

# 2020-24 CONSOLIDATED PLAN ANNUAL ACTION PLAN - DRAFT

PROGRAM YEAR 2021: June 1, 2021 – May 31, 2022

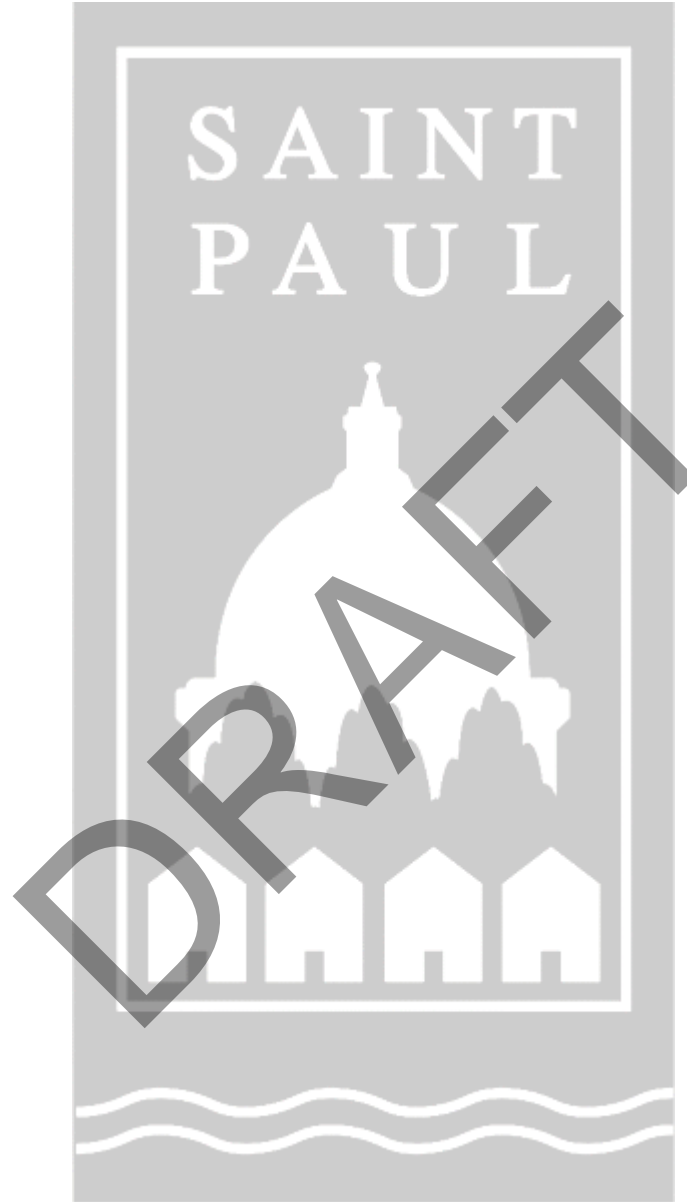
CITY OF SAINT PAUL  
1100 CITY HALL ANNEX  
425 WEST FOURTH STREET  
SAINT PAUL, MN 55102

Approved by City Council  
Resolution No. xx-xxx, mm/dd/yyyy



**SAINT PAUL  
MINNESOTA**

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



# CITY OF SAINT PAUL, MINNESOTA

## CONSOLIDATED PLAN 2020-2024

### ANNUAL ACTION PLAN 2021-22

#### TABLE OF CONTENTS

<b>AP-05</b>	<b>Executive Summary</b>	
1.	Introduction	<b>5</b>
2.	Summary of Objectives and Outcomes Identified in Plan	<b>6</b>
3.	Evaluation of Past Performance	<b>6</b>
4.	Summary of Citizen Participation Process and Consultation Process	<b>7</b>
5.	Summary of Public Comments	<b>8</b>
6.	Summary of Comments or Views Not Accepted and Reason for Non-Acceptance	<b>8</b>
7.	Summary	<b>8</b>
	<b>Lead and Responsible Agencies</b>	
	PR-05 Lead and Responsible Agencies 24 CFR 91.200(b), 91.220(b)	<b>10</b>
	<b>FY 2019-20 Annual Action Plan</b>	
	AP-10 Consultation – 91.100, 91.200(b), 91.215(l) Agencies, Groups, Organizations, and Others Consulted	<b>12</b>
	AP-12 Participation – 91.05, 91.200(c) Citizen Participation Outreach Efforts	<b>24</b>
	AP-15 Expected Resources – 91.220(c)(1,2)	<b>33</b>
	AP-20 Annual Goals and Objectives – 91.420, 91.220(c)(3) & (e)	<b>39</b>
	AP-35 Projects – 91.220(d)	<b>44</b>
	AP-38 Project Summary	<b>46</b>
	AP-50 Geographic Distribution – 91.220(f)	<b>54</b>
	AP-55 Affordable Housing – 91.220(g)	<b>55</b>
	AP-60 Public Housing – 91.220(h)	<b>56</b>
	AP-65 Homeless and Other Special Needs Activities – 91.220(i)	<b>60</b>
	AP-75 Barriers to Affordable Housing – 91.220(j)	<b>67</b>
	AP-85 Other Actions – 91.220(k)	<b>70</b>
	AP-90 Program Specific Requirements	<b>77</b>

<b>Attachments – Unique Appendices</b>	
Attachment A – Capital Improvement Board (CIB) Funding Recommendation Letter and Public Hearing Comments	<b>83</b>
Attachment B – Citizen Participation Process	<b>105</b>
Attachment C – City and CDBG Budget Processes	<b>113</b>
Attachment D – Fair Housing Strategies and Analysis of Impediments	<b>115</b>
Attachment E – City of Saint Paul HOME Program Resale/Recapture Policy	<b>145</b>
Attachment F – City of Saint Paul New Construction and Rehabilitation Standards	<b>159</b>
Attachment G – City of Saint Paul Residential Anti-displacement and Relocation Assistance Plan	<b>171</b>
Attachment H – City of Saint Paul ESG Action Plan PY 2021-22	<b>175</b>
Attachment I – CDBG Qualified Census Tracts and Areas of Minority Concentration Maps	<b>199</b>
Attachment J – SF-424s and Certifications (PENDING)	<b>207</b>
Attachment K – Glossary of Terms, Acronyms, and Abbreviations	<b>209</b>

# 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) 2021-22 to be submitted to the U.S. Department of Housing and Urban Development (HUD). The AAP includes the City's application for 2021 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 provision 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, 2021.

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 extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas. The City estimates it will receive \$6,892,568 in CDBG funding, \$1,895,972 in HOME funding, and \$594,358 in ESG funding from HUD in 2021. In addition, the City estimates using about \$207,432 in CDBG program income and approximately \$600,000 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 and/or HOME program funding from the estimated allocation, the City will increase the Administration and Housing Construction projects proportionately to the increase. Should the City receive less than estimated amount of CDBG program funding, the reduction in the amount actually awarded will be applied proportionately to the Administration and Commercial Corridor and Citywide Economic Development projects. Should the City receive less than the estimated amount of HOME program funding, the reduction in the amount actually awarded will be applied to the Administration and Housing Construction projects. 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 needs 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 2021-22. 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 8,960 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**

During the 2019-20 program year, the City and its partners provided housing assistance to 78 households at or below 30% of AMI, 78 households with incomes from 31% to 50% of AMI, and 55 households with income from 51% to 80% of AMI. Of the households served, 55 were Asian, 85 Black, 49 White, 8 were American Indian/Native American and 16 were mixed-race households. Fourteen of the households identified as Hispanic and 95 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 service area. These areas included 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 2019-20 program year, the City's ESG program served 6,072 persons.

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

The City's Citizen Participation process centers around the Capital Improvement Budget (CIB) process. Currently, the CIB committee is comprised of 18 Saint Paul residents representing each of the Minnesota senate districts located in Saint Paul. These residents are charged with hearing project proposal presentations, scoring projects, and 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 solicit comments regarding 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 2 through March 31, 2021. 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 will hold a virtual public hearing on March 15, 2021 via Skype. All comments received will be considered and will be 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.

Additional opportunities to comment on the City's overall budget for 2021, which includes the CIB budget, were provided through an online budget survey available August 27 through December 8, 2020; a budget Committee public hearing on September 3, 2020; a Truth in Taxation public hearing on December 2, 2020; and at a City Council meeting approving the budget on December 9, 2020. A summary of comments received is included in Attachment A.

