

# **Executive Summary**

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

### **1. Introduction**

This document is the one-year Annual Action Plan (AAP) for the City of Saint Paul, Minnesota, for program year (PY) 2022-23 to be submitted to the U.S. Department of Housing and Urban Development (HUD). The City's program year is June 1 through May 31. The AAP includes the City's application for 2022 Community Development Block Grant (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 Investment Partnerships (HOME) funding to assist in the development of long-term, safe, and affordable housing. Additionally, the City receives Emergency Solutions Grant (ESG) funding, which provides programs and services to assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness. This document will be submitted to HUD by April 16, 2022.

Saint Paul is considered an entitlement community by HUD. Eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. HUD determines the amount of each entitlement grantee's annual funding allocation by formula which uses several objective measures of community needs, including the level of poverty, population, housing overcrowding, age of housing, and population growth in relationship to other metropolitan areas. The City estimates funding allocations of \$6,969,838 for CDBG, \$1,873,435 in HOME funding and \$587,816 in ESG funding from HUD in 2022. In addition, the City estimates using about \$630,162 in CDBG program income and approximately \$171,090 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments. Should the City receive an increase in CDBG program funding from the estimated allocation, the City will increase the Multi-Unit Rehabilitation project; if there is a decrease in the estimated CDBG allocation the City will decrease the Single-Unit Rehabilitation project. If there is an increase or decrease in the estimated HOME funding, the City will increase/decrease the Housing Construction project. Any increase or decrease in ESG will be applied in direct proportion to the difference in actual allocations.

### **2. Summary of the objectives and outcomes identified in the Plan**

Through the need's assessment and market analysis, citizen participation process, and agency consultation during the consolidated planning process, the City of Saint Paul has identified priorities to assist low- to moderate-income households/persons for PY 2022-23. These include:

1. Homeless prevention assisting approximately 125 households with tenant-based rental assistance (TBRA)/rapid re-housing (RRH); 3,000 persons in overnight shelters; and 400 persons with supportive services to help keep households housed.
2. Development of new affordable housing with an estimated 15 rental units and 5 homeowner units;
3. Preservation of existing affordable housing - rental housing rehabilitation an estimated 26 rental units;
4. Preservation of existing affordable housing - homeowner housing rehabilitation an estimated 51 owner units;
5. Public service needs will benefit approximately 3,000 persons;
6. Community engagement and outreach to underserved populations will benefit an estimated 181,300 persons;
7. Youth Employment will benefit approximately 258 persons.
8. Economic development and job growth will benefit 3 businesses with façade improvements, creation of approximately 5 jobs, and an estimated 2 businesses will be assisted.
9. Acquisition, demolition, and clearance of property an estimated 17 structures; and
10. Public facilities and infrastructure improvements benefiting approximately 23,015 persons;

The City of Saint Paul will allow, but not require, owners of HOME-funded housing developments to limit the beneficiaries or give preferences to a segment of the low-income population. This includes limiting units or giving preferences to the following low-income population segments: elderly and/or disabled, victims of domestic violence, and chronically homeless.

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

The City continues to seek expanded economic opportunities that benefit its low-and moderate-income citizens, preserve and create decent and affordable housing opportunities, address the needs faced by those who are homeless or are threatened with homelessness, provide accessible public services for vulnerable populations, affirmatively further fair housing, and leverage its federal HUD funding with other funds to make significant, sustainable change in the community.

During the 2020-21 program year, the City and its partners provided housing assistance to 70 households at or below 30% of AMI, 78 households with incomes from 31% to 50% of AMI, and 77 households with income from 51% to 80% of AMI. Of the households served, 25 were Asian, 92 Black, 64 White, 3 were American Indian/Native American and 41 were mixed-race households. Nine households identified as Hispanic and 100 were female-headed households.

Housing programs administered by the City were available citywide to income-eligible households. The City provided funding to sub-grantees, whose programs were available to income eligible residents residing in the sub-grantee's service areas: Districts 1 through 8, 11, and 17.

The City's ESG program funded eligible activities for homelessness prevention, emergency shelter operations, street outreach, rapid re-housing services, data collection, and ESG program administration. During the 2020-21 program year, the City's ESG program served 4,044 persons.

With additional City ESG-CV funding in PY 2020, Ramsey County secured temporary shelters, respite facilities, and services to support the safety and well-being of residents experiencing homelessness during the COVID-19 pandemic. Local hotels, Catholic Charities Mary Hall, Luther Seminary, and the former Bethesda Hospital site provided 24-hour shelter for 1,100 people experiencing homelessness; this included seniors, vulnerable adults, and couples, with a coordinated effort to support people experiencing unsheltered homelessness through partnerships with community-based organizations.

ESG-CV funding further helped take the burden off existing ESG-funded programs to meet the needs of persons at-risk of or experiencing homelessness. Residents within the hotel program were in a healthier and safer environment and had better access to services than through overcrowded shelters pre-pandemic.

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

The City's Citizen Participation process centers around the Capital Improvement Budget (CIB) process, see Attachment C. 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 providing funding allocation recommendations to the Mayor and City Council. Whereas the City budget is completed and approved on an annual basis, the CIB budget is completed for a two-year cycle based on recommendations from the CIB Committee, as shown in Attachment A.

A public hearing was held during the CIB funding cycle to ask for comments on funding selection and priorities prior to the Committee making its formal recommendations to the Mayor and Council. There are additional comment periods and public hearings held during the adoption of the City budget and the Consolidated Planning development process.

The City also sought input from public and private agencies that provide health, social, and fair housing services, including agencies focused on services to children, elderly, persons with disabilities, and the homeless. The continuous coordination and collaboration between the City, Ramsey County Continuum of Care, and other housing/health care

providers allows the City to regularly assess the needs of individuals and families experiencing homelessness. State and local health and child welfare agencies were consulted for addressing lead-based paint hazards section of the Annual Action Plan.

The public comment period for this document is March 4 through April 2, 2022. Notification of the availability of the draft document was sent out through the City's Early Notification System (ENS) and a public notice was published in the *Legal Ledger*. The notice included information for persons needing special accommodations and assistance for non-English speaking residents. The document is made available for review at the Department of Planning and Economic Development's website. The City held a virtual public hearing on March 14, 2022, via Microsoft Teams. All comments received were considered and are included in Attachment A. Copies of the document were also made available at PED and on the Bookmobile. A poster was displayed at all Saint Paul Public library branches with instructions to access the draft plan using a library or a home computer.

Other opportunities to comment on the City's overall budget for 2022, which includes the CIB budget, were provided through four virtual budget round tables in late June and early July 2021; through an online budget survey available August 26 through December 7, 2021; at a community input public meeting October 13, 2021; at the Truth in Taxation public hearing on December 1, 2021; and at a City Council meeting approving the budget on December 8, 2021.

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

A summary of the comments received during public hearings held during the CIB funding cycle and City budget cycle for 2022 through 2023, are included in Attachment A. Notice of the availability of this document was made through publication in a City Council designated newspaper of general circulation and sent through the City ENS. The public comment period for this document was March 4 through April 2, 2022, and a virtual public hearing for comment was held on March 14, 2022, via Microsoft Teams. Another opportunity for public comment was the April 6, 2022, City Council meeting to authorize acceptance of the HUD award and submission of AAP to HUD. Copies of the document were made available via the City's website, at PED, and on the Saint Paul Public Library Bookmobile. A poster was displayed at all Saint Paul Public library branches with instructions for how to access the draft plan using a library or a home computer. All comments received were considered.

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

The public comment period for this document was March 4 through April 2, 2022, and a virtual public hearing was held March 14, 2022, via Microsoft Teams. Copies of the document were made available via the City's website, at PED, and on the Bookmobile. A

poster was displayed at all Saint Paul Public library branches with instructions to access the draft plan using a library or a home computer. Another opportunity for public comment was the April 6, 2022, City Council meeting to authorize acceptance of the HUD award and submission of AAP to HUD. All comments received are summarized in Attachment A. All comments received were considered.

## **7. Summary**

The Planning and Economic Development Department (PED), Finance and Administration, Grants Compliance Division is the CDBG Administrator and lead agency responsible for the preparation of the PY 2022-23 Annual Action Plan for HUD grant funds. PED's Housing Division administers programmatic investments utilizing HOME program funding. Under a Joint Powers Agreement with the City of Saint Paul, Ramsey County administers ESG program funding allocated to Saint Paul.

The Consolidated Plan describes the City's housing market conditions, identifies the need for affordable housing and community development, and provides strategies to address these needs for a period of five years. This plan coordinates the City's housing and economic development plans with other public, private, and nonprofit community housing providers, and non-housing service agencies. The resulting Consolidated Plan and each subsequent Annual Action Plan provides a unified vision of services, activities, and initiatives designed to improve the quality of life for Saint Paul residents by providing affordable housing, public services, revitalized neighborhoods, support for homeless and special needs populations, elimination of blight on a spot basis, and the expansion of economic development opportunities for low- and moderate-income persons.

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

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

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

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

**Table 1 - Responsible Agencies**

### **Narrative**

The City's Planning and Economic Development Department (PED) is responsible for the administration of a variety of planning, housing, business, and economic development activities. These activities support neighborhood initiatives and provide direct benefits to homeowners, home buyers, renters, job seekers, and businesses. Under a Joint Powers Agreement with the City of Saint Paul, Ramsey County administers ESG program funding allocated to Saint Paul. PED also staffs the Saint Paul Housing and Redevelopment Authority (HRA), a legally distinct local entity which undertakes housing and business development activities. These activities include real estate acquisition, financing housing and commercial development, business loans, and issuing revenue bonds. PED manages all Federal funding received through HUD, approximately \$10 million annually. Additional City resources used to build community wealth through investments in affordable housing and job growth include: City's Sales Tax Revitalization (STAR) programs, HRA earned income, Low-Income Housing Tax Credits, Housing Revenue Bonds, and 46 tax increment financing (TIF) districts, and local Housing Trust Fund. The amount varies annually for each funding source and for 2022 it is expected the amount available for citywide housing and development projects, inclusive of those using HUD funding, will be approximately \$98 million.

### **Consolidated Plan Public Contact Information**

Questions and/or comments on the Annual Action Plan may be directed to the following PED staff:

- Beth Ulrich, Grants Manager – (651) 266-6689 or Beth.Ulrich@ci.stpaul.mn.us
- Julie Hostak, Grants Specialist – (651) 266-8545 or Julie.Hostak@ci.stpaul.mn.us

Written comments should be sent to the following address:

City of Saint Paul, Planning and Economic Development

Attn: Julie Hostak, Grants Specialist

1100 City Hall Annex

25 West Fourth Street

Saint Paul, MN 55102

(651) 266-8545

[Julie.Hostak@ci.stpaul.mn.us](mailto:Julie.Hostak@ci.stpaul.mn.us)

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

### **1. Introduction**

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

The City's Housing staff consults with the Saint Paul Public Housing Agency (PHA), Minnesota Housing Finance Agency (MHFA), Ramsey County, community housing development corporations, for-profit and non-profit housing developers, and organizations and institutions that provide resources to finance, construct, and preserve affordable housing citywide. The City provides input in spending priorities annually through the CIB budget and overall City budget annually. A public hearing on the proposed CIB budget was held June 14, 2021, comments received are included in Attachment A.

The City's Emergency Solutions Grant (ESG) funds are administered by Ramsey County under a Joint Powers Agreement (JPA), except those funds awarded to Ramsey County as a subrecipient. Where funds have been awarded to Ramsey County as a City ESG subrecipient, City will serve as administrator of these ESG-eligible activities. City will assume administration of Ramsey County ESG/ESG-CV activities; Ramsey County will continue administration of other ESG/ESG-CV subrecipients. Ramsey County allocates ESG funds to programs that 1) promote a comprehensive delivery of homeless services; 2) assist underserved communities; 3) provide services as needed to achieve the goals of the CoC, Ramsey County Family Homeless Prevention and Assistance Program (FHPAP), and ESG; and 4) address City concerns while meeting HUD's national housing objectives.

