR § 576.105, the short-term rental assistance and medium rental assistance in 24 CFR § 576.106; and the written standards and procedures in 24 CFR § 576.400. ESG funds may provide the following:

1. **Financial Assistance.** ESG financial assistance is limited to the following activities: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, and moving cost assistance. Sub-recipients will not make payments directly to program participants, but only to third parties, such as landlords or utility companies.

#### *Short and Medium Term Rental Assistance (C.F.R. 24 §576.016)*

To receive either short-term or medium-term rental assistance, the following conditions must occur:

- Short-term rental assistance is assistance for up to three months of rental costs.
- Medium-term rental assistance is assistance for more than three months but not more than 24 months
- Monthly rent assistance may be \$400 for 1 bedroom; \$600 for a 2 bedroom; and \$800 for a three bedroom or larger, or an amount that sub-recipient has determined to be reasonable - especially given the tight rental market.

- No program participant may receive more than 12 months of assistance under ESG Rapid Rehousing.
- After 3 months, if program participants receiving short-term rental assistance need additional financial assistance to remain housed, they must be evaluated for eligibility for medium-term rental assistance, for a total of 12 months.
- ESG Rapid Re-housing assistance should be “needs-based,” meaning that sub-recipient should determine the amount of assistance based on the minimum amount needed to assist homeless resident secure housing.
- The rental assistance paid cannot exceed the actual rental cost, which must be in compliance with ITUD’s standard of “rent reasonableness.”
- Rental assistance payments cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program.
- Compliance with Fair Market Rents (FMR) and Rent Reasonableness; and
- For purposes of calculating rent, the rent must equal the sum of the total rent, and rental fees (excluding late fees and pet deposits), and if tenants pays separately for utilities (excluding telephone) the monthly allowance for utilities as established by the public housing authority for the area in which the housing is located; and
- Compliance with minimum habitability standards; and
- Tenant-based rental assistance (participants select housing) or project-based rental assistance (grantee selects housing that meet ESG requirements and execute rental assistance agreements with the owner with a subsidy for the unit so eligible program participants can access to the unit); and
- A standard rental agreement must be in place; and
- No rental assistance will be provided to households receiving assistance from other public source for same time period (exception: rental arrears).

Security Deposits: ESG Rapid Re-housing funds may pay security deposits, including utility deposits, for eligible program participants. In contrast to the requirements regarding rental assistance payments, security and utility deposits covering the same period of time in which assistance is being provided through another housing subsidy program are eligible as long as they cover separate cost types.

Moving Expense: ESG Rapid Re-housing funds may pay reasonable moving costs, such as truck rental.

2. Housing Relocation and Stabilization Services. Sub recipient will provide housing relocation and stabilization activities under 24.CFR §576.105. ESG Rapid Re-Housing funds may pay services that assist program participants with housing stability and placement. Each program participant may receive housing relocation and stabilization services for up to 12 months.

Subject to the general conditions under 24 C.F.R. §576.104, ESG funds may pay housing owners, utility companies, and other third parties for the following costs.

Rental Application fees: ESG funds may pay for the rental housing application fee that is charged by the owner to applicants.

Security Deposits: ESG funds may pay for a security deposit that is equal to no more than two (2) months' rent

Last month's rent: If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any three year period.

Utility Deposits: ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in paragraph (5) of this section.

Utility payments: ESG funds may pay up to six months of utility payments per program participant.

Moving Costs: ESG may pay reasonable moving costs, such as a truck rental.

Services costs: Subject to the general restrictions under 24 C.F.R. §576.104, ESG funds may pay the costs of providing the following services.

Housing Search and placement: Services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, including the following assessment of housing barriers, needs, and preferences; developing a housing search action plan outreach to and negotiations with owners; assistance with submitting rental applications and understanding leases; assessment of housing for compliance with ESG requirements for habitability, lead-based paint, and rent reasonableness; assistance with obtaining utilities and making moving arrangements; and tenant counseling.

Housing Stability Case Management: ESG funds may pay costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to assist a program participant in overcoming immediate barriers to obtaining housing. Components services and activities consist of:

- Using the centralized or coordinated assessment system when developed to evaluate individuals and families applying for rapid re-housing assistance;

-Conducting the initial evaluation required under §576.400(1)(a), including verifying and documenting eligibility, for individuals and families applying for rapid re-housing assistance;

-Counseling;

-Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;]

-Monitoring and evaluating program participants' progress;

-Providing information and referrals to other providers

-Developing an individualized housing and services plan, including planning a path to permanent housing stability; and

-Conducting re-evaluations required under §576.401(b).