## **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 2020 through 2021, are included in Attachment A. The public comment period for this document was March 2 through March 31, 2021, and a virtual public hearing for comment will be held on March 15, 2021, via Skype. 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. All comments received will be 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 2 through March 31, 2021 and a virtual public hearing will be held March 15, 2021, via Skype. 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. All comments received will be considered. (see Attachment A).

## **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 2021-22 Annual Action Plan for HUD grant funds. The PED's Housing Division administers 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.

DRAFT

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

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

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

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

**Table 1 - Responsible Agencies**

### Narrative

The 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: \$18 million for the City's Sales Tax Revitalization (STAR) programs, approximately \$2 million annually budgeted from HRA earned income funds, Low-Income Housing Tax Credits, Housing Revenue Bonds, 46 tax increment financing (TIF) districts generating approximately \$28 million annually. In 2019, the City created a new Housing Trust Fund capitalized with \$10 million in one-time HRA funds and additional ongoing funding.

### 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)

DRAFT

## **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), 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. City staff participated in *Forward Together* virtual community conversations during October 2020, as a means to encourage community engagement. It provided a creative, interactive way for residents to participate in Saint Paul's project planning processes, provide input on City programs and initiatives, share ideas, and provide feedback. Through 12 sessions a total of 75 citizens participated, on average, 6 per session. Participants were asked what topics should be addressed over the next year in Saint Paul, participants were allowed more than one response. The top 5 responses were public safety, housing, the economy, climate, and COVID-19. When asked to prioritize funding in 6 specific areas the results were: 1) affordable housing, 2) jobs and economic development, 3) youth and family supports, 4) public safety, 5) climate action and resilience, and 6) improving roads and bikeways. These rankings closely matched the responses given for priorities which should be addressed by the City in 2021.

The City's Emergency Solutions Grant (ESG) funds are administered by Ramsey County under a Joint Powers Agreement (JPA). 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 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.

Through its ESG grant the City funds, in part, mental health and community service providers to assist homeless residents challenged with mental illness through street outreach to residents experiencing homelessness and living in places unfit for human habitation. Beginning program year 2020, the City has a Joint Powers Agreement with the County to allocate its ESG funds consistent with recommendations of the CoC.

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

The City, through the Saint Paul Police Department (SPPD), is a committed partner in encouraging and supporting mental health and wellness. Through 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.

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

The City attends committee meetings for the CoC Governing Board and Steering Committee , which now includes the Ramsey County Family Homeless Prevention Assistance Program (FHPAP). Throughout the year via monthly meetings with the CoC Governing Board, CoC committees and members, and community agencies and service providers, the City's ESG program is discussed and how it relates to the larger CoC. In addition to attending monthly meetings, City staff consult with the CoC Coordinator on a regular basis. City staff and the CoC Coordinator review all ESG, CoC, and FHPAP funding allocations and service delivery programs. This provides a basis from which to set priorities for City ESG funding and service priorities such that City and CoC funding is complementary. In accordance with the CoC Governing Board, the highest service priority

is families with dependent children experiencing homelessness. Priorities include rapid re-housing and permanent supportive housing projects, assessors and navigators for the Coordinated Entry System, shelter capacity, street outreach, and prevention.

The CoC brings together the services and knowledge of several local agencies to support and guide the development of programming, shelter, and housing in Ramsey County; account for the specific needs of sub-populations experiencing homeless such as veterans, unaccompanied youth, families with children, and chronically homeless individuals and families; and connect residents with services appropriate to their situation. Coordinated Entry is the process to access supportive housing for individuals (adults and unaccompanied youth) and families experiencing homelessness that prioritizes those most in need. Households are prioritized by 1) during COVID-19, prioritized were those that are HUD homeless with medical conditions as identified by the CDC as more at risk to COVID; 2) chronically homeless households (individuals and families) being the highest priority; 3) length of time homeless (LOTH); 4) Veteran status; and 5) minor youth.

Services available for families with children are coordinated with United Way and the Ramsey County Homeless Services Unit which manage the family shelter waitlist and assign families to the Family Service Center, Project Home, or an emergency hotel system. Shelter space is reserved for families with minor children. Services available for unaccompanied youth are coordinated with the Youth Services Network, SafeZone Drop-In Center for Homeless Youth, and YMCA Youth Resource Line. Services available for veterans are available through Ramsey County's Veterans Services, the Veterans Assistance office, and the Homeless Veteran Registry. Homeless prevention resources include mortgage foreclosure prevention programs, emergency assistance programs, energy assistance programs, HouseCalls, and the Family Homelessness Prevention and Assistance Program (FHPAP). 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. Additional collaboration with Metro Transit's Homeless Action Team provides street outreach, support, and resources to help homeless find housing and emergency shelter.

In the past, after consultation with the CoC, the City increased funding to make street outreach a higher priority – to assist residents experiencing homelessness living outside, sleeping in downtown skyways, or using transit vehicles as nightly shelter. Safe Space, a 64-bed emergency overnight shelter in the Ramsey County Government East Building, operated by Model Cities, is fully funded by County levy dollars. Outreach workers engage residents sheltering at the Safe Space to inform and connect them with social services and more permanent housing and shelter beds.

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

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

The annual ESG budget is presented to the CoC Governing Board for a community discussion on each ESG program component - emergency shelter, street outreach, homelessness prevention, rapid re-housing, and HMIS. This conversation occurred in November 2020 and will occur again at least once per year. Establishing the proposed ESG budget allocations reflects the continued recognition of the need for additional street outreach to residents experiencing homelessness living outside or in areas unfit for human habitation. Final approval for allocation of ESG funds is given by Ramsey County after consulting with City staff and the CoC Governing Board.

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

**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, regional fair housing 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
	<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 Non-homeless Special Needs Anti-poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City ESG staff consults with Ramsey County Continuum of Care (CoC) Coordinator and attends the quarterly CoC Governing Board and monthly Steering Committee meetings to implement comprehensive services that assist homeless and at-risk of being homeless residents. The outcome is that ESG staff and the CoC Governing Board recommend funding allocations for CoC and FHPAP services. Other outcomes are the development of ESG, FHPAP, and CoC program evaluations, additional service provider staff training, and increased service coordination.
<b>3</b>	<b>Agency/Group/Organization</b>	Saint Paul Public Housing Agency
	<b>Agency/Group/Organization Type</b>	PHA Other government - local Services – Housing Services – Children Services – Elderly Persons Services – Homeless Services – Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment Public Housing Needs Homeless Needs – Chronically homeless Homeless Needs – Families with children Homelessness Strategy Non-Homeless Special Needs

	<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>
4	<p><b>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**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
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 will align 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**

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

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

Community Development Block Grant (CDBG) program, and consistently keep each other informed in all areas of the program, including non-housing community development needs. This includes ongoing communication and dialogue, and collaborations in the delivery of health care, senior services, and employment programs. Ramsey County is required to prepare its own five-year Consolidated Plan. For consistency, Ramsey County will review Saint Paul's Consolidated Plan Annual Action Plan and Saint Paul review 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 of Saint Paul works closely and cooperatively with the Minnesota Housing Finance Agency (Minnesota Housing) through programs that fund all types of housing needs. For affordable multi-family rental housing projects, most are financed using the Housing Tax Credits (HTC) Program for projects involving new construction, rehabilitation, or acquisition with rehabilitation. Both Minnesota Housing and the City of Saint Paul offer their allocation of tax credits through annual competitive application processes that coordinate and rank other housing resources. During this application process, City and Minnesota Housing staff have routine meetings and on-going conversations to discuss project rankings and work together to determine funding priorities in order to match limited funding resources with projects that meet the highest local affordable rental housing needs. In addition to cooperation with the tax credit program, City and Minnesota Housing staff meets monthly as part of the Intergovernmental Stabilization Group (ISG) that includes other funding partners such as HUD, Family Housing Fund and Local Initiatives Support Corporation (LISC) to collaborate on preserving existing affordable rental housing projects. For single-family home ownership needs, the City collaborates and receives funding from Minnesota Housing through their homeowner rehabilitation loan programs and foreclosure prevention programs. For acquisition, rehabilitation, and new construction of single-family properties, Minnesota Housing provides the City funding through their competitive application process for Community Housing Impact Funds (CHIF).

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

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

**Narrative (optional):**

DRAFT

## **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 most substantial citizen participation effort for annual CDBG allocation occurs during the Capital Improvement Budget (CIB) process. The CIB Committee is 18 City residents representing Minnesota senate districts within the City. These residents hear project proposals, score, and recommend project funding to Mayor and City Council. A public hearing was held to solicit comments on funding selection and priorities prior to the Committee making its formal recommendations. Committee recommendation letters are included in Attachment A. The CIB process is a bi-annual process - projects are approved for 2 years, see Attachment C for details.