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

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

The City's ESG grant is administered through a Joint Powers Agreement (JPA) with Ramsey County Housing Stability Department except those funds awarded to Ramsey County as a subrecipient. Where funds have been awarded to Ramsey County as a City ESG subrecipient, City will serve as administrator of these ESG-eligible activities. City will assume administration of Ramsey County ESG/ESG-CV activities; Ramsey County will continue administration of other ESG/ESG-CV subrecipients. Its staff plays a pivotal role in Heading Home Ramsey (HHR) the Continuum of Care, from leadership, data and evaluation support staff, and homeless services providers. The County leads in developing activities to enhance coordination of public/assisted housing providers, health care and social service providers from all sectors (public, private, and non-profits) by actively recruiting new HHR members, engaging providers in identifying service gaps, and developing strategic priorities to fill these gaps.

The City, through the Saint Paul Police Department (SPPD), is a committed partner in encouraging and supporting mental health and wellness. Through SPPD's Community Outreach and Stabilization Unit (COAST) and its sub-teams, specialized officers conduct proactive and reactive services citywide to connect residents in need of services with available community resources, significantly reducing mental-health-crisis-related arrests and repeat calls for service. COAST sub-teams include: Mental Health Resource Team; Recovery Access Program; and Police Homeless Outreach. A new initiative through SPPD Community Engagement Unit is Step Forward which uses the 6 pillars of 21<sup>st</sup> Century Policing. The initiative promotes positive engagement and communication with Saint Paul's racially diverse neighborhoods, businesses and community organizations to establish, improve and sustain community relationships and providing trusted service with respect through: Building Trust and Legitimacy; Policy and Oversight; Technology and Social Media; Community and Crime Reduction; Training and Education; and Officer Wellness and Safety.

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

The City, Ramsey County and CoC utilize needs assessments, evaluation reports, frequently updated data dashboards, monitoring visit information, homeless provider information that is shared at CoC/HHR meetings to address the needs of unaccompanied youth, families, veterans, chronically homeless, and persons at risk of homelessness.

**Chronically Homeless Individuals and Families** - the City and Ramsey County in collaboration with the CoC maintains active partnerships through contracted and non-contracted programs that are designed to support the needs of chronically homeless individuals and families. Program funding requests are ranked and scored based on service design and includes bed designation for chronically homeless. ESG funded street outreach, health care and emergency shelter programs provide services specifically targeted for the

chronically homeless. Staff are well trained in assessing participants chronic homeless status which informs the necessary client-centered support services, referrals, and prioritization for housing.

**Families with Children** - the City and Ramsey County will continue to partner with RADIUS Health and Catholic Charities' Family Service Center to provide street outreach and emergency shelter services to families experiencing homelessness within the City and Ramsey County. Both organizations' service models provide comprehensive support services to improve access to public benefits, mainstream health care, employment services, legal services, childcare, and permanent housing.

Ramsey County and CoC continue to collaborate with the McKinney-Vento funded Saint Paul Public Schools (SPPS) Project REACH and Fostering Connections programs which support homeless families with school-age children in emergency shelters with resources and educational needs.

**Veterans** - veterans experiencing homeless will continue to be supported by the Ramsey County Veterans Services program which helps veterans, their dependents and survivors in applying for veterans' benefits provided by the State and the U. S. Department of Veterans Affairs.

ESG funded street outreach and emergency shelter providers continue to streamline access to veteran services in Saint Paul and throughout Ramsey County. Support is provided through engagement and program-level assessment within HMIS and the Coordinated Entry System (CES) process to determine a veteran's eligibility for services.

In partnership with the Minnesota Assistance Council for Veterans, Minnesota Department of Veterans Affairs and Veterans Administration, veterans have the option to be placed on the veteran's registry which prioritizes veterans for housing. Information for registration is provided during the annual Point-in-Time homeless count and throughout the year within access points coordinated through the HHR website, street outreach and emergency shelters.

**Unaccompanied Youth** - the County actively engages youth providers, SPPS Project REACH and Fostering Connections, to improving data quality, collects project-level data, and other youth homeless data outside HMIS. The goal - establish the extent of unaccompanied and doubled-up youth, increase advocacy and funding prioritization, and address service gaps. ESG funding helps support 2 key youth service providers - Lutheran Social Services (LSS) Safe House serving youth aged 16-20 and Salvation Army Booth Brown House shelter serving youth aged 18-21.

**At-risk of Homelessness** - City ESG funds services to prevent homelessness that are effective, people-centered. Funding is centered on mental health services and resources and case management for adults and youth. These services provide a safety net of services

and comprehensive health care. Minnesota Community Care HouseCalls helps to prevent homelessness by stabilizing housing for those at imminent risk.

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

The City continues a Joint Powers Agreement with Ramsey County to allocate its ESG funds to programs that 1) promote a comprehensive delivery of homeless services; 2) assist underserved communities; 3) provide services as needed to achieve the goals of the CoC, Ramsey County FHPAP, and ESG; and 4) address City concerns while meeting HUD's national housing objectives.

Ramsey County deferred to the 2020 Heading Home Ramsey Needs, the CoC's current strategic priorities, quarterly ESG Provider Meetings, and CoC leadership to develop a plan to allocate funds to projects that could best fill gaps in communities service needs.

Ramsey County, with technical guidance from a U.S. Department of Housing and Urban Development (HUD) consultant, developed an ESG/ESG-CV Program Manual that outlines performance standards; eligible funding and expenditure requirements, and provided template documents to help the County and City and its funded subrecipients adhere to HUD ESG requirements.

Additionally, with the assistance of HUD technical assistance, Ramsey County revised the ESG monitoring process to align with HUD's requirements for monitoring. This included review of ESG funded activities; evaluation for eligible expenditures and activity funding; administration of HMIS; and tools to assess activity/subrecipient adherence to federal requirements to achieve goals as described in a subrecipient's written funding agreement.

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

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

<b>1</b>	<b>Agency/Group/Organization</b>	Ramsey County
	<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 Economic Development Market Analysis Anti-poverty Strategy Lead-based Paint Strategy
	<b>How was the Agency/Group/Organization consulted and 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, affordable housing development, economic development initiatives, and public service programs addressing public health services, tenant advocacy and landlord training. An anticipated outcome is that the County provides comments on the City's draft Consolidated Plan Annual Action Plan.
<b>2</b>	<b>Agency/Group/Organization</b>	Ramsey County Continuum of Care
	<b>Agency/Group/Organization Type</b>	Services – Housing Services – Children Services – Elderly Persons Services – People with Disabilities Services – Victims of Domestic Violence Services – Homeless Services – Health Services - Victims Other government – County Continuum of Care
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non - homeless Special Needs Anti poverty Strategy

<p><b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>City's ESG grant is administered through a Joint Powers Agreement (JPA) with Ramsey County except where the County receives funds as a subrecipient; City serves as administrator for funding awarded to the County as a subrecipient. City ESG staff consults with Ramsey County Continuum of Care (CoC) Coordinator and other staff, attends quarterly CoC Governing Board and monthly Steering Committee meetings to implement comprehensive services to assist homeless and at-risk of being homeless residents. The outcome is that through coordination with CoC staff and the CoC Governing Board recommendations for funding for City ESG and CoC services are complementary. Other outcomes are the development of ESG and CoC program evaluations, additional service provider staff training, and increased service coordination.</p>
<p><b>3 Agency/Group/Organization</b></p> <p><b>Agency/Group/Organization Type</b></p>	<p>Saint Paul Public Housing Agency</p> <p>PHA  Other government - local  Services – Housing  Services – Children  Services – Elderly Persons  Services – Homeless  Services – Fair Housing</p>
<p><b>What section of the Plan was addressed by Consultation?</b></p>	<p>Housing Needs Assessment  Public Housing Needs  Homeless Needs – Chronically homeless  Homeless Needs – Families with children  Homelessness Needs - Veterans  Homelessness Strategy  Non - Homeless Special Needs</p>

<p><b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>City and PHA staff participate on an on-going basis with the CoC and Family Homelessness Prevention Assistance Program Committee and other housing initiatives. City and PHA have a working partnership which recognizes the challenges faced by the PHA administration and PHA residents. Outcomes include an understanding of the PHA's Rental Assistance Demonstration, capital improvement needs, and the high demand for subsidized rental units demonstrated by extensive waiting lists for public housing and housing vouchers; and PHA's Project-Based Section 8 Housing Choice Vouchers will assist eligible affordable housing projects financed by the City.</p>
<p><b>4 Agency/Group/Organization</b></p>	<p>District Councils</p>
<p><b>Agency/Group/Organization Type</b></p>	<p>Planning organization Neighborhood Organization</p>
<p><b>What section of the Plan was addressed by Consultation?</b></p>	<p>Housing Need Assessment Economic Development Market Analysis Non - housing Community Development Needs</p>
<p><b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>Seventeen distinct 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.</p>

<b>5</b>	<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 Needs Assessment
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City's housing staff participates with the Minnesota Home Ownership Center (MNHOC) to implement home ownership programs such as home buyer counseling/education, mortgage foreclosure prevention counseling, and home buyer initiative for underserved communities. The anticipated outcome is the continual development of multi-lingual and multi-cultural homeownership classes and mortgage foreclosure counseling services. City staff also 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.
<b>6</b>	<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>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City staff and Saint Paul Public Schools (SPPS) Homeless Liaison serve as committee members of the CoC Governing Board and the Ramsey County Family Homelessness Prevention Assistance Program (FHPAP). Staff also consulted SPPS on efforts related to data collection on children experiencing homelessness. Anticipated outcomes are more shelter beds for families, particularly those with school-aged homeless children, and unaccompanied youth.

<b>7</b>	<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>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Capital Improvement Budget (CIB) Committee, a volunteer organization made up of citizens, reviews and ranks all proposals for CDBG funds over the course of several public meetings. After thorough review and public hearing, the CIB Committee makes recommendations to 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 comment. 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.

**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	City ESG funding priorities and Ramsey County CoC strategic priorities have similar goals and priorities are complementary. Starting in FY2020 ESG funding priorities Ramsey County management of Saint Paul ESG grant dollars under the terms of a Joint Powers Agreement will ensure alignment with Ramsey County CoC priorities.
Thrive MSP 2040	Metropolitan Council	The City's strategic priorities for anti-poverty measures, fair housing, equal economic opportunity, business development, economic development and job creation are in line with the strategies identified in the Metropolitan Council's Thrive MSP 2040 plan document.
Saint Paul 2040 Comprehensive Plan	City of Saint Paul	The City's Comprehensive Plan is in line with the City's strategic priorities for HUD-funded activities.
Analysis of Impediments to Fair Housing Choice (AI)	Fair Housing Implementation Council and consultant	The priority need, Fair Housing and Anti-Discrimination efforts, and the Affirmative Fair Housing actions in the City's strategic plan will be in coordination with the Analysis of Impediments to Fair Housing Choice.
City Council Resolution 18-1204	City of Saint Paul	This resolution calls for action to create and preserve housing that is affordable at all income levels, address racial, social and economic disparities in housing, and create infrastructure needed to stabilize housing for all in Saint Paul, which is in line with the City's strategic priorities for HUD-funded activities.

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

**Narrative (optional):**

The City of Saint Paul is one of 19 municipalities located within Ramsey County, and represents approximately 40% of the county's land area. Ramsey County is the lead human service agency in these jurisdictions. Both Saint Paul and Ramsey County participate in the

Community Development Block Grant (CDBG) program, and consistently keep each other informed in all areas of the program, including non-housing community development needs. This includes ongoing communication and dialogue, and collaborations in the delivery of health care, senior services, and employment programs. Ramsey County is required to prepare its own five-year Consolidated Plan. For consistency, Ramsey County reviews Saint Paul's Consolidated Plan Annual Action Plan and Saint Paul reviews Ramsey County's Consolidated Plan Annual Action Plan.