Case manager will meet with participants at least monthly for the duration of the assistance (participants who are victims of domestic violence are exempt if meeting increases the risk of danger to client). Case manager will develop individualized plans to help program participants overcome immediate barriers to secure permanent housing, and provide assistance to stabilize occupancy after ESG assistance ends. Case manager will also monitor and re-evaluate program participants, as necessary.

Legal Services: ESG may pay for legal services as set forth in §576.102(a)(1)(vi) except that the eligible subject matters also include landlord/tenant matters, and the legal services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing.

Credit Repair: ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit program. This assistance does not include the payment or modification of a debt.

#### **Ineligible and Prohibited Activities**

- Financial assistance may not pay for any mortgage costs or costs needed by homeowners to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable.
- ESG funds may not pay any of the following items: construction or rehabilitation; credit card bills or other consumer debt; travel costs; food; medical or dental care and medicines; clothing and grooming; pet care; entertainment activities; work or education related materials; and cash assistance to program participants. ESG may not be used to develop discharge planning programs in mainstream institutions such as hospitals, jails, or prisons. Finally, while training

for case managers and program administrators is an eligible administrative cost as long as it is directly related to ESG Rapid Re-Housing program operations, ESG may not be used to pay for certifications, licenses, and general training classes.

- Programs may not charge fees to program participants.
- Any ESG funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are funds eligible to be issued directly to program participants.

#### **§ 576.105 HOUSING RELOCATION AND STABILIZATION SERVICES**

Pursuant to C.F.R. §24 576.103 and C.F.R. §24 576.103, ESG funds may be used for Housing Relocation and Stabilization Services. Sub-recipient will provide housing relocation and stabilization activities under 24.CFR §576.105. ESG funds may pay services that assist program participants with housing stability and placement, such as:

- (a) Financial Assistance costs: Subject to the general conditions under 24 C.F.R. §576.104, ESG funds may pay housing owners, utility companies, and other third parties for the following costs.
- (1) *Rental Application fees:* ESG funds may pay for the rental housing application fee that is charged by the owner to applicants.
  - (2) *Security Deposits:* ESG funds may pay for a security deposit that is equal to no more than two (2) months' rent or an amount that sub-recipient has determined reasonable given the existing tight rental market.
  - (3) *Last month's rent:* If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any three year period.
  - (4) *Utility deposits.* ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in paragraph (5) of this section.
  - (5) *Utility payments.* ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.
  - (6) *Moving costs.* ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant

begins receiving assistance under paragraph (b) of this section and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.

- (7) **Hotel or motel rental costs:** ESG funds may pay short-term hotel or motel costs when necessary to assist homeless families prior to securing stable housing.
- (b) **Services costs.** Subject to the general restrictions under §576.103 and §576.104, ESG funds may be used to pay the costs of providing the following services:
- (1) *Housing search and placement.* Services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
    - (i) Assessment of housing barriers, needs, and preferences;
    - (ii) Development of an action plan for locating housing;
    - (iii) Housing search;
    - (iv) Outreach and negotiation with owners;
    - (v) Assistance with submitting rental applications and understanding leases;
    - (vi) Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness;
    - (vii) Assistance with obtaining utilities and making moving arrangements; and
    - (viii) Tenant counseling.
  - 2) *Housing stability case management.* ESG funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. Component services and activities consist of:
    - (A) Using the centralized or coordinated assessment system as required under §576.400(d), to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance;
    - (B) Conducting the initial evaluation required under §576.401(a), including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid re-housing assistance;
    - (C) Counseling;



- (D) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
  - (E) Monitoring and evaluating program participant progress;
  - (F) Providing information and referrals to other providers;
  - (G) Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
  - (H) Conducting re-evaluations required under §576.401(b).
- (3) *Mediation.* ESG funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.
- (4) *Legal services.* ESG funds may pay for legal services, as set forth in §576.102(a)(1)(vi), except that the eligible subject matters also include landlord/tenant matters, and the legal services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or access to housing services; and will likely result in the program participant losing the permanent housing or access to housing services in which the program participant currently resides or uses.
- (5) *Credit repair.* ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.
- (c) *Maximum amounts and periods of assistance.* The recipient may set a maximum dollar amount that a program participant may receive for each type of financial assistance under paragraph (a) of this section. The recipient may also set a maximum period for which a program participant may receive any of the types of assistance or services under this section. However, except for housing stability case management, the total period for which any program participant may receive the services under paragraph (b) of this section must not exceed 24 months during any 3-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.
- (d) *Use with other subsidies.* Financial assistance under paragraph (a) of this section cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period of time covered by the URA payments.