CIB recommendations were based on the City receiving the same level of funding from HUD in PY 2021 as received in PY 2020. The City estimates receiving funding of \$6,892,568 of CDBG, \$1,895,972 of HOME , \$594,358 of ESG; and estimates using CDBG program income of \$207,432 and \$600,000 in HOME program income. Should the City receive an increase in CDBG and/or HOME program funding from the estimated allocation, the City will increase the Administration and Housing Construction projects proportionately to the increase. Should the City receive less than estimated amount of CDBG program funding, the reduction in the amount actually awarded will be applied proportionately to the Administration and Commercial Corridor and Citywide Economic Development projects. Should the City receive less than the estimated amount of HOME program funding, the reduction in the amount actually awarded will be applied to the Administration and Housing Construction projects. Any increase or decrease in ESG will be applied in direct proportion to the difference in actual allocations.

Saint Paul residents were provided opportunities to comment on the City's 2021 budget and CIB Budget. Efforts included a budget survey - open from August 27 - December 8, 2020, which asked several questions: 1) What do you like most about the proposed budget? 2) What do you like least about the budget? 3) What would you change about the budget and why? 4) What services would you reduce to help balance the budget? 5) What services and investments are most important to you? 6) What other comments would you like to share? Responses relating to HUD eligible activities are summarized in Attachment A.

Along with the CIB committee budget public hearing on June 17, 2019, for fiscal years 2020 and 2021, the public could provide input on the 2021 budget through public hearings: September 3, 2020, City Budget Committee; December 2, 2020, Truth in Taxation; and December 9, 2020, City Council adoption of the full budget. Comments are included in Attachment A.

The public comment period for this plan was March 2 - March 31, 2021. 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; the document was available for review on the City website and at the Saint Paul Public Library Bookmobile; a virtual public hearing via Skype will be held March 15, 2021. Included was information for persons needing special accommodations and assistance for non-English speaking residents.

During October 2020, the City conducted 12 virtual community conversations, *Forward Together*, for input on community needs in 2021. Roughly 75 residents participated. Participants were asked what issues should be addressed over the next year. Top 5 responses were: public safety, housing, the economy, climate, and COVID-19. When asked to prioritize funding in 6 specific areas the results were: 1) affordable housing, 2) jobs and economic development, 3) youth and family supports, 4) public safety, 5) climate action and resilience, and 6) improving roads and bikeways. These rankings closely match the responses given for 2021 priority issues.

DRAFT

## 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	Public Hearing	Non-targeted / broad community	On June 17, 2019, the Capital Improvement Budget (CIB) Committee held a Public Hearing to solicit comments regarding funding selection and priorities for CDBG allocations. Eleven people spoke.	Comments at the Public Hearing focused on the City's great need for affordable housing, housing rehabilitation, and economic development. A summary of the comments is included in Attachment A.	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>
2	Public Meeting	Non-targeted / broad community	During October 2020, the Mayor's office conducted 12 virtual community conversations, Forward Together, to seek feedback and input about community needs in 2021.	Through 12 sessions 75 citizens participated. Participants were asked what topics should be addressed over the next year in Saint Paul, participants	All comments were considered.	<a href="https://www.stpaul.gov/departments/mayors-office/forward-together-virtual-community-conversations-with-mayor-carter">https://www.stpaul.gov/departments/mayors-office/forward-together-virtual-community-conversations-with-mayor-carter</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)
				were allowed more than one response. The top 5 responses were public safety, housing, the economy, climate, and COVID19. Funding priorities in 6 areas were: 1) affordable housing, 2) jobs and economic development, 3) youth and family supports, 4) public safety, 5) climate action and resilience, and 6) improving roads and bikeways.		
3	Internet Outreach	Non-targeted / broad	CIB recommendations were posted on		All comments were	<a href="https://www.stpaul.gov/departments/financial-services/saint-pauls-budget">https://www.stpaul.gov/departments/financial-services/saint-pauls-budget</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)
		community	the City's website as a booklet and through Open Budget for review prior to adoption		considered.	<a href="https://budget.stpaul.gov/#!/year/default">https://budget.stpaul.gov/#!/year/default</a>
4	Internet Outreach	Non-targeted / broad community	An online budget survey was open from August 27 through to December 8, 2020 and received 159 responses.	Respondents were asked to answer questions regarding the budget – likes/dislikes/, priorities for balancing the budget and provide additional comments. Responses relating to CDBG eligible activities are summarized in Attachment A.	All comments were considered.	<a href="#">City of Saint Paul 2021 Budget Survey</a>
5	Public Hearing	Non-targeted/broad community	Budget Committee held a virtual Public	Comments were received via email and those	All comments were	<a href="https://stpaul.legistar.com/Calendar.aspx">https://stpaul.legistar.com/Calendar.aspx</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
			Hearing on the proposed 2021 City budget inclusive of CDBG allocations, September 3, 2020 at 6 p.m.	relating to CDBG eligible activities are summarized in Attachment A.	considered.	
6	Public Hearing	Non-targeted/broad community	City Council reviewed the recommended CDBG allocations as part of the complete city budget review process at a Budget and Levy Public Hearing December 2, 2020 at 10 a.m.; virtual meeting.	A total of 135 email comments were received; those relating to CDBG eligible activities are summarized in Attachment A	All comments were considered.	<a href="https://stpaul.legistar.com/Calendar.aspx">https://stpaul.legistar.com/Calendar.aspx</a>
7	Public Meeting	Non-targeted/broad community	City Council approved 2021 City Budget and Capital Improvement budget, includes	Comments were received via email and those relating to CDBG eligible activities are summarized	All comments were considered.	<a href="https://stpaul.legistar.com/Calendar.aspx">https://stpaul.legistar.com/Calendar.aspx</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of comments not accepted and reason(s)	URL (If applicable)
			CDBG allocations	in Attachment A.		
8	Newspaper Ad	Non-targeted/broad community	Public Hearing notice was published in the <i>Legal Ledger</i> , March 1, 2021. Citizen comments were accepted by means of e-mail, written submissions, voice mail or over the phone and at the virtual public hearing and during the public comment period March 2-March 31, 2021.	Comments could be submitted via email, voice mail, over the phone or through U.S. mail.	All comments will be considered.	
9	Internet	Non-targeted/broad community	Distributed public hearing notice to all 17 District Councils, neighborhood associations and people	Comments could be submitted via email, voice mail, over the phone or through U.S. mail.	All comments will be considered.	<a href="https://www.stpaul.gov/departments/planning-economic-development/consolidated-plan">https://www.stpaul.gov/departments/planning-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)
			participating in the Early Notification System (approximately 3,000 people). Citizen comments could be submitted via e-mail, written submissions, voice mail or over the phone during the public comment period March 2-March 31, 2021 and at the virtual public hearing March 15,2021.			
10	Posted Public Notice – Saint Paul Public Libraries	Non-targeted/broad community	Posters requesting input were displayed at all Saint Paul Public Library branches with instructions to	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)
			access the draft plan on the City's website from a public library or home computer.			

**Table 4 – Citizen Participation Outreach**

## Expected Resources

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

#### Introduction

The City estimates it will receive \$6,892,568 in CDBG funding, \$1,895,972 in HOME funding, and \$594,358 in ESG funding from HUD in 2021. In addition, the City estimates using about \$207,432 in CDBG program income and approximately \$600,000 in HOME program income. Program income is income directly generated from a CDBG or HOME program funded activity, such as loan repayments. Total HUD resources are estimated to be \$10,190,330. Should the City receive an increase in CDBG and/or HOME program funding from the estimated allocation, the City will increase the Administration and Housing Construction projects proportionately to the increase. Should the City receive less than estimated amount of CDBG program funding, the reduction in the amount actually awarded will be applied proportionately to the Administration and Commercial Corridor and Citywide Economic Development projects. Should the City receive less than the estimated amount of HOME program funding, the reduction in the amount actually awarded will be applied to the Administration and Housing Construction projects. 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
- STAR
- HRA
- Neighborhood Commercial Parking Fund
- MHFA
- TIF
- LIHTC
- Metropolitan Council
- CoC
- ESG Match
- HOME Match
- Bonds
- DEED/MEED

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	6,892,568	207,432	0	7,100,000	22,500,000	Assumes steady funding.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,895,972	600,000	0	2,495,972	6,291,916	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	594,358	0	0	594,358	1,783,074	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 continues to require that all participating jurisdictions (PJ) match, with non-federal funds, no less than 25 cents for each dollar of HOME funds spent on affordable housing. The City again received a match reduction of 50 percent due to fiscal distress and is only required to match each dollar spent with 12.5 cents non-federal match. The City will continue to leverage other private and public funds in the development of HOME-funded affordable housing and accumulate additional match. 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. Match requirements will be satisfied, as well ESG grant regulations require that grant funds to 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:

- Cash
- Private donations
- 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 is derived from foundations, fund raising, conventional loans, and developer cash and equity. City funding may include the local Housing Trust Fund, Housing and Redevelopment Authority (HRA) funds, LIHTC, TIF, Conduit Revenue Bonds, local sales tax dollars (STAR program), and discounted City/HRA owned land.