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

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

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

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

## **AP-12 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)**

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

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

The Capital Improvement Budget (CIB) process is the primary citizen participation effort for annual CDBG allocation. The Committee is comprised of 18 City residents representing Minnesota senate districts within the City. The Committee hears project proposals, scores and recommends project funding to Mayor and City Council. A public hearing was held for comments on funding selection prior to the Committee making its formal recommendations. Committee recommendation letters are included, Attachment A. The CIB process is done bi-annually and projects are approved for 2 years; Attachment C has details.

CIB recommendations were based on the City receiving the same level of funding from HUD in PY2022 as received in PY2021. The City estimates funding allocations of \$6,969,838 for CDBG, \$1,873,435 in HOME funding and \$587,816 in ESG funding from HUD in 2022. In addition, the City estimates using about \$630,162 in CDBG program income and approximately \$171,090 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments. Should the City receive an increase in CDBG program funding from the estimated allocation, the City will increase the Multi-Unit Rehabilitation project; if there is a decrease in the estimated CDBG allocation the City will decrease the Single-Unit Rehabilitation project. If there is an increase or decrease in the estimated HOME funding, the City will increase/decrease the Housing Construction project. Any increase or decrease in ESG will be applied in direct proportion to the difference in actual allocations.

The CIB committee budget public hearing was held on June 14, 2021, for budget years 2022 and 2023, comments are in Attachment A. The public was able to give input on the City budget, which includes the CIB budget, through 4 virtual budget roundtables in June/July 2021; an online budget survey from August 26 to December 7, 2021; a City Council community input public meeting October 13, 2021; the Truth in Taxation public hearing on December 1, 2021; and at the City Council meeting approving the final budget on December 8, 2021.

Public comment period for this AAP was March 4 – April 2, 2022. Public notice was published in the *Legal Ledger*; notice of the availability of the draft document was sent through the City's Early Notification System (ENS); the document was available for review on the City website and at the Saint Paul Public Library Bookmobile; a virtual public hearing via Microsoft Teams was held March 14, 2022. Included was information for persons

needing special accommodations and assistance for non-English speaking residents. Further opportunity for comment and review was provided at the April 6, 2022, City Council meeting to authorize submission of the AAP and application for funds to HUD. All comments received were considered, Attachment A.

## Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
1	Internet Outreach	Non-targeted / broad community	CIB recommendations were posted on the City's website as a booklet and through Open Budget for review prior to adoption.		All comments were considered.	<a href="https://www.stpaul.gov/departments/mayors-office/committees-boards-and-commissions/capital-improvement-budget-cib">https://www.stpaul.gov/departments/mayors-office/committees-boards-and-commissions/capital-improvement-budget-cib</a>  <a href="https://www.stpaul.gov/departments/financial-services/saint-pauls-budget">https://www.stpaul.gov/departments/financial-services/saint-pauls-budget</a>
2	Public Meeting	Non-targeted / broad community	CIB Public Hearing on June 14, 2021, 4 p.m.		All comments were considered.	<a href="https://www.stpaul.gov/departments/mayors-office/committees-boards-and-commissions/capital-improvement-budget-cib">https://www.stpaul.gov/departments/mayors-office/committees-boards-and-commissions/capital-improvement-budget-cib</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
3	Newspaper Ad	Non-targeted/broad community	Public Hearing notice was published in the <i>Legal Ledger</i> , March 3, 2022. Citizen comments were accepted by e-mail, written submissions, voice mail or over the phone and at the virtual public hearing and during the public comment period March 4 – April 2, 2022.	Comments could be submitted via email, voice mail, over the phone or through U.S. mail.	All comments will be considered.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
4	Internet	Non-targeted/broad community	<p>Distributed public hearing notice to all 17 District Councils, neighborhood associations and people participating in the Early Notification System (approximately 3,000 people). Citizen comments could be sent via e-mail, written submissions, voice mail or over the phone during the public comment period March 4 – April 2, 2022, and at the virtual public hearing March 14, 2022.</p>	<p>Comments could be submitted via email, voice mail, over the phone or through U.S. mail.</p>	<p>All comments will be considered.</p>	<p><a href="https://www.stpaul.gov/departments/planning-economic-development/consolidated-plan">https://www.stpaul.gov/departments/planning-economic-development/consolidated-plan</a></p>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
5	Posted Public Notice – Saint Paul Public Libraries	Non-targeted/broad community	Posters requesting input were displayed at all Saint Paul Public Library branches, March 4-April 2, 2022, with instructions to access the draft plan on the City's website from a public library or home computer. A hardcopy of the draft document was available on the Saint Paul Public Library bookmobile.	Comments could be submitted via email, voice mail, over the phone or through U.S. mail.	All comments will be considered.	
6	Public Hearing	Non-targeted/broad community	Virtual Public Hearing on the draft City AAP for PY 2022-23 via Microsoft Teams, March 14, 2022, 3:00 p.m.	Comments could be given via phone/orally.	All comments will be considered.	<a href="https://www.stpaul.gov/departments/planning-and-economic-development/consolidated-plan">https://www.stpaul.gov/departments/planning-and-economic-development/consolidated-plan</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
7	Public Meeting	Non-targeted/broad community	City Council Meeting, April 6, 2022, RES 22-xxx, approving submission of application for PY2022-23 application to HUD for CDBG, HOME, ESG funding and Annual Action Plan to HUD.	Comments could be submitted up to the time of the meeting or at the time of the meeting.	All comments will be considered.	<a href="https://stpaul.legistar.com/Calendar.aspx">https://stpaul.legistar.com/Calendar.aspx</a>

**Table 4 – Citizen Participation Outreach**

# Expected Resources

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

### Introduction

The City estimates funding allocations of \$6,969,838 for CDBG, \$1,873,435 in HOME funding and \$587,816 in ESG funding from HUD in 2022. In addition, the City estimates using about \$630,162 in CDBG program income and approximately \$171,090 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments. Should the City receive an increase in CDBG program funding from the estimated allocation, the City will increase the Multi-Unit Rehabilitation project; if there is a decrease in the estimated CDBG allocation the City will decrease the Single-Unit Rehabilitation project. If there is an increase or decrease in the estimated HOME funding, the City will increase/decrease the Housing Construction project. Any increase or decrease in ESG will be applied in direct proportion to the difference in actual allocations.

The City has identified State, local, and private resources expected to be available to leverage and/or match HUD funding to address priority needs and the objectives put forward in the Strategic Plan. These resources may include:

- Local Housing Trust Fund
- Sales Tax Revitalization program (STAR) – ½ cent sales tax for community development investments
- Housing and Redevelopment Authority (HRA) revenues
- City Tax Increment Financing, Low-Income Housing Tax Credits Issuance of Housing Revenue and 501(c)3 Conduit Revenue Bonds
- Continuum of Care resources
- Private match for ESG investments
- Private match for HOME capital investments
- Minnesota Department of Employment and Economic Development (DEED) business loans and brownfield remediation and development grants
- Minnesota Housing Finance Agency (MHFA)
- Metropolitan Council brownfield remediation and community development grants

## 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	6,969,838	630,162	0	7,600,000	14,197,566	Assumes steady funding.
HOME	public-federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,873,435	171,090	0	2,044,525	4,856,290	Assumes steady funding.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public-federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	587,816	0	0	587,816	1,201,800	Assumes steady funding.

**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 (PJ) match, with non-federal funds, no less than 25 cents for each dollar of HOME funds spent on affordable housing. The City again received a match reduction of 50 percent due to fiscal distress and is only required to match each dollar spent with 12.5 cents of non-federal match. Through a CARES Act HOME program waiver, the HOME match requirement was suspended through fiscal year 2022. The City will continue to leverage private and public funds for HOME-funded affordable housing and accumulate additional match. If the City no longer receives a 50% HOME match reduction, the match requirement can still be met using leveraged funds and match already banked from previous program years.

ESG grant regulations require that grant funds be matched 100 percent or dollar for dollar. If any match is federal, the laws governing a particular source of federal funds must not prohibit these funds from being used as match to ESG. Additionally, if the ESG funds are used to satisfy match requirements of another federal program, then funding from that program may not be used as match for ESG.

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

- In-kind donations
- Private donations
- Private foundation grants/funds
- Unrestricted federal, state, and local funds

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

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

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

**Discussion**

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

In addition to federal, state, and local affordable housing investment vehicles noted above, Saint Paul has several programs directed toward holistic community development including job growth.

The Saint Paul Neighborhood STAR program, a ½ cent sales tax directed to community development investments, awards loans and grants for capital improvement projects in Saint Paul neighborhoods. STAR investments typically leverage four times the City investment in private funds directed to real estate and business expansion projects. These funds are estimated to have generated more than \$1.2 billion dollars in private investment throughout the city. Neighborhood STAR provides loans and grants for physical improvement projects which would generally not be completed through other City programs or private capital alone. Eligible projects are physical enhancements which strengthen and/or improve Saint Paul neighborhoods, i.e., commercial and housing rehabilitation, parks, streetscape projects, and economic development activities.

The Job Opportunity Fund provides low interest loans to incentivize businesses in areas of concentrated poverty where 50% or more of residents are people of color (ACP50) and commit to hiring residents of ACP50 areas.

Saint Paul has embraced the federal Opportunity Zones (OZ) program to encourage long-term investments in low-income and urban communities. Nineteen census tracts over 11 square miles and within 7 focus areas that cover one-fifth of Saint Paul have been identified. The City provides an interactive web portal that shows the OZ areas.

Saint Paul's growth strategy is focused on transit: 2040 Comprehensive Plan Policy LU-1 encourages transit-oriented development and most of the growth to areas with the highest

existing or planned transit capacity. Transit station areas are designated as Neighborhood Nodes and are intended to be areas of higher intensity mixed-use development that support walkable access to jobs and services. There is now 1 LRT and 1 BRT line; 1 streetcar and 3 BRT lines are in the planning stage. Development, including higher density and affordable housing, is supported along these transit routes through planning, regional and state grants, and City resources.