**§576.106 SHORT AND MEDIUM TERM RENTAL ASSISTANCE**

Pursuant to C.F.R. §24 576.103 and C.F.R. §24 576.104, FSG funds may be used for short-term rental assistance and medium-term rental assistance. Sub-recipient will provide short-term rental assistance and medium-term rental assistance as follows:

Subject to the general conditions under §576.103 and §576.104, the recipient or sub-recipient may provide a program participant with up to 24 months of rental assistance during any 3-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.

- a) *General provisions.* Subject to the general conditions under §576.103 and §576.104, the sub-recipient may provide a program participant with up to 24 months of rental assistance during any 3-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.
  - (1) Short-term rental assistance is assistance for up to 3 months of rent.
  - (2) Medium-term rental assistance is assistance for more than 3 months but not more than 12 months of rent.
  - (3) Payment of rental arrears consists of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.
  - (4) Rental assistance may be tenant-based or project-based, as set forth in paragraphs (h) and (i) of this section.
- (b) *Discretion to set caps and conditions.* Subject to the requirements of this section, the recipient may set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, or a maximum number of times that a program participant may receive rental assistance. The recipient may also require program participants to share in the costs of rent. For the purpose of this section, the City is requiring the following conditions:

Homelessness Prevention Program and Rapid Rehousing Program

- (1) FSG Homelessness Prevention and Rapid Re-Housing assistance should be “needs-based,” meaning that case manager should determine the amount of assistance based on the minimum amount needed to assist homeless resident secure or maintain housing.
- (2) Rental assistance payments cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program.
- (3) Compliance with minimum habitability standards; and

Homelessness Prevention Program:

- (1) For the purpose of this section, "short-term" assistance is defined as one month's rent and security deposit.
- (2) For the purpose of this section, ESG funds will not pay medium-term rental assistance as a homelessness prevention strategy.

Rapid Re-Housing Programs:

To receive either short-term or medium-term rental assistance, the following conditions must occur:

- (1) For the purpose of this section, medium-term rental assistance is defined as up to 12 months.
  - (2) For FY 2017, monthly rent assistance will be up to \$400 for 1 bedroom; up to \$600 for a 2 bedroom; and up to \$800 for a three bedroom or larger, or an amount deemed sufficient to secure stable housing within the existing tight rental market.
  - (3) Program participants must be evaluated for eligibility for medium-term rental assistance after every three 3 months
  - (4) Rapid Re-Housing assistance should be "needs-based," meaning that case manager should determine the amount of assistance based on the minimum amount needed to assist homeless resident secure housing.
  - (5) Case Manager and program participant must developed an agreed-upon case management plan
- (c) *Use with other subsidies.* Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance, or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.
- d) *Rent restrictions.* (1) Rental assistance cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.
- (2) For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.

- (e) *Rental assistance agreement.* The recipient or sub-recipient may make rental assistance payments only to an owner with whom the recipient or sub-recipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the recipient or sub-recipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.
- (f) *Late payments.* The recipient or sub-recipient must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The recipient or sub-recipient is solely responsible for paying late payment penalties that it incurs with non-FSG funds.
- (g) *Lease.* Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks. For program participants living in housing with project-based rental assistance under paragraph (i) of this section, the lease must have an initial term of one year.
- (h) *Tenant-based rental assistance.* (1) A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.
  - (2) The recipient may require that all program participants live within a particular area for the period in which the rental assistance is provided.
  - (3) The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:
    - (i) The program participant moves out of the housing unit for which the program participant has a lease; (ii) The lease terminates and is not renewed; or (iii) The program participant becomes ineligible to receive ESG rental assistance.