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

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

**Discussion**

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

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

Saint Paul Neighborhood STAR awards loans and grants for capital improvement projects in Saint Paul neighborhoods, typically leveraging four times the City investment in real estate and business expansion projects. These funds are estimated to have generated more than \$1.2 billion dollars in private investment throughout the city. Neighborhood STAR provides loans and grants for physical improvement projects which could generally not be accomplished through existing city programs. Eligible projects are permanently affixed, physical enhancements which strengthen and/or improve Saint Paul neighborhoods, i.e. commercial and housing rehabilitation, parks, streetscape projects, and economic development activities.

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

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 works proactively to identify investment opportunities within these areas through marketing and an interactive web portal. OZ investments will align with core City values – equity, innovation, resilience, lifelong learning, economic inclusion and justice, and community-first public safety.

Saint Paul's growth strategy is focused on transit: 2040 Comprehensive Plan Policy LU-1 encourages transit-oriented development and the majority of 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 currently 1 LRT and 1 BRT line; 1 streetcar and 3 BRT lines are in planning stages. Development, including higher density and affordable housing, is supported along these transit routes through planning, regional and state grants, and City resources.

DRAFT

# 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: \$594,358	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: \$913,443 HOME: \$2,412,661	Rental units constructed: 15 Household Housing Unit
3	Rental Housing Rehabilitation	2020	2024	Affordable Housing	Citywide	Preservation of existing affordable housing	CDBG: \$395,000	Rental units rehabilitated: 26 Household Housing Unit

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: \$2,208,557	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: \$252,000	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: \$830,000	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 Remediation ??	CDBG: \$311,000	Buildings Demolished: 17 Buildings
10	Public Improvements	2020	2024	Non-Housing Community Development	Citywide	Public facilities and infrastructure	CDBG: \$415,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 8,960 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>	Improve the availability of a suitable living environment by funding public service activities.
6	<b>Goal Name</b>	Community Engagement
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by providing funding for public information & crime prevention programs.
7	<b>Goal Name</b>	Youth Employment
	<b>Goal Description</b>	Address the availability of economic opportunity by providing employment opportunities and training to City youth.
8	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	Address the sustainability of economic opportunity by assisting businesses with rehabilitation or economic development activities.
9	<b>Goal Name</b>	Remediation of Substandard Properties
	<b>Goal Description</b>	Address the sustainability of a suitable living environment by acquiring or demolishing substandard properties.

10	Goal Name	Public Improvements
	Goal Description	Address the sustainability of a suitable living environment by renovating existing public facilities in need of improvements.

DRAFT

# 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 2021 with CDBG, HOME, and ESG program funding. The Capital Improvement Budget Committee (CIB) recommended capital projects through the 2021-2022 capital improvement budget process. See Attachments A and B.

### 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	Dayton's Bluff Play Area
11	ESG21SaintPaul
12	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 CDBG and HOME 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 land suitable for residential development.

The City has a Joint Powers Agreement with the County to allocate its ESG funds to support emergency shelters, transitional housing services, street outreach to homeless residents,

homelessness prevention, and rapid re-housing programs that support the needs of homeless or those at risk of becoming homeless.

DRAFT

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Acquisition Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, and clearance of property
	<b>Funding</b>	CDBG: \$225,000
	<b>Description</b>	Funds are requested for the HRA to acquire strategic, hazardous and/or blighted properties for reuse as determined by input and support from the applicable recognized community organizations representing the neighborhood in which the property is located.
	<b>Target Date</b>	12/31/2022
	<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.
2	<b>Project Name</b>	Clearance Activities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Remediation of Substandard Properties
	<b>Needs Addressed</b>	Acquisition, demolition, clearance, rehabilitation, stabilization, remediation of property
	<b>Funding</b>	CDBG: \$311,000
	<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 detrimental to public health and safety.
	<b>Target Date</b>	12/31/2022

	<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.
<b>3</b>	<b>Project Name</b>	Neighborhood Non-Profits
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public service needs
	<b>Funding</b>	CDBG: \$252,000
	<b>Description</b>	Public service activities to include fair housing activities, community engagement, domestic violence prevention, criminal restorative justice, health care, employment training, conflict resolution, and emergency shelter.
	<b>Target Date</b>	12/31/2022
	<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>4</b>	<b>Planned Activities</b>	Assistance to public service programs administered by nonprofit organizations throughout the City. Programs include services for children, youth, families, senior citizens, domestic violence prevention, citizen participation, conflict resolution, emergency shelter, and community restorative justice. Applications and work plans are evaluated and selected by City Council. This program also receives local funding.
	<b>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>	12/31/2022
	<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>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>	12/31/2022
	<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 income remedial education, classroom and occupational skills training, and part-time employment.
<b>6</b>	<b>Project Name</b>	Housing Construction
	<b>Target Area</b>	Citywide

	<b>Goals Supported</b>	Development of New Housing
	<b>Needs Addressed</b>	Development of new affordable housing
	<b>Funding</b>	CDBG: \$146,000 HOME: \$2,412,661
	<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>	12/31/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 15 low/moderate-income families will benefit from the investment in newly constructed affordable rental units.
	<b>Location Description</b>	Project sites to be determined.
	<b>Planned Activities</b>	New units of housing either by rehabilitating vacant structures or with new construction activities, both of which may include acquisition, demolition, and relocation.
7	<b>Project Name</b>	Single-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeowner Housing Rehabilitation
	<b>Needs Addressed</b>	Support stable, affordable, safe homeownership
	<b>Funding</b>	CDBG: \$1,849,000
	<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>	12/31/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 51 low/moderate-income households will benefit from this activity.

	<b>Location Description</b>	CDBG-eligible households throughout the City are eligible for this activity.
	<b>Planned Activities</b>	Financing to assist income-eligible owner occupants of single-family and duplex properties.
<b>8</b>	<b>Project Name</b>	Multi-Unit Rehabilitation
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Rental Housing Rehabilitation
	<b>Needs Addressed</b>	Preservation of existing affordable housing
	<b>Funding</b>	CDBG: \$450,000
	<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>	12/31/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 26 low/moderate-income households will benefit from this activity.
	<b>Location Description</b>	Projects will be selected throughout the city.
	<b>Planned Activities</b>	Financing to assist in the preservation, rehabilitation, or new production of affordable housing.
<b>9</b>	<b>Project Name</b>	Commercial Corridor and Citywide Economic Development
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Economic development and job growth
	<b>Funding</b>	CDBG: \$625,000
	<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>	12/31/2022

	<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.
<b>10</b>	<b>Project Name</b>	Dayton's Bluff 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: \$415,000
	<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>	12/31/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The service area of this park includes 8,960 low- to moderate-income persons.
	<b>Location Description</b>	800 Conway Street, Saint Paul, MN 55106
<b>11</b>	<b>Planned Activities</b>	Removal/replacement of existing play equipment and other site improvements.
	<b>Project Name</b>	ESG21SaintPaul
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless Prevention
	<b>Needs Addressed</b>	Homeless prevention, rapid re-housing, and support
	<b>Funding</b>	ESG: \$594,358

	<b>Description</b>	Activities to include homeless prevention, shelter operations, essential services, street outreach, rapid re-housing, and ESG administration. Funding for emergency shelter operations and street outreach will not exceed 60% of ESG funding award and no more than 7.5% for administrative costs. Ramsey County will manage the City's ESG program under the terms of a Joint Powers Agreement.
	<b>Target Date</b>	12/31/2023
	<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.
12	<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: \$1,478,929 HOME: \$219,557
	<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>	12/31/2022
	<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.
--	---------------------------	--

DRAFT

## **AP-50 Geographic Distribution – 91.220(f)**

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

With the exception of the Dayton's Bluff Play Area, none of the 2021 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 which shows the areas of the city with at least 51% low/moderate income persons is titled as CDBG-Qualified Census Tracts 2021 is in Attachment I. All activities providing an area benefit being carried out in 2021 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**

Target Area	Percentage of Funds
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 funding, local bonds, TIF) and state funds (state municipal aid), 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	92
Special-Needs	0
Total	92

**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	15
Rehab of Existing Units	77
Acquisition of Existing Units	0
Total	92

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

#### Discussion

In 2021, the City estimates providing funding for the construction of 15 new affordable rental units through HOME and CDBG funding. 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.