# Annual Goals and Objectives

## AP-20 Annual Goals and Objectives

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeless Prevention	2020	2024	Homeless	Citywide	Homeless prevention, rapid re-housing, and support Emergency shelters and transitional housing	ESG: \$587,816	Tenant-based rental assistance / Rapid Rehousing: 125 Households Assisted Homeless Person Overnight Shelter: 3,000 Persons Assisted Homelessness Prevention: 400 Persons Assisted
2	Development of New Housing	2020	2024	Affordable Housing	Citywide	Development of new affordable housing Affordable housing for special needs populations	CDBG: \$1,058,000 HOME: \$1,819,824	Rental units constructed: 15 Household Housing Unit Homeowner Housing added: 6 Household Housing Unit
3	Rental Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Preservation of existing affordable housing	CDBG: \$1,065,000	Rental units rehabilitated: 26 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Homeowner Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Support stable, affordable, safe homeownership Lead-based paint abatement plan implementation	CDBG: \$1,895,000	Homeowner Housing Rehabilitated: 51 Household Housing Unit
5	Public Services	2020	2024	Non-Housing Community Development	Citywide	Fair Housing and anti-discrimination efforts Tenant and landlord education	CDBG: \$398,000	Public service activities other than Low/Moderate Income Housing Benefit: 3,000 Persons Assisted
6	Community Engagement	2020	2024	Non-Housing Community Development	Citywide	Community planning needs Community outreach to underserved populations	CDBG: \$345,000	Public service activities other than Low/Moderate Income Housing Benefit: 181,300 Persons Assisted
7	Youth Employment	2020	2024	Non-Housing Community Development	Citywide	Public service needs	CDBG: \$371,000	Public service activities other than Low/Moderate Income Housing Benefit: 258 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Economic Development	2020	2024	Non-Housing Community Development	Citywide	Economic development and job growth	CDBG: \$290,000	Facade treatment/business building rehabilitation: 3 Business Jobs created/retained: 5 Jobs Businesses assisted: 2 Businesses Assisted
9	Remediation of Substandard Properties	2020	2024	Non-Housing Community Development	Citywide	Acquisition, demolition, and clearance of property	CDBG: \$90,000	Buildings Demolished: 17 Buildings
10	Public Improvements	2020	2024	Non-Housing Community Development	Citywide	Public facilities and infrastructure	CDBG: \$700,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 23,015 Persons Assisted

**Table 6 - Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Homeless Prevention
	<b>Goal Description</b>	Homeless prevention, shelter operations, essential services, street outreach, rapid re-housing.
2	<b>Goal Name</b>	Development of New Housing
	<b>Goal Description</b>	Address the need for affordability of decent housing by supporting the development of new housing.
3	<b>Goal Name</b>	Rental Housing Rehabilitation
	<b>Goal Description</b>	Address the need of sustaining decent housing by providing rehabilitation assistance to rental housing occupied by low/moderate-income households.
4	<b>Goal Name</b>	Homeowner Housing Rehabilitation
	<b>Goal Description</b>	Address the need of sustaining decent housing by providing rehabilitation assistance to homeowner housing occupied by low/moderate-income households.
5	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Non-housing community development to improve the availability of a suitable living environment by funding public service activities.
6	<b>Goal Name</b>	Community Engagement
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by providing funding for public information and crime prevention programs.
7	<b>Goal Name</b>	Youth Employment
	<b>Goal Description</b>	Address the availability of economic opportunity by providing employment opportunities and training to City youth.
8	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	Address the sustainability of economic opportunity by assisting businesses with technical assistance, rehabilitation or economic development activities.
9	<b>Goal Name</b>	Remediation of Substandard Properties
	<b>Goal Description</b>	Address the sustainability of a suitable living environment citywide through acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, and building rehabilitation activities to the extent necessary to eliminate a specific condition(s) detrimental to public health and safety.

10	<b>Goal Name</b>	Public Improvements
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by adding public improvements or renovating existing public facilities in need of improvements.

# Projects

## AP-35 Projects – 91.220(d)

### Introduction

The project summary information provides a description and funding amount for each of the projects the City plans to undertake in program year 2022 with CDBG, HOME, and ESG program funding. The Capital Improvement Budget Committee (CIB) recommended capital projects through the 2022-2023 capital improvement budget process, see Attachments A and C.

### Projects

#	Project Name
1	Acquisition Activities
2	Clearance Activities
3	Neighborhood Non-Profits
4	Community Engagement
5	Youth Employment
6	Housing Construction
7	Single-Unit Rehabilitation
8	Multi-Unit Rehabilitation
9	Commercial Corridor and Citywide Economic Development
10	Duluth and Case Play Area
11	Hazel Park Play Area
12	ESG22SaintPaul
13	Planning and Administration

**Table 7 – Project Information**

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

HOME program funding partially finances the development of new affordable housing citywide. Through the CDBG program and local funding sources, single-family development is planned for the upcoming year to provide much needed homeownership opportunities and fill the gap in available decent, safe, affordable housing for households below 80% AMI. The primary obstacle is limited or decreasing funding and affordable land suitable for residential development.

The City has a Joint Powers Agreement with Ramsey County to allocate its ESG funds to support emergency shelters, transitional housing services, street outreach to homeless residents, homelessness prevention, and rapid re-housing programs that support the needs of homeless or those at risk of becoming homeless. Allocation priorities were based on the CoC 2020 Needs Assessment, CoC strategic priority development process, and an evaluation of Ramsey County's homeless response to the COVID-19 pandemic. This information was shared with ESG Ranking Committee members as part of the program/activity ranking and selection process for City and CoC ESG funding. The primary barriers to addressing underserved need include continued lack of affordable housing for individuals and families at/below 15% AMI; the HUD definition of long-term homelessness status; requiring youth be diagnosed with a disability to receive help which unfavorably impacts youth access to services and housing; and lack of public will to establish long-term day and overnight shelters in the community.

# 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, and clearance of property
	<b>Funding</b>	CDBG: \$220,000
	<b>Description</b>	Funds are requested for the HRA to acquire strategic, hazardous and/or blighted properties for reuse as determined by input and support from the applicable recognized community organizations representing the neighborhood in which the property is located.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project will have an indirect benefit to neighboring residents.
	<b>Location Description</b>	Activities are available to eligible properties citywide.
	<b>Planned Activities</b>	Acquisition of vacant, underutilized properties, and related demolition and/or relocation costs. This funding has historically been used for larger development sites. Substandard structures will be cleared, and the sites will be redeveloped.
<b>2</b>	<b>Project Name</b>	Clearance Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, clearance, rehabilitation, stabilization, remediation of property
	<b>Funding</b>	CDBG: \$90,000
	<b>Description</b>	Citywide, acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, and building rehabilitation activities to the extent necessary to eliminate a specific condition(s) detrimental to public health and safety.
	<b>Target Date</b>	12/31/2023

	<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 through clearance activities of 17 properties.
	<b>Location Description</b>	Activities will be carried out citywide on a spot-by-spot basis.
	<b>Planned Activities</b>	Clearance, rehabilitation, stabilization, and remediation of properties that pose a threat to public health and/or safety.
3	<b>Project Name</b>	Neighborhood Non-Profits
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$398,000
	<b>Description</b>	Public service activities: fair housing activities, community engagement, domestic violence prevention, criminal restorative justice, health care, conflict resolution, and emergency shelter, employment training, and job-readiness for career pathways in the climate/green energy sector.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 3,000 low/moderate-income persons will be assisted through programs funded with CDBG.
	<b>Location Description</b>	Activities will be carried out citywide.
	<b>Planned Activities</b>	Assistance to public service programs administered by nonprofit organizations throughout the City. Programs include services for children, youth, families, senior citizens, domestic violence prevention, citizen participation, conflict resolution, emergency shelter, community restorative justice, employment training and job-readiness. Applications and work plans are evaluated and selected by City Council. This program also receives local funding.

<b>4</b>	<b>Project Name</b>	Community Engagement
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Community Engagement
	<b>Needs Addressed</b>	Community outreach to underserved populations
	<b>Funding</b>	CDBG: \$345,000
	<b>Description</b>	The program provides funding for District Councils in Planning Districts 1-8, 11, and 17 for crime prevention, community outreach and development, and policy development activities. The program also receives City General Fund local funding.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	CDBG funds will be used for activities in the CDBG eligible areas of the city. Approximately 181,300 low- to moderate-income residents will be assisted with the CDBG funds. Local funding is available for non-CDBG eligible areas.
	<b>Location Description</b>	CDBG-eligible districts 1-8, 11, and 17.
	<b>Planned Activities</b>	Crime prevention, community development, and policy development activities.
<b>5</b>	<b>Project Name</b>	Youth Employment
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Youth Employment
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$371,000
	<b>Description</b>	This multi-year program provides economically disadvantaged City of Saint Paul youth with educational and employment opportunities. Income-eligible youth are referred to this program by the Saint Paul School District and other community organizations. Services include remedial education, classroom and occupational skills training, and part-time employment.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Youth from approximately 258 low/moderate-income families will benefit from employment training and internships.
	<b>Location Description</b>	All City of Saint Paul 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 Construction
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Development of New Housing
	<b>Needs Addressed</b>	Development of new affordable housing
	<b>Funding</b>	CDBG: \$1,058,000 HOME: \$1,819,824
	<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>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 15 low/moderate-income families will benefit from the investment in newly constructed affordable rental units and 6 homeowner units.
	<b>Location Description</b>	Project sites to be determined.
<b>Planned Activities</b>	New units of housing either by rehabilitating vacant structures or with new construction activities, both of which may include acquisition, demolition, and relocation.	
<b>7</b>	<b>Project Name</b>	Single-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeowner Housing Rehabilitation
	<b>Needs Addressed</b>	Support stable, affordable, safe homeownership
	<b>Funding</b>	CDBG: \$1,895,000
	<b>Description</b>	The City and local CDCs administer loan programs that assist low-income households to rehabilitate their homes by addressing CDBG-eligible uses (i.e., building code enforcement, lead paint abatement, hazardous waste treatment, handicap accessibility, energy improvements, and window, roof, and siding replacement, etc.). Funds are also used for emergency repair of water/sewer lines, deficient furnaces, and water heaters.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 51 low/moderate-income households will benefit from this activity.
<b>Location Description</b>	CDBG-eligible households throughout the City are eligible for this activity.	

	<b>Planned Activities</b>	Financing to assist income-eligible owner occupants of single-family and duplex properties to rehabilitate their homes by addressing building code enforcement, lead paint abatement, hazardous waste treatment, handicap accessibility, energy improvements, and window, roof, and siding replacement, etc. Funds are also used for emergency repair of water/sewer lines, deficient furnaces, and water heaters.
8	<b>Project Name</b>	Multi-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Rental Housing Rehabilitation
	<b>Needs Addressed</b>	Preservation of existing affordable housing
	<b>Funding</b>	CDBG: \$845,000
	<b>Description</b>	Assist in financing the preservation, rehabilitation, or new production of affordable housing. Implement CDBG and HOME eligible activities related to acquisition and related costs (e.g., relocation, demolition, site preparation, and adjacent public improvements), rehabilitation, new construction, and related costs that are part of the total development cost of a housing project.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 26 low/moderate-income households will benefit from this activity.
	<b>Location Description</b>	Projects will be selected throughout the city.
	<b>Planned Activities</b>	Financing to assist in the preservation, rehabilitation, or new production of affordable housing.

9	<b>Project Name</b>	Commercial Corridor and Citywide Economic Development
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Economic development and job growth
	<b>Funding</b>	CDBG: \$290,000
	<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>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The activity will assist businesses that either serve low- to moderate-income areas or create jobs for low- to moderate-income persons. It is estimated that 3 businesses will receive facade improvements, 5 jobs will be created, and 2 businesses will be assisted.
	<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>	Duluth and Case Play Area
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Improvements
	<b>Needs Addressed</b>	Public facilities and infrastructure
	<b>Funding</b>	CDBG: \$350,000
	<b>Description</b>	Replacement of the existing equipment with new play equipment that meets current safety and accessibility guidelines, as well as improvements to the playground safety surfacing. Additional site amenities such as benches, waste containers, signage, and landscaping will be provided as necessary and as funding allows.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area of this park includes 16,515 low- to moderate-income persons.
	<b>Location Description</b>	1020 Duluth Street, Saint Paul, MN 55106
<b>Planned Activities</b>	Removal/replacement of existing play equipment and other site improvements.	