- (i) *Project-based rental assistance.* If the recipient or sub-recipient identifies a permanent housing unit that meets ESG requirements and becomes available before a program participant is identified to lease the unit, the recipient or sub-recipient may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the following requirements:
- (1) The rental assistance agreement may cover one or more permanent housing units in the same building. Each unit covered by the rental assistance agreement (assisted unit) may only be occupied by program participants, except as provided under paragraph (i)(4) of this section.
  - (2) The sub-recipient may pay up to 100 percent of the first month's rent, provided that a program participant signs a lease and moves into the unit before the end of the month for which the first month's rent is paid. The rent paid before a program participant moves into the unit must not exceed the rent to be charged under the program participant's lease and must be included when determining that program participant's total rental assistance.
  - (3) The sub-recipient may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a program participant. When a program participant moves out of an assisted unit, the sub-recipient may pay the next month's rent, *i.e.*, the first month's rent for a new program participant, as provided in paragraph (i)(2) of this section.
  - (4) The program participant's lease must not condition the term of occupancy to the provision of rental assistance payments. If the program participant is determined ineligible or reaches the maximum number of months over which rental assistance can be provided, the sub-recipient must suspend or terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the sub-recipient may resume payments if the individual or family again becomes eligible and needs further rental assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building, provided that the other unit meets all ESG requirements.
  - (5) The rental assistance agreement must have an initial term of one year. When a new program participant moves into an assisted unit, the term of the rental assistance agreement may be extended to cover the initial term of the program participant's lease. If the program participant's lease is renewed, the rental assistance agreement may be renewed or extended, as needed, up to the maximum number of months for which the program participant remains eligible. However, under no circumstances may the sub-recipient commit ESG funds to be expended beyond the expenditure deadline in §576.203 or commit funds for a future ESG grant before the grant is awarded.
- (j) *Changes in household composition.* The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

**HMIS COMPONENT (C.F.R. 24 §576.107)**

*HMIS Data Collection:* Pursuant to 24 C.F.R. §576.107, sub-recipients will administer HMIS as required to implement ESG. The City will also work with Ramsey County COC and ESG sub-recipients to comply with future HUD guidance relating to HMIS operations. The sub-recipient may use ESG funds to pay the costs of contributing data to HMIS. HMIS costs will be limited up to three (3) percent of the grant. The City will pay data collection costs of \$11,000 to the HUD-HMIS Program Administrator which administers HMIS statewide.

*Eligible HMIS Costs:* ESG funds may pay for costs of contributing data to the HMIS as designated by Ramsey County Continuum of Care, including the costs of purchasing or leasing computer hardware; purchasing software or software licenses; purchasing or leasing equipment, including telephones, fax machines; obtaining technical support; leasing office space; paying charges for utilities and high-speed data transmission necessary to operate or contribute data to HMIS; paying costs of staff to attend HUD-sponsored and HUD-approved training on HMIS; paying staff travel costs to conduct intake; and paying HMIS participation fees.

**ADMINISTRATIVE ACTIVITIES (C.F.R. 24 §576.108)**

- a) *Eligible costs.* The City of Saint Paul may use up to 7.5 percent of its ESG grant for the payment of administrative costs related to the planning and execution of ESG activities. This does not include staff and overhead costs directly related to carrying out activities eligible under §576.101 through §576.107, because those costs are eligible as part of those activities. Eligible administrative costs include:
  - (1) *General management, oversight and coordination.* Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
    - (i) Salaries, wages, and related costs of the recipient's staff, the staff of sub-recipients, or other staff engaged in program administration. In charging costs to this category, the recipient may either include the entire salary, wages, and related costs allocable to the program of each person whose *primary* responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes *any* program administration assignments. The recipient may use only one of these methods for each fiscal year grant. Program administration assignments include the following:
      - (A) Preparing program budgets and schedules, and amendments to those budgets and schedules;
      - (B) Developing systems for assuring compliance with program requirements;
      - (C) Developing interagency agreements and agreements with sub recipients and contractors to carry out program activities;

- (D) Monitoring program activities for progress and compliance with program requirements;
- (E) Preparing reports and other documents directly related to the program for submission to HUD;
- (F) Coordinating the resolution of audit and monitoring findings;
- (G) Evaluating program results against stated objectives; and
- (H) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph (a)(1)(i)(A) through (G) of this section.

(ii) Travel costs incurred for monitoring of sub recipients;

(iii) Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and

(iv) Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.

- (2) *Training on ESG requirements.* Costs of providing training on ESG requirements and attending HUD-sponsored ESG trainings.
- (3) *Consolidated plan.* Costs of preparing and amending the ESG and homelessness-related sections of the consolidated plan in accordance with ESG requirements and 24 CFR part 91.
- (4) *Environmental review.* Costs of carrying out the environmental review responsibilities under §576.407.
- b) *Sharing requirement. (2) Territories, metropolitan cities, and urban counties.* If the recipient is a territory, metropolitan city, or urban county, the recipient may share its funds for administrative costs with its sub recipients

**§ 576.109 INDIRECT COSTS.**

- (a) *In general.* ESG grant funds may be used to pay indirect costs in accordance with OMB Circular A -87 (2 CFR part 225), or A-122 (2 CFR part 230), as applicable.
- (b) *Allocation.* Indirect costs may be allocated to each eligible activity under §576.101 through §576.108, so long as that allocation is consistent with an indirect cost rate proposal developed in accordance with OMB Circular A -87 (2 CFR part 225), or A 122 (2 CFR part 230), as applicable.