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

### **Introduction**

The Saint Paul Public Housing Agency (PHA) is an important provider of affordable housing for thousands of Saint Paul households with the greatest need (households at or below 30% of AMI). The PHA owns and manages 418 public housing units and 3,836 units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020. The PHA also administers 4,929 Housing Choice Vouchers (as of January 2020). These include 175 Family Unification Program (FUP) vouchers, 288 Mainstream Program/Disability vouchers, and 236 Veterans Affairs Supportive Housing (VASH) vouchers. PHA has allocated 563 project-based vouchers (PBVs); and more than half of those (361) are in supportive housing developments. In total, the PHA provides over 9,200 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: <http://www.STPHA.org/>.

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

The PHA has maintained its High Performer status under HUD's Public Housing Assessment System (PHAS) for 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 18 consecutive years. The PHA successfully implements and administers current agreements for Project-Based Vouchers (PBV); including PBV in supportive housing that supports the State of Minnesota, Ramsey County, and the City of Saint Paul with their plans to end homelessness.

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

Remaining Public Housing Program - Only 418 scattered site single family homes and duplexes remain in the public housing program. Over the next year or two the PHA intends to hold discussions with residents, elected officials and community stakeholders about the best ways to preserve these homes as safe, affordable, quality housing for low-income families.

Rental Assistance Demonstration Conversion (RAD) - The PHA will continue to refine its operational model for Project-Based Rental Assistance (PBRA) for the 3,836 affordable housing units that were previously funded as public housing. The PHA strives to increase efficiency and customer service, with few changes in the rules that are familiar to residents and staff.

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

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

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

- VASH: Assisting homeless veterans receiving services from the Veterans Administration
- Mainstream Program-Housing Opportunities for Persons with Disabilities: Assisting households that included persons with disabilities, in collaboration with several community social service agencies.
- Family Unification Program Vouchers (FUP): In collaboration with Ramsey County's Child Protection Unit, helping families secure stable housing and be unified with their children. FUP also serves 18-24-year-olds who have aged out of or left foster care at age 16 or older, who are homeless or at risk of becoming homeless.

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

Waiting Lists – The Multifamily waiting list reopened September 17, 2020. and remains open at this writing. The Public Housing waiting list has been closed since October 1, 2018. As of 12/31/2020 there were 7,665 applicants on the Multifamily/PBRA waiting list, for apartments in hi-rises and family townhome developments. The public housing waiting list (2,000 applicants) is for single family homes and duplexes. Even when waiting lists are closed, the PHA still accepts applications for two programs with special services in PHA-owned housing: Congregate Housing Services Program (CHSP) and the Wilder Assisted Living Program (ALP).

HCV waiting list – Opened to new applications for one week in June 2019. By a random computer drawing, 3,500 applicants were placed on the waiting list from 13,000 applications received in the one week the list was open. The PHA expected that the 3,500 on the new waiting list would last about 3 ½ years. As of 12/31/2020, about 2,569 applicants remained on the waiting list.

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

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

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

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

The PHA actively encourages discussions about planning capital improvements and PHA policies. During the year, PHA Senior Management meets 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 2020, the PHA earned 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 19 years.

**Discussion**

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

The PHA has a continual need for stable federal funding to maintain its high standards. As explained above, the PHA received approval from HUD to convert most of its public housing properties to Project-Based Rental Assistance (PBRA) under 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 and Native Americans experiencing homelessness at much higher rates 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 2021, 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 Phase II 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. The City-owned 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, City's Mortgage Counseling, ADA-designed housing, congregate living facilities and assisted living facilities, nursing facilities, State of Minnesota, ARC Minnesota, HUD Section 811 Program, and the Block Nurse Program. Services for public housing residents with special needs include Saint Paul PHA's Assisted Living Programs, 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**

In Saint Paul, outreach services to homeless persons (especially unsheltered persons) are provided on a routine basis and serve to locate and refer homeless households to the appropriate facilities and programs. In response to the lack of sufficient outreach to residents that may benefit from services, the City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources.

The City funds additional outreach services as follows:

**Community Resource Outreach Project (CROP)** - offers weekly outreach to homeless residents who can receive referrals for community resources at the Saint Paul Opportunity Center and various pop-up locations including Mears Park in downtown Saint Paul.

**Coordinated Access to Housing and Shelter (CAHS)** - conducts intake assessments to determine the most appropriate referral for homeless families, individuals, and youth seeking emergency shelter. CAHS is completed through referrals from various participating organizations and community service providers throughout Saint Paul and Ramsey County through a central phone number. Long-Term Homeless Housing Support sites and federally funded rapid re-housing programs are required to report open units to the Coordinated Entry system so that contracted and county staff can connect residents from the priority list. Some policies were adjusted during the COVID-19 pandemic to move residents living in emergency hotel shelters to permanent housing.

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

**RADIAS Health - ACCESS Program** - ACCESS staff visit homeless shelters and drop-in centers to provide outreach and case management services to assist homeless adults with serious and persistent mental illness and substance abuse disorders. RADIAS Health, through its City ESG grant, also works directly with SPPD and the Police-Homeless Outreach Program to help homeless connect with services and housing.

**Streetworks** - A collaboration of community agencies provides street outreach services to homeless youth, including street outreach performed by Face to Face Health and Counseling Services' Safe Zone program.

### **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.

The City is a participating member of the Ramsey County CoC Governing Board and Ramsey County Family Homelessness Prevention Assistance Program (FHPAP), as of January 2021 these are a single Governing Board. In addition, ESG-funded agencies often secure additional community resources, including emergency funds for Saint Paul residents experiencing homelessness or at-risk of becoming homeless from the Community Sharing Fund, a program of the Saint Paul & Minnesota Foundations.

**Emergency shelters:** City ESG funds have continue to fund shelter operations at Catholic Charities' Higher Ground, emergency shelter for adults; Catholic Charities' Family Service Center, emergency shelter for families; Lutheran Social Services Safe House an emergency shelter for youth ages 16 to 20; Salvation Army Booth Brown House, emergency shelter for homeless youth ages 18 to 21; Interfaith Action Project Home, which serves families experiencing homelessness by providing emergency shelter space, a day center, and volunteer support through faith communities and use of their facilities (with a move to a permanent facility in 2021). Neighborhood House offers services for basic needs, lifelong learning, and offers hotel vouchers to families in need of emergency shelter.

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

serves families with children, particularly single-parent/single women with children; and the Community Stabilization Project (CSP) which works with tenants, landlords, and community stakeholders to stabilize families in their homes, prevent homelessness and displacement, and secure a households' capacity to become self-sufficient.

**Transitional Housing:** ESG funds have supported a portion of operating costs for transitional housing services provided by Theresa Living Center's transitional housing programs which provide individualized case management and collaboration with existing agencies to address specific needs of women with children.

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

The City's ESG and County CoC programs work together to fund community services, including homelessness prevention programs. The City has a Joint Powers Agreement with the County to allocate its ESG funds for these services. 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.

**Adults experiencing homelessness:** The City may finance the construction or acquisition of emergency shelters, supportive housing facilities, and affordable housing and may allocate ESG funds to assist those in shelters move to into more permanent housing. The City's St. Paul Residence provides permanent supportive housing for those with late stage chronic alcoholism and for long term homeless residents using the Housing First Model.

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

**Families experiencing homelessness:** The City finances affordable housing, including supportive housing that provides more opportunities for at-risk of homeless families. The

City's ESG program funds community service agencies that provide housing and case management to homeless families and homelessness prevention initiatives to assist at-risk homeless families. Catholic Charities Family Service Center (FSC) provides up to 120 consecutive nights of shelter for families, activities for children, tutoring, and parenting education with life skills training. Housing and employment search resources and other services are provided to help families transition from homelessness to stable housing. Interfaith Action's Project Home shelter also serves families experiencing homelessness.

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

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

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

Ramsey County provides programs and counseling to previously institutionalized or homeless individuals through partnerships with nonprofit service providers to aid in the transition to permanent housing. This network provides 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.