<b>11</b>	<b>Project Name</b>	Hazel Park Play Area
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Improvements
	<b>Needs Addressed</b>	Public facilities and infrastructure
	<b>Funding</b>	CDBG: \$350,000
	<b>Description</b>	Replacement of the existing equipment with new play equipment that meets current safety and accessibility guidelines, as well as improvements to the playground safety surfacing. Other site amenities such as benches, waste containers, signage, and landscaping will be provided as necessary and as funding allows.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area of this park includes 6,500 low- to moderate-income persons.
	<b>Location Description</b>	945 North Hazel Street, Saint Paul, MN 55119
<b>Planned Activities</b>	Removal/replacement of existing play equipment and other site improvements.	
<b>12</b>	<b>Project Name</b>	ESG22SaintPaul
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless Prevention
	<b>Needs Addressed</b>	Homeless prevention, rapid re-housing, and support, emergency shelters and transitional housing.
	<b>Funding</b>	ESG: \$587,816
	<b>Description</b>	Activities to include homeless prevention, shelter operations, essential services, street outreach, rapid re-housing, and ESG administration. Funding for emergency shelter operations and street outreach will not exceed 60% of ESG funding award and no more than 7.5% for administrative costs. Ramsey County will manage the City's ESG program under the terms of a Joint Powers Agreement.
	<b>Target Date</b>	12/31/2024
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 3,525 individuals and families experiencing homelessness or at risk of homelessness will be assisted through tenant-based rental assistance/rapid re-housing services, overnight shelter, and homeless prevention activities.
<b>Location Description</b>	Citywide	

	<b>Planned Activities</b>	Activities include homeless prevention services, emergency shelters operating costs, essential services, street outreach, rapid re-housing, and ESG administration.
<b>13</b>	<b>Project Name</b>	Planning and Administration
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Community Engagement
	<b>Needs Addressed</b>	Community planning needs
	<b>Funding</b>	CDBG: \$1,388,000 HOME: \$202,203
	<b>Description</b>	Funding for: management, coordination, oversight, and monitoring of the CDBG and HOME programs; costs included in the City's approved Indirect Cost Plan; planning activities in CDBG eligible areas of the City; environmental and historic reviews of HUD funded projects.
	<b>Target Date</b>	12/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This activity will indirectly benefit all low/moderate-income households citywide.
	<b>Location Description</b>	This activity will not benefit a physical location.
	<b>Planned Activities</b>	Funds are budgeted to pay salary and operating costs for overall administration and coordination of budget development, citizen participation, reporting, and compliance for Consolidated Plan grants. Staff includes Managers, Financial Analysts, Compliance Coordinators, IDIS Coordinator, and Administrative Support.

## **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**

Except for the Duluth and Case and Hazel Park Play Areas, none of the 2022 activities have an address-specific location. All the activities described in the AAP are programs which are available citywide or have service areas that include one or more neighborhoods (districts) in the city.

A map showing the areas of the city with at least 51% low/moderate income persons is titled as CDBG-Qualified Census Tracts 2022 is in Attachment H. All activities providing an area benefit being carried out in PY 2022-23 will have a service area that is located primarily in a shaded portion of the map.

Activities carried out by the City which provide a direct benefit (primarily housing activities) are available citywide to income eligible households, while direct benefit activities carried out by sub-grantees are available to income eligible households located in the neighborhoods served by the sub-grantee.

### **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 citywide, the City is working to prevent additional concentrations of low-income and minority populations through targeted affordable housing development which will provide expanded access to economic, employment, and housing options for low- and moderate-income residents citywide.

### **Discussion**

HUD funding will continue to be used for housing activities citywide. Public infrastructure projects in low- and moderate-income areas will utilize CDBG funds in conjunction with local (local bonds, TIF) and state funds (state municipal aid, Minnesota Department of Transportation), providing improvements citywide for the benefit of all residents.

# Affordable Housing

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

### Introduction

This section indicates the number of affordable units that are estimated to be provided through HOME and CDBG funding.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	98
Special-Needs	0
Total	98

**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	21
Rehab of Existing Units	77
Acquisition of Existing Units	0
Total	98

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

### Discussion

In 2022, the City estimates providing funding for the construction of 15 new affordable rental units through HOME and CDBG funding. It is estimated that CDBG will fund the construction and/or the acquisition/rehabilitation/resale of 6 homeownership units. The City will continue its citywide owner-occupied home rehab program as well as continuing to fund and work with its non-profit partners resulting in an estimated 51 owner-occupied homes rehabilitated – a strategic effort to preserve affordable housing. CDBG funding will also be available for the rehabilitation of existing affordable rental housing to preserve affordability and livability of these units, approximately 26 units. With this work, the City will also seek to address racial disparities in housing and affirmatively further fair housing.

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

### **Introduction**

The Saint Paul Public Housing Agency (PHA) is an important provider of affordable housing for thousands of Saint Paul households with the greatest need (households at or below 30% of AMI). The PHA owns and manages 418 public housing units and 3,836 units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2022. The PHA also administers 5,163 Housing Choice Vouchers (HCV) as of January 2022. These include 175 Family Unification Program (FUP) vouchers, 288 Mainstream Program/Disability vouchers, 256 Veterans Affairs Supportive Housing (VASH) vouchers, and 157 Emergency Housing Vouchers (EHV). PHA has allocated 721 project-based vouchers (PBVs); and more than half of those (388) are in supportive housing developments. In total, the PHA provides over 9,400 affordable homes to more than 22,000 people.

The Annual Agency Plan for Federal FY 2021 (PHA's Fiscal Year 2022, beginning April 1, 2021), and the Five-Year Capital Fund Plan are available on the PHA website at: [www.stpha.org](http://www.stpha.org).

The PHA continues to move toward green and sustainable solutions. The City Council presented the 2017 Sustainable Saint Paul Award for Green Practices to the PHA in recognition of its green initiatives. PHA retains consultants to conduct energy audits of its properties and incorporates feasible recommendations for energy improvements into its capital needs planning. Xcel Energy, a valued partner, has borne most of the cost for energy audits. Ongoing green initiatives include installing water saving faucets, shower heads, and toilets; lighting retrofits; weather stripping, and additional attic insulation. The PHA has also installed a computerized energy management system (EMS) at all 16 public housing hi-rises which allows staff to monitor and control HVAC systems remotely resulting in increased energy efficiency and savings. The PHA also utilizes District Energy St. Paul at 4 of its hi-rise apartment buildings and central administrative office building, utilizing an alternative energy source for its residents and community spaces. The PHA executed a community solar agreement in 2018 that provides 10 of its hi-rises 100% solar power for electricity while saving \$120,000 per year for 25 years.

The PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 30 consecutive years. The PHA does not administer HOPE VI activities or Mixed-Finance Modernization and Development. PHA has also maintained its High Performer status under HUD's Section 8 Management Assessment Program (SEMAP) for 20 consecutive years. The PHA successfully implements and administers current agreements for Project-Based Vouchers (PBV); including PBV in supportive housing that supports the State of Minnesota, Ramsey County, and the City of Saint Paul with plans to end homelessness.

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

**Remaining Public Housing Program** - 418 scattered site single family homes and duplexes remain in the public housing program. In the coming years PHA will hold discussions with residents, elected officials and community stakeholders about the best ways to preserve these homes as safe, affordable, quality housing for low-income families.

**Rental Assistance Demonstration Conversion (RAD)** - PHA continues to refine its operational model for PBRAs for the 3,836 affordable housing units that were previously funded as public housing.

**Capital Improvements** - PHA will use HUD Capital Fund Program funds (for public housing units) and Housing Assistance Payments (HAP) for PBRA units, to renovate and modernize units, with emphasis on fire and life safety improvements and green sustainable designs to conserve energy and water. PHA will continue to seek grants and forgivable loans from Minnesota Housing, the Federal Home Loan Bank's Affordable Housing Program and other sources.

**Project-Based Vouchers (PBV)** - PBVs awarded by the PHA subsidize rental units in privately-owned mixed-income, supportive housing and other affordable housing developments, in collaboration with community partners - City, Ramsey County, St. Paul Foundation, and others. PHA Board will consider staff's recommendations for awarding more vouchers for PBV use.

In the coming year the PHA will continue administering HCVs from special HUD programs, including the following:

- VASH - Assisting homeless veterans receiving services from the Veterans Administration
- Mainstream Program - Housing Opportunities for Persons with Disabilities. Assists households that include persons with disabilities, in collaboration with several community social service agencies.
- Family Unification Program Vouchers (FUP) - In collaboration with Ramsey County's Child Protection Unit, helping families secure stable housing and be unified with their children. FUP also serves 18-24-year-olds who have aged out of or left foster care at age 16 or older, who are homeless or at risk of becoming homeless.
- Emergency Housing Vouchers (EHV) - The PHA received EHV vouchers from HUD in 2021. Working with partner agencies, the PHA issues the vouchers to individuals and families who are homeless or at risk of homelessness, fleeing domestic violence, etc., in accordance with the requirements in the "American Rescue Plan Act".

**Tenant Protection/Preservation Vouchers (TPV)** - Prevents displacement of low-income residents when a previously subsidized rental property is no longer subject to income-restrictions.

**Waiting Lists** – The Multifamily waiting list opened September 17, 2020, and closed September 28, 2021. The Public Housing waiting list has been closed since October 1, 2018. As of 12/31/21 there were 9,301 applicants on the Multifamily/PBRA waiting list for apartments in hi-rises and family townhome developments. The public housing waiting list (651 applicants) is for single family homes and duplexes. Even when waiting lists are closed, the PHA still accepts applications for 2 programs with special services in PHA-owned housing: Congregate Housing Services Program (CHSP) and the Wilder Assisted Living Program (ALP), both provide services to allow for independent living.

HCV waiting list – Opened for applications for 1 week in June 2019. By a random computer drawing, 3,500 applicants were placed on the waiting list from 13,000 applications received. The PHA expects the 3,500 to be housed in 3 ½ years. As of 12/31/21, about 1,616 applicants remain on the waiting list.

When the regular HCV waiting list is closed, clients can still apply for vacancies at some housing projects with PBVs. Those vacancies are offered through the Ramsey County Coordinated entry. PHA describes other referral-based applications in the “How to Apply” section for HCVs on the PHA’s website.

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

The PHA’s Resident Services and Resident Initiatives Departments support the Resident Councils in every hi-rise and family housing development. Each resident council works to increase resident involvement in its public housing communities and empower residents to take action to achieve personal goals of self-sufficiency. The leaders of the individual resident councils meet regularly as the Hi-Rise Presidents Council and the Citywide Residents Council (CWRC).

Two PHA Commissioners are residents of PHA-owned properties. One Commissioner represents hi-rise residents and another family residents.

The PHA actively encourages discussions about planning capital improvements and PHA policies. During the year, PHA Senior Management meets with the Hi-Rise Presidents Council and CWRC, to discuss any significant policy changes and PHA Capital Improvements. Additionally, the PHA’s Resident Initiatives Department and Resident Councils work together to form new partnerships with community and supportive service agencies.

**Section 3** - PHA provides economic opportunities for low-income residents, to the greatest extent feasible, by hiring qualified Section 3 PHA residents, contracting with Section 3 businesses, and including Section 3 requirements in all contracts. The PHA’s Resident Initiatives Department also identifies resources and services to provide Section 3-related education and training to public housing residents.

**Family Self-sufficiency Program (FSS)** - enables families in the Housing Choice Voucher program to improve their educational and employment status and thereby achieve a greater measure of economic independence and self-sufficiency.

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

Not applicable.

In 2021, the PHA retained HUD's High Performer rating for the 30th consecutive year under HUD's Public Housing Assessment System (PHAS). SPPHA has also maintained HUD High Performer status under HUD's Section 8 Management Assessment Program (SEMAP) for 20 years.

**Discussion**

The PHA has achieved High Performer status continuously for both its public housing and Section 8 Housing Choice Voucher Program.

The PHA has a continual need for stable federal funding to maintain its high standards. The PHA received approval from HUD to convert most of its public housing properties to Project-Based Rental Assistance (PBRA) under HUD's RAD program, effective January 1, 2020. The PHA's near-portfolio-wide RAD conversion was debt-free. After RAD, the units are funded as PBRA (a Section 8 platform in HUD's Multifamily Housing division) with a long-term contract that, by law, must be renewed. This ensures that the units remain permanently affordable to low-income households. Residents continue to pay 30 percent of their income towards the rent and retain the same basic rights as living in PHA owned housing. This program simply shifts units from the Public Housing program to the PBRA program. The PHA's RAD conversion is not "privatization" of public housing, since the same public agency will continue to own, manage, maintain, and improve the properties.

More information about the PHA is on their website, [www.stpha.org](http://www.stpha.org).