- (c) *Expenditure limits.* The indirect costs charged to an activity subject to an expenditure limit under §576.100 must be added to the direct costs charged for that activity when determining the total costs subject to the expenditure limit.

Subpart E—Program Requirements

§ 576.400 Area-wide systems coordination requirements.

- (a) *Consultation with Continuums of Care.* The City of Saint Paul consults with Ramsey County Continuum of Care that serves the City of Saint Paul in determining how to allocate ESG funds each program year; developing the performance standards for, and evaluating the outcomes of, projects and activities assisted by ESG funds; and developing funding, policies, and procedures for the administration and operation of the HMIS.
- (b) *Coordination with other targeted homeless services.* The City of Saint Paul and its sub-recipients coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area. In addition to funding affordable housing opportunities in Saint Paul, the City recognizes these below-mentioned federal programs and may allocate funds to some of the programs:
- (1) Shelter Plus Care Program (24 CFR part 582); such as the Shelter Plus Care Program at Saint Paul Residence, owned by the City and operated by Catholic Charities.
  - (2) Supportive Housing Program (24 CFR part 583);
  - (3) Section 8 Moderate Rehabilitation Program for Single Room Occupancy Program for Homeless Individuals (24 CFR part 882);
  - (4) HUD—Veterans Affairs Supportive Housing (HUD-VASH) (division K, title II, Consolidated Appropriations Act, 2008, Pub. L. 110-161 (2007), 73 FR 25026 (May 6, 2008)). The City consults with Saint Paul Public Housing Agency regarding the use of VASH vouchers for homeless veterans in Saint Paul;
  - (5) Education for Homeless Children and Youth Grants for State and Local Activities (title VII B of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 *et seq.*)). In this regard, the City has a working relationship with the Homeless Liaison for the Saint Paul School District
  - (6) Healthcare for the Homeless (42 CFR part 51c) – The City allocates ESG funds to the Healthcare for the Homeless Program in the City of Saint Paul.
  - (8) Programs for Runaway and Homeless Youth (Runaway and Homeless Youth Act (42 U.S.C. 5701 *et seq.*)); The City allocates ESG fund to Ain Dah Yung, Lutheran Social Services, and SafeZone – to assist runaway and homeless youth.



- (9) Supportive Services for Veteran Families Program (38 CFR part 62) – Minnesota Assistance Council for Veterans is a grant recipient for this program which can serve Saint Paul veterans.
- c) *System and program coordination with mainstream resources.* The City of Saint Paul and its sub-recipients coordinate and integrate, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible. Examples of these programs include:
- (1) Public housing programs assisted under section 9 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g) (24 CFR parts 905, 968, and 990);
  - (2) Housing programs receiving tenant-based or project-based assistance under section 8 of U.S. Housing Act of 1937 (42 U.S.C. 1437f) (respectively 24 CFR parts 982 and 983);
  - (3) Supportive Housing for Persons with Disabilities (Section 811)
  - (4) HOME Investment Partnerships Program (24 CFR part 92);
  - (5) Temporary Assistance for Needy Families (45 CFR parts 260–265);
- (d) *Centralized or coordinated assessment.* The Continuum of Care developed a centralized assessment system or a coordinated assessment system homeless families, homeless individuals, and homeless youth seeking emergency shelter. Therefore, each ESG-funded program, as appropriate, must use that assessment system. The City and sub-recipients must continue to work with the Continuum of Care to ensure the screening, assessment and referral of program participants are consistent with the written standards required by HUD. The City will work with Ramsey County Continuum of Care, as appropriate, to implement the centralized assessment system to single adults and homeless youth, pending availability of funding.

**STANDARDS FOR DETERMINING PERCENTAGE OR AMOUNT OF RENT AND UTILITIES COSTS FOR EACH PROGRAM PARTICIPANT MUST PAY WHILE RECEIVING HOMELESSNESS PREVENTION OR RAPID RE-HOUSING ASSISTANCE §576.400(vii).**

All program participants will pay 30% of their income toward rent. If household income increases after three months, then ESG payment will decrease.

If a household income decreases, ESG may pay the rental differential for a period of time agreed upon by case manager and program participant. That said, case manager and program participant must develop a realistic action plan to address the loss of income. Sub-recipient must also consult with the City if additional ESG assistance is needed to achieve the agreed-upon action plan.





# DRAFT CDBG-Qualified Census Tracts 2018

## City of Saint Paul