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

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

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

Returning Home Saint Paul (RHSP) – launched as a pilot by the City's Office of Financial Empowerment 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 mitigation 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 serving 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 lead agency organizes a federally required annual Point In Time (PIT) Count where staff and volunteers attempt to get a snapshot of the state of homelessness by counting every person experiencing homelessness. The most recent PIT count was in January 2021, it was reduced in scale to comply with public health COVID-19 guidelines. Additional efforts to serve homeless include utilizing Wilder Research to identify areas of greatest need. Every three years, Wilder Research, part of the Amherst H. Wilder Foundation, conducts a one-night statewide survey of homeless people in Minnesota to better understand the prevalence, causes, circumstances, and effects of homelessness. These triennial PIT counts provide Ramsey County CoC and the City with the most comprehensive data and analysis on the reasons City and County citizens are homeless, and barriers to obtaining and maintaining safe and stable housing. The data, analysis, and reporting help improve understanding about the prevalence, causes,

circumstances and effects of homelessness in Ramsey County and Saint Paul, which then guides actions (i.e., funding priorities) to eliminate homelessness through CoC and City ESG resources.

DRAFT

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

### **Introduction:**

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

The most significant barriers to securing affordable housing are insufficient income and lack of affordable housing units. The greatest gap in affordable housing units is for households with income below 30% AMI. Not only are the number of units few, but many of these units are occupied by households with incomes that could afford a unit at a higher rent. This is due to the insufficient number of available rental units.

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

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

The City's Locational Choice Policy and Low-Income Housing Tax Credit (LIHTC) selection process also encourage a more equitable distribution of affordable housing citywide. Even with significant barriers, during 2019-2020, the City partially financed the preservation and new construction of 1,396 multi-family units including 578 affordable units. City financed the acquisition of 2 rental properties to preserve affordability, total of 63 units. City and its non-profit partners financed the rehabilitation of 149 owner-occupied housing units.

Affordable housing development requires multiple funding sources including the City local funds, TIF LIHTC, State dollars, federal funding from HUD (CDBG, HOME), and

redevelopment property acquired and assembled by 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 sufficient funding and insufficient allocation of LIHTCs has negative bearing on the City's ability to provide and invest in affordable housing. The City receives only about 36% of the CDBG funding it received in 1975, about 75% of the HOME funding it received in 2000, and it's LIHTC allocation continues to shrink.

In response, the City's 2019-2020 budget included the establishment of a local housing trust fund (HTF) with \$10 million in initial funding and an ongoing annual investment of HRA dollars and local sales tax funds. HTF will be combined with existing City and federal resources 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; roughly 9,000 are subsidized through the PHA. Other units have resulted from citywide policies and efforts. Barriers to affordable housing are lack of funding and land. The City finances preservation, renovation and construction of affordable housing citywide using city-owned and discounted County-owned land, local, state, and federal funds. Opportunity Zone investment opportunities are actively promoted to funders and developers through a website that identifies redevelopment sites and investment opportunities within the Zones.

Resolution 18-1204 calls for action 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; 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 (clearly outlines landlord/tenant rights/responsibilities). It also mandated housing production goals for the next 10 years with at least 1/3rd affordable to households at 30-50% AMI and required an equitable development scorecard for investment decisions to ensure community benefit and Section 8 training in Landlord 101 for new landlords.

The City has established sustainable building regulations 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 which directly benefit LMI tenants.

The City has increased zoning flexibility to allow more types of housing to allow for Accessory Dwelling Units (ADUs), funding was allocated for community land trust housing units 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 is investing to preserve Naturally Occurring Affordable Housing and continues work on an Inclusionary Zoning ordinance to allow greater density for new construction in exchange for including affordable units. The 4(d) program continues and offers rental property owners a 40% tax rate reduction and grant assistance for rehabilitation for units that remain affordable for the next 10 years.

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

Limited English proficiency (LEP) is a barrier to accessing City services and programs. One in 5 Saint Paul residents speak a language other than English. 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 spoken by residents, 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 and state governments to develop affordable housing in Saint Paul. Furthermore, the City has adopted Affordable Housing Policies that support the development of affordable housing citywide. That said, the City lacks the financial capacity to meet the affordable housing needs of all its citizens. Therefore, federal, state, and local budgetary restrictions are a significant barrier to developing sufficient affordable housing in Saint Paul.

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

### **Introduction:**

This section identifies additional actions required as part of the Annual Action Plan.

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

In 2021, the City will address many of its underserved needs through the activities of the ongoing, multi-year HUD funded housing programs. Most important, the new construction or preservation of large family units, and units for very low- and extremely low-income households will be accomplished through the various homeowner, homebuyer, multi-unit, and new housing development programs carried out by the City and its partners using CDBG and HOME program funding, LIHTCs, TIF, local funds, and the City's newly established HTF. The City allocates its ESG funding to community agencies that serve those experiencing homelessness and at-risk of being homeless, including residents with mental health and substance abuse disorders.

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

In 2020, the City passed S.A.F.E. Housing Tenant Protections which are a set of 5 Stable, Accessible, Fair and Equitable policies for rental housing. Implemented to counter stagnant wages, increasing rents, a lack of affordable housing and a consistently low housing vacancy rate which makes it difficult for Saint Paul residents to find housing they can afford. Policies are: 1) Tenant Rights and Responsibilities information to ensure tenants and landlords know their rights/responsibilities and resources available; 2) Security Deposit Limitation ensures equitable access to housing by limiting security deposits to a single month's rent; 3) Tenant Screening Guidelines ensures fair access by creating uniform screening criteria for applicants related to use of rental, criminal and credit history; 4) Just Cause Notice increases housing stability by requiring landlords to provide just cause for nonrenewal or termination of leases; and 5) Advance Notice of Sale preserves affordable units and addresses displacement by requiring notice of proposed sale be provided to City

and tenant before unit is placed on the market. Implementation of these policies is effective March 2021.

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

In 2021, 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 estimates that there are approximately 497 vacant residential buildings in the City, down from approximately 1,800 in 2008. The City will use the 60 percent tax credit rent for determining affordable rents for rental housing that is assisted with CDBG funding. HOME 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 2019-2020 budget includes the establishment of a local housing trust fund (HTF) with an initial investment of \$10 million and a commitment to an ongoing annual investment. HTF funding will be combined with existing City and federal resources for investment in housing over the next three years.

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

Neighborhood STAR Program awards loans and grants for capital improvement projects in Saint Paul neighborhoods funded with 50 percent of the City's half-cent sales tax proceeds.

These capital improvements help to maintain neighborhood infrastructure and make neighborhoods more livable.

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

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

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

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

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

Other City efforts:

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

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

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

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

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

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

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

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

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

Saint Paul's institutional structure gives the City the opportunity to partner with many organizations. In 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 activities.

Saint Paul continues its partnership with the Saint Paul Port Authority, Saint Paul Area Chamber of Commerce and other economic development entities for business recruitment and expansion that will benefit Saint Paul residents and neighborhoods.

The City and its regional partners, the Fair Housing Implementation Council (FHIC), worked together to develop responsive strategies to Affirmatively Further Fair Housing within the Twin Cities metro area. The 2020 Regional Analysis of Impediments to Fair Housing Choice (2020 AI) was finalized on January 21, 2021, by the FHIC and The Lawyers Committee for Civil Rights Under Law. The 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, worked with a consultant to develop a Regional Analysis of Impediments to Fair Housing Choice (AI). The AI identifies the causes for housing disparities, factors that reduce fair housing choice, the distribution of affordable housing (publicly funded and naturally occurring), displacement that disproportionately affects protected classes, the effects of gentrification on protected classes, integration and segregation, and disparities in access to opportunity as defined by HUD.

Further, there is sustained focus across Mayoral administrations to address racial inequities. The City has hired a Fair Housing Coordinator in the Office of Financial Empowerment to lead planning and implementation of a citywide fair house strategy. The City's equity initiative drives each department to identify equity goals for their workforce, programs, services, and community impact.

### **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 2021. The City through the FHIC will work with metro-wide governmental jurisdictions to affirmatively further fair housing regionally in the Twin Cities Metro Area.

Also, as part of the Ramsey County CoC Governing Board, City, County, community agencies, and faith-based organizations are very involved with planning and implementing homelessness initiatives. Saint Paul Foundation is sponsoring a multi-partner task force, Outside In, to work collaboratively to address the unsheltered homeless population in and around downtown St. Paul through RUSH - Re-directing Users of Shelter to Housing.