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

### **Introduction**

Those most at risk of homelessness are youth, older adults, and veterans. The region sees large and persistent racial disparities, with African Americans 8.7 times, Native Americans 14.5 times, and LatinX 2 times as likely to experience homelessness than white residents. The City also sees new immigrants in the unsheltered population. The primary causes of homelessness are lack of affordable housing and living wage jobs with low barriers to entry, chronic health and mental health issues, and the ripple effects caused by discrimination in housing and other systemic inequities. The City has a Joint Powers Agreement with the County to allocate its ESG funds to address the needs of those experiencing homelessness or at-risk of homelessness. In 2022, the City will partner with Ramsey County and its CoC Coordinator and service agencies to respond to needs of residents experiencing homelessness and underserved homeless populations including families with minor children, youth and those living outside in places not meant for human habitation.

The City continues work with Re-directing Users of Shelter to Housing (RUSH), a collaborative group comprised of public and private organizations focused on chronically homeless. The City and County partner with Metro Transit's Homeless Action Team which provides street outreach, support, and resources to help homeless residents access emergency shelter at Safe Space and permanent housing options.

Catholic Charities Higher Ground provides supportive housing units and an Opportunity Center with wrap around services. Weekly street outreach activities have moved from the Saint Paul Central Library and Rondo Community Library to the Opportunity Center to better serve residents during the COVID-19 pandemic. St. Paul Residence continues for low-income, long-term homeless adults, providing permanent supportive housing using the Housing First model.

Saint Paul also has residents that are not homeless but have special needs that require supportive services to allow them to remain in their current housing situations or find supportive housing. The City will continue to provide funding supportive services that assist those with special needs. Saint Paul's CDBG funds are allocated to the Block Nurse Program which utilizes volunteer and professional staff to help the elderly remain safely in their homes with an enhanced quality of life. Additionally, the City finances multi-family affordable housing developments that must comply with ADA requirements. The City is partnering with the County, housing providers and private/non-profit developers to plan for the expansion of supportive housing supply and services.

A variety of housing options ranging from independent living and housing with supportive services are available for residents with special needs. Services for the elderly, frail elderly, and persons with disabilities include independent living programs, City's Home Rehab Programs, Minnesota Homeownership Center's (MNHOC) Mortgage Counseling, ADA-designed housing, congregate living and assisted living facilities, nursing facilities, State of

Minnesota, ARC Minnesota, HUD Section 811 Program for persons with disabilities, and the Block Nurse Program. Services for public housing residents with special needs include SPPHA's Assisted Living Programs (Wilder ALP and CHSP), PHA/Accessible Space New Beginnings - Brain Injury Program. And for residents with HIV/AIDS and their families, PHA/Accessible Space, Inc. provides housing and services. The City of Minneapolis manages HOPWA for Saint Paul, and the Minnesota AIDS Project helps families obtain/maintain housing.

## **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

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

The CoC and Ramsey County are actively exploring strategies to reduce the number of persons becoming homeless in the community by focusing on strategic homeless prevention efforts and the Coordinated Entry System (CES). The CES is designed to assess and connect people to available housing options.

Recently, Ramsey County met with Hennepin County to learn how to develop its own Eviction Dashboard which would show evictions and census data by zip codes. This approach would further assist the City, Ramsey County and the CoC in developing strategies to proactively target prevention funding and help in reducing racial disparities within populations experiencing homelessness.

CoC's Coordinated Entry Sub-committee is implementing recommendations from the Ramsey County 2020 CES Evaluation to improve outcomes which include: 1) conduct a CES policy review to identify existing policies that people with lived experience of homelessness, providers, and CES Priority List Manager identify as creating barriers to access to CES and housing referral; 2) remove people from the priority list who have not been in contact with providers/CES priority list staff or show up in the City/Ramsey County HMIS for several years; 3) increase the number of people being assessed; 4) with post-assessment provide more connections to mainstream services (housing financial assistance, employment, landlord mediation); 5) increase new landlord engagement/collaborations with the goal to create and increase housing options and reduces the wait time for housing.

CoC and the City continue to actively engage people with lived experience of homelessness, homeless service providers, domestic violence service providers, and other community partners that serve the homeless population through regular meetings. These meetings provide a better understanding of the needs of both sheltered and unsheltered persons experiencing a housing crisis.

All ESG and HUD funded program staff are trained in conducting CES assessments and the HMIS intake process. At the program-level, for both ESG and other HUD funded programs, there is a requirement for specific documentation (per project and funding type) that must

be included in a client's file: initial intake, eligibility forms, income verification, housing barriers matrix, housing stabilization plan, exit forms, etc.

It is through this process, that people experiencing homelessness and their providers can determine the best path to resources (health care, financial services, employment, support services, housing, etc.) to resolve the housing crisis and establish the necessary services to promote self-sufficiency and housing stability.

For example, a system gap identified in the 2020 HHR Needs Assessment was the need for an outreach program specifically for families. Through City ESG funding, Ramsey County contracted with a provider to operate an outreach program specifically for this activity. The service needs for families is far different than other subpopulations of homeless and a dedicated family-specific outreach program was the best approach to meet the needs of marginalized families within the community.

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

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

**Youth - Salvation Army Booth Brown House:** ESG funding helps support the operations of a youth emergency shelter. Programs serve homeless youth aged 18-21 and permanent supportive housing is provided for youth aged 16-21. A comprehensive array of support services and case management from basic needs, life-skills classes, access to mainstream benefits, and ongoing services to support education, job training, and housing stability are provided.

**Single Adults - Catholic Charities Higher Ground:** ESG funding helps support the daily operations emergency shelters which target single adults. Basic needs and advocacy services are provided. The shelters are located close to Catholic Charities St. Paul Opportunity Center which provides residents with easy access to daily meals, county resources, on-site health care, veterans services, and with access to public transportation.

**Families - Catholic Charities Family Service Center:** ESG funding supports daily shelter operations and essential services. Program services include shelter space, shower, laundry, meals, on-site medical and dental services, transportation assistance, housing navigation, transportation assistance, connections to benefits and advocacy. Children's services include mentoring, tutoring, and early childhood education.

**Transitional Housing:** ESG funded programs such as street outreach and emergency shelter provide CES assessments to determine the best housing option to meet the needs of the client. In some cases, clients need a Housing First model with time-limited supports

to move on to self-sufficiency which is met through a transitional housing program. A time-limited program allows providers to engage with residents to assess support service and housing needs and move successfully to permanent housing. The CoC funds wholly or in part 660 transitional housing beds to serve the needs of single youth, parenting youth, single adults, families, and veterans transitioning from unsheltered or sheltered homelessness to permanent housing.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

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

Providers within the CoC, community service partners such as the Minnesota Assistance Council for Veterans, public service partners such as Ramsey County, Metro Transit Homeless Action Team, and SPPS work collaboratively to serve the needs of chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth.

Within the ESG funded street outreach, emergency shelter, and homeless prevention programs, assessors are trained to facilitate a client's transition from homelessness to permanent housing. Permanent housing options may include rapid re-housing (RRH), permanent supportive housing (PSH), other permanent housing, and private/market rental housing. The City's St. Paul Residence provides permanent supportive housing for those with late-stage chronic alcoholism and for long term homeless residents using the Housing First Model.

As of October 2021, there were 1,879 individuals and heads of families on the CES Waitlist. These are clients that have been assessed and are waiting for a housing referral based on the needs identified during assessment. There were also 223 individuals and heads of families on the CES referral list. This reflects the clients with pending housing referrals,

acknowledgement of referrals received by housing providers, and outcomes of each referral.

Considering the gap in the number of housing options available versus the need (i.e., people waiting), assessors are trained to determine the severity of the clients' level of need, which may prioritize them for housing. Additionally, during the engagement and assessment process, information is gathered to determine a client's unique immediate and ongoing service needs, identify assets and barriers to housing, and develop a plan to reduce the amount of time that a client is homeless. Ultimately, the desired outcome is to assist the client with ongoing support services to further housing stability and reduce the likelihood of returning to homelessness.

Saint Paul uses CDBG funds, HOME Funds, and Low-Income Housing Tax Credits, as appropriate, to construct or preserve affordable housing, including developing or preserving supportive housing for long-term homeless residents.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Ramsey County provides programs and counseling to previously institutionalized or homeless individuals through partnerships with nonprofit service providers to aid in the transition to permanent housing. This network provides emergency assistance, cash and food assistance, health insurance, security deposits, childcare, job training, transportation, medical/dental care, mental health counseling, chemical dependency treatment, life skills training, and job search assistance. City and CoC coordinate with services providers and county corrections staff to provide assessments and referrals to the CES to prioritize people for services, i.e., emergency assistance, prevention, employment services, and housing.

**Minnesota Community Care (MCC) - HouseCalls Program:** The goal of HouseCalls is to prevent homelessness by stabilizing housing for those at imminent risk. Over the last 29 years, HouseCalls has refined its utility, rent and sanitation assistance program into a successful, long-term homeless prevention model. This model relies on the following strategies: early intervention and referral, coordination and advocacy, prevention, and stability. A collaboration of the St. Paul Ramsey County Public Health Department and MCC, HouseCalls combines the breadth of a public agency with the flexibility of a nonprofit to meet the needs of people at-risk of homelessness.

**Face to Face – Homeless Prevention:** The target population is unaccompanied youth aged 18-24 at-risk of homelessness. Overall program demographics are youth of color, 15% have a long-term disability, nearly a third have children, and many have been in foster care or have experienced domestic violence. The program provides both short-term and medium-term rental assistance based on individual need. On-going case management is provided to support employment, navigate insurance, WIC, achieve personal goals, and help youth find and retain permanent housing. Prevention assistance advances outcomes - reducing both the number of homeless youth and the number who become homeless for the first time.

Individuals and families at risk-of homelessness due to extremely low-income, discharged from institutions or age out of foster care, and/or currently receiving other public, non-profit or private sector services may be directed to prevention services by contacting United Way 211, calling providers directly or accessing HHR's website for resource and intake information.

**Returning Home Saint Paul (RHSP)** – launched as a pilot in November 2020, is a partnership between the City, HousingLink, and Ujamaa Place. RHSP is designed to help reduce barriers to successfully housing residents returning to the community from incarceration. This program serves residents by providing them with community-based wraparound support including application fee and security deposit assistance, and the backing of an access fund. The access fund acts as a relief fund for landlords to encourage their participation in the program with the additional assurance of reimbursement for expenses that may be incurred - damage to property, unpaid rent, or eviction costs. The pilot will be implemented and tested over 18 months with the goal of helping 20 residents find and maintain housing.

## **Discussion**

The City will continue its collaboration with Ramsey County CoC and social service organizations. This collaboration is essential to addressing the needs of homeless and those at risk of being homeless as well as providing housing and supportive services for non-homeless special needs persons. The CoC completes a federally required annual Point-in-Time (PIT) Count. The PIT, done by staff and volunteers, is a count of sheltered and unsheltered people experiencing homelessness on a single night in January. The purpose is to get a snapshot of the state of homelessness by counting every person experiencing homelessness. The most recent PIT count was in January 2022. Other means used to determine the number of homeless and identify the areas of greatest need are using Wilder Research, HHR 7 Community Measures, and CES dashboards.

Every 3 years, Wilder Research, part of the Amherst H. Wilder Foundation, conducts a one-night statewide survey of homeless persons in Minnesota to better understand the extent, causes, circumstances, and effects of homelessness. The data are very helpful due to the comprehensive survey data gathered from people experiencing homelessness to further help inform planning to identify client-level needs, system strategies that are working, and service gaps.

The CoC dashboards further enhance planning and prioritization by using HMIS data. HMIS data gives a more complete picture of the homeless population and is updated quarterly.

These data sources provide Ramsey County, CoC and the City with the most comprehensive data and analysis on the reasons City and County residents are homeless and help identify barriers to finding and maintaining safe and stable housing. The data, analysis, and reporting help improve understanding about the extent, causes, circumstances and effects of homelessness in Ramsey County and Saint Paul, which then guides actions (i.e., funding priorities) to eliminate homelessness through CoC and City ESG resources.

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

### **Introduction:**

Housing policy must be thought of in the context of economic development (building household income/net worth), transportation (connecting people to jobs) and land use (locating parks, jobs, education and essential services near housing). City Council passed resolution 18-1204 to create and preserve housing affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund (HTF); and continue to fund down payment assistance for first-time homebuyers. The resolution is a public acknowledgement that housing, especially affordable housing, is a City priority.

The most significant barriers to affordable housing are insufficient income and lack of affordable housing units. The greatest gap in affordable housing units is for households with income below 30% AMI. Not only are the number of units few, but many of the units are occupied by households that could afford a unit at a higher rent. Because there not enough available rental units the City has set aside CDBG funding for the program year specifically to partially finance the production and preservation of multifamily housing affordable to households at/below 30% AMI.

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

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

The City's Locational Choice Policy and Low-Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. Even with significant barriers, during 2020-21, the City/HRA partially financed the preservation and new construction of 844 multifamily units including 295 affordable units. City and its non-profit partners financed the rehabilitation of 86 owner-occupied housing units.

Affordable housing development needs multiple funding sources including City funds, TIF, LIHTC, state funds, federal HUD funding (CDBG, HOME), and redevelopment property acquired and assembled by City and County. To keep pace with increasing demand for

affordable housing and to balance development to ensure locational choice, continued federal and state funding is needed. The lack of adequate funding and allocation of LIHTCs has negative bearing on the City's ability to provide and invest in affordable housing. City receives about 36% of the CDBG funding it received in 1975, about 75% of the HOME funding it received in 2000, and it's LIHTC allocation continues to shrink.

In response, the City set up a local HTF with \$10 million in initial funding and an ongoing annual investment of HRA dollars and local sales tax funds. HTF will be combined with existing City, county, state and federal funds for continued investment in affordable housing.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

There are about 18,000 publicly assisted affordable housing units within Saint Paul; roughly 9,400 are subsidized through the PHA. Other units have resulted from citywide policies and efforts. Barriers to affordable housing are lack of funding and land. The City finances preservation, rehabilitation and construction of affordable housing citywide using city-owned and discounted County-owned land and local, state, and federal funds and financing tools - LIHTCs, Federal and State Historic Preservation Tax Credits and issuing Housing Revenue bonds. Opportunity Zone investment opportunities are actively promoted to through a website that identifies redevelopment sites and investment opportunities within the Zones.

City Council Resolution 18-1204 outlines a broad range of housing stability plans including actions to create and preserve housing affordable at all income levels; address racial, social and economic inequalities in housing; create infrastructure to stabilize housing; fund an Affordable Housing Trust Fund; and continue to fund down payment assistance for first-time homebuyers. The Resolution also called for housing funded through the HRA to accept Section 8 vouchers; added points to the LIHTC scorecard for senior housing; and increased use of Tenant Remedies Actions. It also mandated housing production goals for the next 10 years with at least one-third affordable to households at 30-50% AMI, required an equitable development scorecard for investment decisions to ensure community benefit.

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

The City increased zoning flexibility to allow more types of housing such as Accessory Dwelling Units (ADUs), funding was provided for community land trust housing to extend homeownership opportunities to lower income residents, and City and State allocated funds for deferred down-payment assistance loans designed to make homeownership possible for lower income residents by reducing private mortgage requirements. City continues to preserve Naturally Occurring Affordable Housing through the 4(d) program which gives rental property owners a 40% property tax rate reduction and grant assistance for rehabilitation for units that remain affordable at 50% or 60% AMI for the next 10 years. The City eliminated minimum off-street parking requirements as a zoning restriction; the goal is to spur development of new housing and businesses while reducing vehicle miles traveled through use of transit and bikeways. The City completed Phase 1 of a 1-4-unit infill housing study to amend the zoning code to reduce barriers to neighborhood-scale residential development and diversify housing options.

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

Limited English proficiency (LEP) is a barrier to accessing City services and programs. Through its LEP plan City services, programs and information is available to everyone, regardless of language. Written materials for City programs and services are translated into primary languages, interpreters are provided at community meetings, City offices have access to interpreters via a telephone service and the City's website is translatable.

### **Discussion:**

The City of Saint Paul has strong working relationships with the federal, state and county governments to develop affordable housing in Saint Paul. The City has also adopted Affordable Housing Policies that support the development of affordable housing citywide. That said, the City lacks the financial capacity to meet the affordable housing needs of all its residents. As a result, federal, state, county, and local budgetary restrictions are a significant barrier to developing enough affordable housing in Saint Paul.

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

### **Introduction:**

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

In 2022, the City will address many of its underserved needs through activities of ongoing, multi-year HUD funded housing programs; primarily new construction or preservation of large family units, and units for very low- and extremely low-income households. City and its partners using CDBG and HOME program funding, LIHTCs, TIF, local funds, and the City's Housing Trust Fund through various homeowner, homebuyer, multi-unit, and new housing development programs will meet the need. The City, through a Joint Powers Agreement with Ramsey County, allocates its ESG funding to community agencies that serve those experiencing homelessness and at-risk of being homeless, including residents with mental health and substance abuse disorders.

The City recently restructured its street outreach approach from enforcement-based approach to service-based to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing encampments and increased coordination among service agencies to provide assessments, support, and resources. The City, County, and partner organizations continue to look for better ways to work collaboratively and efficiently and align strategies to comprehensively approach outreach and service gaps. The CoC and Ramsey County are developing a Racial Equity Toolkit to address systemic barriers that unintentionally negatively impact BIPOC persons at-risk of or experiencing homelessness.

Saint Paul voters approved a new Residential Rent Stabilization ordinance. The rent-control ordinance would limit rent increases within a 12-month period to 3% of the existing monthly rent, with few exceptions. Implementation of the policy is planned for May 1, 2022. With more than 50% of residents as renters, the purpose of the ordinance is to retain or create new affordable rental housing particularly for lower income households and those on a fixed income. The ordinance is under review by City Council with input from City staff, the Realtor and real estate development community, and other stakeholders to ensure both equity and stability in implementation while simultaneously working towards an increase in both number and options for housing available throughout the City.

Late 2021, City Council voted to allow more drop-in day shelters for people experiencing homelessness. Day shelters less than 7,000 square feet will be classified as a "civic and institutional use" and would be allowed in traditional neighborhood districts and not subject to obtaining a conditional use permit. This change allows for day shelters throughout the City, providing showers, restrooms, food and a place to rest during the day for the City's most vulnerable.

Returning Home Saint Paul, a partnership between the City, HousingLink and Ujamaa Place, helps to successfully house residents returning to the community from incarceration. The program provides reimbursement to property owners for expenses that exceed normal wear and tear and the security deposit: damage to property; unpaid rent; court filing fees for eviction; financial support for application fees and security deposits; and coordination of resources for residents and property owners.

The City offered free meal pick-up throughout the summer at City recreation centers. Through a partnership with Youthprise, free suppers and snacks will continue for youth through age 18, at several City recreation centers from August 2021 through June 2022.

The City provided Emergency Rental Assistance for Saint Paul residents which helped eligible renters with rent and utility back payments to prevent eviction for nonpayment.

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

In 2022, the City will continue to use the majority of its CDBG funding and all its HOME and ESG funding for affordable housing activities. Projects and programs that provide assistance for homebuyers, homeowner rehabilitation, rental rehabilitation, and new construction of affordable housing will be carried out by the City, its sub-grantees, non-profit and for-profit partners. Descriptions of the specific projects and programs can be found in the AP-38 Project Summary section of this document. In addition to the HUD-funded activities, the City will carry out housing development in conjunction with Minnesota Housing Finance Agency (MHFA), Metropolitan Council, Family Housing Fund, and Saint Paul HRA. The City will use the 60 percent tax credit rent for determining affordable rents for rental housing that is assisted with CDBG funding. HOME assisted developments will use the established HOME rents.

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

The City's Locational Choice Policy and Low-Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. The City's HTF funding will be combined with existing City and federal resources for investment in deepening housing affordability, preserving existing affordable units, pursuing innovative housing stability strategies and establishing protections for renters and owners vulnerable to housing instability. City HRA mended its scoring structure for LIHTC applicants to provide added points to projects that provide housing targeted to residents earning no more than 30% AMI.

**Families First Housing Pilot** – Continues using the Housing Trust Fund and private donations, it provides a monthly rent supplement to very low-income families with children enrolled in 1 of 7 pilot elementary schools.

**Community Land Trust pilot** – Saint Paul has dedicated HTF funds to community land trusts to provide new pathways to homeownership for low- and moderate-income households and to promote long-term affordable community ownership.

**Emerging and BIPOC Developer Training and Engagement Initiative** - a partnership between the City, the Incremental Development Alliance (IncDev) and a volunteer Host and Advisory Committee that aims to increase the representation of emerging developers and leaders who are Black, Indigenous and People of Color (BIPOC) in the real estate development community.

**St. Paul Homeownership Preservation Program** – in partnership with MNHOC, offers foreclosure prevention advising and some financial support for Saint Paul homeowners experiencing a housing emergency.

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

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

The City continues to comply with HUD regulations concerning lead-based paint (LBP), including notifying applicants of the lead requirements, performing lead screening, requiring abatement by certified workers, and completing clearance testing on HUD-funded housing projects. The City will also continue to work with Ramsey County through referrals to its Lead Window Replacement Program for homes and rental units with young children (most at risk of lead poisoning), identified lead paint issues, and whose gross household income is at or below 80% AMI. The program is available to both owner-occupied housing and rental property owners.

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

Critical to reducing poverty is workforce development and skills training and access to economic opportunity. The City's strong partnership with Ramsey County combines Workforce Innovation and Opportunity Act (WIOA) funds with state and local funds through a Joint Powers Agreement. Most of the workforce development investments are managed by Ramsey County Workforce Solutions and overseen by a City-County Workforce Innovation Board (WIB). The City invests directly in youth internships, scholarships for

technology certification programs, workforce counseling and programs that support businesses and create jobs for low/moderate-income persons.

**Department of Human Rights and Equal Economic Opportunity (HREEO)** - deals with discrimination issues and provides access to economic opportunities through inclusive contracting practices and workforce development policies. The Twin Cities Section 3 Collaborative gives metro area low-income and public housing residents and businesses a connection to jobs, training and contracting opportunities. The Consortium is the cities of Saint Paul and Minneapolis, Minneapolis Public Housing Authority, Ramsey, Hennepin and Anoka Counties and Community Development Agencies of Washington and Dakota Counties. It consolidates resources for all things Section 3. One certification serves all Consortium members. City contracts can require use of Section 3 businesses and/or hiring Section 3 employees as part of job creation activities. The City's Vendor Outreach Program (VOP) opens business opportunities to woman- and minority-owned, small and emerging small business enterprises (WBE, MBE, SBE, ESBE) for City-funded projects. An annual procurement fair recruits Section 3 and W/M/S/ESBEs and to teach how to do business with the City, meet with business assistance representatives from LegalCORPS and SCORE and become Section 3 certified.

**Full Stack** – a public-private collaboration with a renewed focus on using the power of tech and innovation to leverage equitable, sustainable, resilient economic development in Saint Paul.

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

**Minimum Wage** – City's minimum wage ordinance is phased: Phase 2 on July 1, 2021, phase 3 in effect July 1, 2022. Phase 3 minimum wage, depending on size of business, will be from \$10.75 (micro business, 5 or fewer employees) to \$15/hour (macro business - more than 10,000 employees).

**Office of Financial Empowerment (OFE)** – created to address the root causes of poverty and inequity, connects lower income residents to financial education/counseling; helps set up savings and build credit; supports fair housing protections, policies, and practices; and provides tools for financial stability. OFE is one part of a varied approach to reversing poverty, including a City-sponsored college savings program, City minimum wage, and a guaranteed income pilot.