The City will continue to work with Community Development Corporations (CDCs), other nonprofit organizations, and the private sector (businesses, developers, social service agencies) to provide housing, economic development, and community development services. For example, the City's Low-Income Housing Tax Credit Program encourages

equity partnership between private housing providers and non-profit housing organizations. It also encourages working partnerships among private housing providers, non-profit housing organizations, and community social services that serve low- and moderate-income residents and homeless residents.

An example of a public/private partnership is the City, MHFA, private foundations, private donors, and Catholic Charities having worked together to build the new Dorothy Day Center Phase II which provides permanent supportive housing and a new Opportunity Center. Catholic Charities' Higher Ground Saint Paul now has a medical respite program which requires coordination among institutional private health care providers, Catholic Charities, and public health care providers, such as Health Care for the Homeless.

City economic development programs provide gap financing, which requires businesses seeking assistance to secure other public and private financing from banks, the state, Metropolitan Council, private foundations, personal capital, CDCs, and the Saint Paul Port Authority on commercial and industrial projects. This coordination ensues 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, providing scholarships to low-income residents using City funds.

## **Discussion:**

There are many initiatives within the City of Saint Paul in the Mayor's Office, the Department of Planning and Economic Development, and its Housing Division. Like a diversified portfolio, a diversity of housing types and development strategies can increase local resiliency through changing economic times. Recently, the City has established a local housing trust fund; a minimum wage of \$15 per hour; broadened zoning flexibility to allow a greater variety of housing types; formed the Office of Financial Empowerment; and proactively promoted with Opportunity Zones to developers and investors; The City continues to hold regular procurement fairs to recruit Section 3 and W/M/SBE businesses, requires use of Section 3 vendors for all construction/rehabilitation housing projects or other public construction projects; implemented Stable, Accessible, Fair and Equitable (S.A.F.E.) housing policies for rental housing. Implemented to counter stagnant wages, increasing rents, a lack of affordable housing and a consistently low housing vacancy rate which makes it difficult for Saint Paul residents to find housing they can afford, and expanded fair housing outreach through Landlord 101 and online tenant training. The City has also conducted a study on the Zoning Code definition of the term "family" to regulate the number of unrelated occupants allowed in one residential dwelling unit. The Planning

Commission, based on public review and comment and the Comprehensive and Neighborhood Planning Committee's recommendation, has proposed amending the City's Legislative Code to change the definition of Family to Household; Six (6) or fewer adults, and minor children in their care living together in a dwelling unit. This recommended change is subject to a public hearing and adoption by Mayor and City Council.

DRAFT

## **Program Specific Requirements**

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

#### **Introduction:**

The City anticipates receiving \$6,892,568 in CDBG funding and \$1,895,972 in HOME funding, and the anticipated allocation of \$594,358 in ESG funding from HUD in 2020. In addition, the City estimates using program income of about \$207,432 from CDBG activities and \$600,000 from HOME activities. Total funding of \$10,190,330. Should the City receive an increase in CDBG and/or HOME program funding from the estimated allocation, the City will apply the increase to the Housing Construction project. Should the City receive an increase in CDBG and/or HOME program funding from the estimated allocation, the City will increase the Administration and Housing Construction projects proportionately to the increase. Should the City receive less than estimated amount of CDBG program funding, the reduction in the amount actually awarded will be applied proportionately to the Administration and Commercial Corridor and Citywide Economic Development projects. Should the City receive less than the estimated amount of HOME program funding, the reduction in the amount actually awarded will be applied to the Administration and Housing Construction projects. 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 2020, 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	207,432
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>207,432</b>

### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	89.65%

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

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

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

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

The City of Saint Paul HOME Program Resale/Recapture Policy is included in Attachment E.

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

The City of Saint Paul HOME Program Resale/Recapture Policy is included in Attachment E.

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

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

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

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

The FY 2020-21 Saint Paul ESG Action Plan is the written standard for providing ESG assistance and is included as Attachment H. This plan references other documents which includes: 1) Street Outreach Standards Manual which establishes a consistent definition and minimum standards for all current and future Street Outreach (SO) projects within the Heading Home Ramsey Continuum of Care (CoC); 2) Coordinated Entry for Everyone Policy Manual for prioritization of those going through Coordinated Entry and seeking transitional housing, rapid rehousing, or permanent supportive services; 3) Rapid Re-Housing Standards Manual which establishes a consistent definition and minimum standards for all current and future Rapid Re-housing Supportive Housing (RRH) projects and policies and address rental assistance contributions to a client's rent and utility payment. Utilities are taken into consideration for housing costs/assistance in the RRH process. Clients may also be referred to utility assistance programs available in the community.

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

The Ramsey County CoC has an established centralized coordinated assessment that meets HUD requirements for families, single adults, and youth experiencing homelessness or at imminent risk of homelessness. Ramsey County Coordinated Access to Housing and Shelter (CAHS) conducts standardized assessments for homeless families and Coordinated Entry for Youth and Singles (CEYS) conducts standardized assessments for homeless individuals and youth to determine the most appropriate housing referral/housing alternatives before a homeless family, individual or youth enters emergency shelter. The assessment identifies the most appropriate housing program support based upon specific needs and barriers. However, due to an insufficient number of shelter beds, particularly for families, CAHS Diversion Specialists assist families identify alternatives to a shelter. Shelter Diversion Services must maximize the use of emergency shelter beds for those individuals and families with no

other housing options. As of December 2020, there were no family shelter beds open. Other options for referrals include other housing programs such as rapid re-housing, transitional housing, or permanent supportive housing. Ramsey County CoC must use state homelessness prevention funding to pay for CAHS operations for families and use local funding for CEYS as it relates to single adults and youth.

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

The City has a Joint Powers Agreement with Ramsey County to allocate its ESG funds to programs in alignment with other local, state, and federal funding sources through the Ramsey County CoC. Through the joint powers agreement, City ESG funding is administered by the County. The CoC's ranking committee reviews and evaluates individual sub-recipient project proposals and awards funding. The overall goal of City ESG funding is to 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.

The City and the CoC recognize that City ESG funding is supplemental to the County's homelessness prevention initiatives, which are funded with County levy dollars, HUD CoC funds and state Family Homelessness Prevention Assistance Program (FHPAP) funds.

Prior to the issuance of an annual Request for Proposals (RFP) for sub-recipient homeless services, Ramsey County consults with the CoC Coordinator, City staff, and CoC Governing Board to develop a preliminary gap analysis of services, which includes a review of the needs of underserved populations. Ramsey County staff also consults with the CoC Ranking Committee to determine City funding priorities in relationship to the CoC and FHPAP funded programs that assist homeless residents. City ESG funding fills gaps and does not duplicate funding already provided by the CoC.

An integral part of the annual funding process also includes County staff meeting with current and potentially new ESG sub-recipients to determine service level needs of the communities served by each. Approximately 18 community agencies apply for ESG funds annually. Final approval for allocation of ESG funds is given by the CoC's Ranking Committee after consulting with County and City staff, and the CoC Governing Board.

Overall, ESG funding allocations take into consideration: 1) services to be provided to homeless adults, families, youth, and underserved populations such as new Americans, refugees, and veterans; 2) the supplemental funding needs of CoC programs (fills gaps);

3) risk rating and prior performance of ESG sub-recipients; 4) national HUD housing and homeless objectives; and 5) City housing and homeless objectives and priorities.

An RFP for sub-recipient funding was issued in fall of 2020, funding 13 sub-recipients and HMIS data collection.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City and County CoC support the participation of residents experiencing homelessness on various issues and projects, such as the Ramsey County CoC and the Family Homelessness Prevention Assistance Program Committee (as of January 2021, now one Board). It is encouraging to see homeless residents become empowered by their ongoing participation with the Youth Homeless Advisory Board. The City and the CoC support the participation of formerly homeless through membership on the CoC Governing Board which is now also the FHPAP Advisory Committee. Many ESG sub-recipients have participant-driven programming where input from program participants is encouraged and sought out. Efforts include participant-driven programming which encourages input from program participants, including individualized case management meetings, client satisfaction surveys, and group meetings during which program participants can review services, plan events and activities, and help provide solutions to problems and concerns. Several ESG sub-recipients encourage participation of homeless and formerly homeless residents on their respective Boards.