**Open for Business** – a one-stop shop for start-up and existing businesses to get information and leverage resources. The program provides a pocket guide (in several languages) to starting a business in Saint Paul; connection with information and resources to start, move or expand a business; and help from a Business Project Facilitator as a guide through the permitting and licensing process of opening, expanding or moving to the City.

**Strategic Investment Fund** – attracts businesses to relocate to the City, targeting businesses with high-paying jobs, a record of profitability and participating in the Metropass public transit program.

**People’s Prosperity Pilot** - a guaranteed income pilot that provided 150 families with \$500 per month for 18 months. Phase 2 will serve 300 families for 24 months.

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

Saint Paul’s institutional structure gives the City the opportunity to partner with many organizations. In 2021, the City of Saint Paul Department of Planning and Economic Development (PED) will again work with other City departments, as well as other levels of government (county, state, federal), non-profit organizations, and private sector developers to plan and implement housing, economic development, and community development investments.

City Council passed Ordinance 22-1 amending City zoning codes for Phase 1 of a larger 1-4 Unit Infill Housing Zoning Study. Recommended amendments to City zoning code were made to reduce barriers to neighborhood-scale residential development with the goal to diversify housing options, increase residential density to address housing shortages and accommodate population growth. Phase 1 changes: ADUs allowed in non-owner-occupied housing units and eliminated minimum property size; eliminated minimum widths for single-family and two-family homes; replaced a standard minimum distance between buildings on a single lot to minimum fire separation as required per Minnesota Residential Code; simplified the formula to calculate front yard setbacks; clarified that a registered student dwelling may have 6 rather than 4 students living in a unit. Phase 2 will cover a broader scope and longer timeline.

City Council passed Ordinance 22-3 to expand the definitions for religious institution and community center to permit the most wanted and needed uses at these sites. Also included; expanded definition of day care/preschool to allow for activities at existing and former religious sites; emergency housing at religious institutions with no zoning limits; overnight shelter at religions institutions for up to 25 adults; and homeless services at religious institutions subject to same regulations elsewhere. These changes establish a better process for land use applications for religious organizations and community centers.

The City and regional partners in the Fair Housing Implementation Council (FHIC), developed responsive strategies to Affirmatively Further Fair Housing within the Twin Cities. The 2020 Regional Analysis of Impediments to Fair Housing Choice (2020 AI) was finalized in January 2021, by the FHIC and The Lawyers Committee for Civil Rights Under Law (see Attachment D, Executive Summary). FHIC members are the cities of Coon Rapids, Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, and Woodbury; the Counties of Anoka, Dakota, Hennepin, Ramsey, Washington; and the Community Development Agencies of Carver and Scott Counties. The 2020 AI identifies the causes for housing disparities, factors that reduce fair housing choice, the distribution of affordable housing (publicly funded and naturally occurring), displacement that disproportionately

affects protected classes, the effects of gentrification on protected classes, integration and segregation, and disparities in access to opportunity as defined by HUD.

There remains a sustained focus across Mayoral administrations to address racial inequities. OFE has developed a framework for a citywide fair housing strategy and will be revisiting that framework to build out the strategy components, including use of the AI findings. The City's equity initiative drives each department to identify equity goals for their workforce, programs, services, and community impact.

### **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), and the Saint Paul Public Housing Agency (administrator of public housing and vouchers in Saint Paul) in 2022. The City through the FHIC will work with metro-wide governmental jurisdictions to affirmatively further fair housing regionally in the Twin Cities Metro Area.

The City and County are partnering closely on strategies and investments to address housing instability across the housing continuum, to provide supports to residents experiencing homelessness, and ensure that residents receive coordinated social services. The motivation behind a 2019 Joint Powers Agreement between the City and County suballocating City ESG dollars was this broader partnership, with the goal to achieve stronger coordination of shelter, street outreach and social services provided to Saint Paul residents by Ramsey County.

The City will continue to work with Community Development Corporations (CDCs), other nonprofit organizations, and the private sector (businesses, developers, social service agencies) to ensure maximum community benefit from housing, economic development, and community development investments.

The public/private partnership to build the new Dorothy Day Center, Higher Ground and an Opportunity Center to provide permanent supportive housing, connection with community service providers, a medical respite program, and coordination among institutional private health care providers and public health care providers, such as Health Care for the Homeless.

City economic development programs provide gap financing, which requires businesses seeking assistance to secure other public and private financing from banks, the state, Metropolitan Council, private foundations, personal capital, CDCs, and other lenders. This coordination ensures that funds leveraged are maximized and HUD-funding utilized where most needed. As a partner in workforce development through a Joint Powers Agreement with Ramsey County that establishes a joint Workforce Innovation Board (WIB), Saint Paul is regularly partnering with Ramsey County on training programs and wrap around social services for residents. The WIB is comprised of 50% business representatives, ensuring

collaboration with employers. Through sector-based approaches, Saint Paul has entered into regional partnerships for job skills credentialing programs and provided scholarships to low-income residents using City funds.

## **Discussion:**

There are many initiatives within the City of Saint Paul in the Mayor's Office, the Department of Planning and Economic Development, and its Housing Division. Like a diversified portfolio, a diversity of housing types and development strategies can increase local resiliency through changing economic times.

The City has established a local Housing Trust Fund; a minimum wage of \$15 per hour; broadened zoning flexibility to allow a greater variety of housing types; eliminated parking minimums from zoning restrictions, formed the Office of Financial Empowerment; and proactively promoted Opportunity Zones to developers and investors. The City continues to hold regular procurement fairs to recruit Section 3 and W/M/SBE/ESBE businesses, requires use of Section 3 vendors for all construction/rehabilitation housing projects or other public construction projects. The City recently broadened the Zoning Code definition of "family" to provide more flexibility for household types in the code. In November 2021, Saint Paul voters approved a rent stabilization ordinance to limit rent increases within a 12-month period to 3%. In a city where more than 50% of the residents are renters, the purpose of the ordinance is to keep or create new affordable rental housing particularly for lower income households and those on a fixed income. The City is implementing, with CDBG CARES Act funding (CDBG-CV), a Homeowner Stability Mortgage Assistance Program. Funds will be used to directly help and support existing homeowners living in the City of Saint Paul that are at risk of foreclosure or displacement. There is a need to provide direct assistance on behalf of those homeowners affected by COVID-19. Eligible low- to moderate-income homeowners may qualify for assistance to pay past due mortgage payments, homeowner association dues, lot rent, manufactured home payments, community land trust ground lease fees, taxes, insurance, and utilities.

**Affirmatively Furthering Fair Housing** - With its Consolidated Plan and Annual Action Plan submittals, Saint Paul is required to certify to HUD that it will affirmatively further fair housing, which includes completing an Analysis of Impediments (AI) to Fair Housing Choice. The City and regional partners in the Fair Housing Implementation Council (FHIC), developed responsive strategies to Affirmatively Further Fair Housing within the Twin Cities. The 2020 Regional Analysis of Impediments to Fair Housing Choice (2020 AI) was finalized in January 2021, by the FHIC and The Lawyers Committee for Civil Rights Under Law (see Attachment D, Executive Summary). FHIC members are the cities of Coon Rapids, Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, and Woodbury; the Counties of Anoka, Dakota, Hennepin, Ramsey, Washington; and the Community Development Agencies of Carver and Scott Counties. The 2020 AI identifies the causes for housing disparities, factors that reduce fair housing choice, the distribution of affordable housing (publicly funded and naturally occurring), displacement that disproportionately

affects protected classes, the effects of gentrification on protected classes, integration and segregation, and disparities in access to opportunity as defined by HUD.

# Program Specific Requirements

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

### Introduction:

The City estimates funding allocations of \$6,969,838 for CDBG, \$1,873,435 in HOME funding and \$587,816 in ESG funding from HUD in 2022. In addition, the City estimates using about \$630,162 in CDBG program income and approximately \$171,090 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments. Should the City receive an increase in CDBG program funding from the estimated allocation, the City will increase the Multi-Unit Rehabilitation project; if there is a decrease in the estimated CDBG allocation the City will decrease the Single-Unit Rehabilitation project. If there is an increase or decrease in the estimated HOME funding, the City will increase/decrease the Housing Construction project. Any increase or decrease in ESG will be applied in direct proportion to the difference in actual allocations.

A consecutive period of three years, 2020, 2021, and 2022, is being used to determine that the minimum overall benefit of 70 percent of CDBG funds is used to benefit persons of low- and moderate-income.

The City of Saint Paul will allow, but not require, owners of HOME-funded housing developments to limit the beneficiaries or give preferences to a segment of the low-income population. This includes limiting units or giving preferences to the following low-income population segments: elderly and/or disabled, victims of domestic violence, and chronically homeless.

### Community Development Block Grant Program (CDBG)

#### Reference 24 CFR 91.220(l)(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	630,162
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>630,162</b>

## Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	96.33%

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

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

The City does not plan any additional forms of investment beyond eligible uses of HOME funds identified in 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City of Saint Paul HOME Program Resale/Recapture Policy is being reviewed.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City of Saint Paul HOME Program Resale/Recapture Policy is being reviewed.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not anticipate refinancing existing debt secured by multifamily housing that is rehabilitated with HOME funds.

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

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

Ramsey County in consultation with HUD's technical support representative developed an ESG and ESG-CV Program Manual to further help the County with developing written standards for the ESG Program and incorporated into the ESG Action Plan, see Attachment G.

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

Coordinated Entry is the process to access supportive housing for individuals and families experiencing homelessness. Supportive housing resources are extremely limited. Because of this, individuals and families with the highest vulnerability, most significant service needs, and longest history of homelessness are prioritized. Housing is not guaranteed through this process.

To be eligible for a housing assessment in Ramsey County and within the City of Saint Paul, households must meet one of the following homeless definitions:

- a. HUD Homeless - staying in shelter, outside, or in other places not meant for human habitation; exiting an institution where person/household resided for 90 days or less and who resided in shelter or other place not meant for human habitation prior to entering the institution; and/or fleeing or attempting to flee domestic violence.
- b. Long Term Homeless (LTH) - lacking a permanent place to live continuously for a year or more or at least four times in the past three years. Time spent in institutional care or correctional facility (if longer than 90 days) shall be considered "excluded time" and does not count toward length of time a household has been homeless. Episodes of homelessness can include time doubled-up or couch-hopping. Doubled-up or couch-hopping is considered homeless if that arrangement has persisted less than 12 months.
- c. For Youth (ages 24 and younger) ONLY: Minnesota Homeless - any unaccompanied youth or youth heads of households that is without a permanent place to live that is fit for human habitation.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City has a Joint Powers Agreement with Ramsey County to allocate its ESG funds to programs in alignment with other local, state, and federal funding sources through the Ramsey County CoC. For City ESG funding, the CoC Coordinator releases a letter of interest (LOI) to the general public and through the CoC listserv. The CoC funded Planner and Evaluation Analyst creates a scoring matrix and scoring evaluation. The CoC Ranking Committee then reads all applications and scores based on how applicants respond to the LOI. The CoC Ranking Committee meets to review applications, score and rank the projects for funding and makes the final decision on which projects to fund. The CoC Governing Board reviews the selected candidates and Ramsey County Housing Stability Department then enters into contracts with the agencies.

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 county and CoC through ongoing meetings, monitoring, data collection, evaluations, recruitment of persons with lived experience of homelessness and in consultation with services providers, collects information to address policy and funding decisions for improvements to ESG funded activities, facilities and services.

5. Describe performance standards for evaluating ESG.

The performance standards for evaluating ESG funded programs includes but are not limited to the ranking and scoring process; assessing how funding is spent, drawdowns; ESG compliance through monitoring visits; and any required follow-up meetings with providers if there are critical findings discovered in monitoring visits. Monitoring guides and checklists are incorporated into the County's ESG/ESG-CV Program manual and utilize the same elements of the HUD CPD Monitoring handbook (see Attachment G).