5. Describe performance standards for evaluating ESG.

Ramsey County consults the CPD Monitoring Handbook and with City Compliance Monitoring staff before conducting compliance reviews. ESG program sub-recipients are subjected to a risk rating to ensure that those with the highest risk are identified for monitoring more frequently as required by HUD and provided technical assistance, as appropriate. When conducting an on-site monitoring review, City staff meets with sub-recipients, on-site, to review the following, as appropriate:

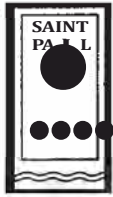
- An organizational chart and list of staff, counseling and/or outreach, as appropriate, indicating years of experience
- Staff training received in the prior 12 months
- Financial records, including independent audit and year-to-date financials
- A copy of the current counseling work plan
- List of community service referrals

- Copies of applications and forms, including disclosure forms, utilized by clients to receive services
- Access to client files including a list of clients counseled; services provided; description of participants needs (i.e. meeting HUD definition of homeless); screening process; review of case management services; and housing assistance provided; cultural competency, and participant-driven programming

A written response is provided to each sub-recipient monitored which summarizes the on-site visit and notes all concerns and findings, as appropriate. If there are areas of concern for which technical assistance is needed, City staff will ensure this is included and note how it will be provided. The written response also notes what the organization is doing well.

Desk reviews are typically completed as requests for reimbursement of contracted program costs are processed. As a part of the RFP and annual funding process; City staff applies a risk assessment tool to each organization previously funded and/or has submitted a proposal for funding. The risk assessment tool looks at the organization's experience with ESG funding; ESG-eligible programs and services; financial and accounting systems and controls; financial reports, and staff turnover.

DRAFT



CITY OF SAINT PAUL  
LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE

OFFICE OF FINANCIAL SERVICES  
700 City Hall, Saint Paul, Minnesota 55102  
651-266-8800

*Melvin Carter III*  
*Mayor*

June 30, 2020

TO: The Honorable Melvin Carter III and Members of the Saint Paul City Council

FROM: Amy Huerta, Chair

**REPORT OF THE SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE**

The Saint Paul Long-Range Capital Improvement Budget (CIB) Committee hereby submits its recommendations for the 2021 Capital Improvement Budgets. As we continue to utilize the new process, departments worked together to score, rate, and recommend projects for the Fiscal Year. This opened up opportunity for the departments to gain greater understanding of the needs across the City and sparked ideas discussions during the process. For FY21 we recommend the following for the City Departments:

- Department of Safety and Inspections: \$311 thousand
- Fire: \$2 million
- General Government / Office of Financial Services: \$2.88 million
- Library: \$500 thousand
- Parks: \$8.26 million
- Planning and Economic Development: \$3.27 million
- Public Works: \$49 million

This budget assumes approximately \$9.885 million of Capital Improvement Bonds, \$4 million of Community Development Block Grants (CDBG), and \$8.7 million of Municipal State Aid (MSA) for FY21.

The Saint Paul Capital Improvement Budget (CIB) process is designed to engage the public in evaluating capital needs in the City. 2020 is the second year of utilizing the new process as designed with the support of the CIB Committee and City staff. Unfortunately, in light of the COVID-19 pandemic, we had to make adjustments to timing of the 2020 CIB process. The CIB committee took time and reviewed options and connected with the City staff. Following these discussions and review, a revised schedule was created to ensure a robust community discussion around these important projects. The June 30 deadline requiring a recommendation from the CIB Committee to the Mayor will remain in place. With regard to community project funding, the CIB Committee will recommend an aggregate, rather

than an itemized list, of funding. A final itemized list will be developed by the CIB Committee for specific recommendations by September 30. These adjustments will allow adequate time for deliberation and community involvement, which would otherwise be lacking due to the COVID-19 pandemic. The mechanism for this model is similar to the capital maintenance process - an aggregate of funding is recommended by the committee and then broken into individual line items later.

The following principles were considered in every step of the process and were used as guides in the decision making:

1. **Equity and inclusion:** Budgeting decisions reflect our commitment to equity. The CIB Committee supports identifying ways to invite more voices to the table and ensure investments are distributed equitably throughout the City.
2. **Strategic investments:** Capital investments all feed into a larger, more comprehensive strategic framework that takes advantage of data and ensures maximum return on investment.
3. **Fiscal responsibility:** Existing infrastructure such as roads, bridges and sidewalks - as well as existing parks and libraries facilities - are well-tended. Maintenance is prioritized.

The CIB Committee's recommendations for funding are based on the principles of Equity and Inclusion, Strategic Investments, and Fiscal Responsibility coupled with the needs of the City and the risk ratings, scorecard ratings, and presentations of the project leads.

Recommendations include investments in Planning and Economic Development that add investments to housing, business, and additional dollars for technical support. These dollars will help with new housing initiatives, rehabilitation of housing, and small business loan programs, all essential and vital to the community of St. Paul. Public Works also received key investments with a strategic lens applied to core infrastructure and new infrastructure. Some of the projects include investment along the Payne-Phalen area, the Kellogg Bridge, and citywide street paving. The Committee would like to note a desire to see bike infrastructure incorporated into the Wabasha project. This is critical as we continue to consider long term planning and a more environmentally sustainable city. Additionally, we encourage the continued recognition for equitable infrastructure across the city that meet community needs. This is a critical time and the City and this Committee recognize their role in helping to create more system change and positive solutions. We also want to be sure to express our gratitude to City Staff for their active participation throughout the process.

As always, the Committee appreciates your support of our efforts. It is a pleasure to serve our City and its Residents.

#### SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE MEMBERS

Rebecca Airmet, Vice Chair  
Larvel Bunker  
Joel Clemmer  
Devin Driscoll  
Jack Fei

Raymond Hess  
Amy Huerta, Chair  
Samakab Hussein  
Mary Morse Marti  
Patrick McQuillan

Darren Tobolt  
Hoki Tse  
Elsa Vega Perez



CITY OF SAINT PAUL  
LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE

OFFICE OF FINANCIAL SERVICES  
700 City Hall, Saint Paul, Minnesota 55102  
651-266-8800

*Melvin Carter III*  
*Mayor*

June 30, 2019

TO: The Honorable Melvin Carter III and Members of the Saint Paul City Council

FROM: Amy Huerta, Chair

**REPORT OF THE SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE**

The Saint Paul Long-Range Capital Improvement Budget (CIB) Committee hereby submits its recommendations for the 2020-2021 Capital Improvement Budgets. We recommend \$24,885,000 per year for both Fiscal Year 2020 and Fiscal Year 2021. This budget assumes approximately \$9.885 million of Capital Improvement Bonds, \$4 million of Community Development Block Grants (CDBG), and \$11 million of Municipal State Aid (MSA) each year.

The Saint Paul Capital Improvement Budget (CIB) process is designed to engage the public in evaluating capital needs in the City. 2019 marks the first year utilizing the new process as designed with the support of the CIB Committee and City staff. The following principles were considered in every step of the process and were used as guides in the decision making:

1. **Equity and inclusion:** Budgeting decisions reflect our commitment to equity. The CIB Committee supports identifying ways to invite more voices to the table and ensure investments are distributed equitably throughout the City.
2. **Strategic investments:** Capital investments all feed into a larger, more comprehensive strategic framework that takes advantage of data and ensures maximum return on investment.
3. **Fiscal responsibility:** Existing infrastructure such as roads, bridges and sidewalks – as well as existing parks and libraries facilities – are well-tended. Maintenance is prioritized.

## ATTACHMENT A

This redesign work continues as we move into the next fiscal year as we wrap up the first year of a new process. Year one opened additional community dialogue as City staff and CIB Committee members attended District Council meetings and worked as a team to score City projects through a new scorecard. Year two will focus on community projects and continue to create open community dialogue and engagement.

The CIB Committee's recommendations for funding are based on the principles of Equity and Inclusion, Strategic Investments, and Fiscal Responsibility coupled with the needs of the City and the risk ratings, scorecard ratings, and presentations of the project leads. CIB bond recommendations include allocating \$5 million towards the Fire Station 7 Replacement on the East Side over the two-year cycle. There was significant community support for this project and the need is great. The current station is 89 years old and is in the worst shape of any active fire station. Additionally, \$1.5 million was allocated for the McMurray Field, a highly used facility serving over 100,000 people per year. The Committee's CDBG recommendations incorporated HUD risk ratings provided by PED staff and discussed the principles as they applied to the projects. Projects moving forward for recommendation include investments in affordable housing, homeownership improvement loans, and economic development across the city in the areas with the greatest need. The Committee encourages City staff to work closely with higher risk CDBG applicants to ensure that projects can meet HUD and City objectives.

The Committee would also like to note that there is some concern about the Oakdale Project Phase II proposal. This concern is raised given the Phase I project is behind schedule and the capacity to be ready for Phase II might not be fully realized.

The Committee would like to thank this year's applicants for answering our many questions. We also would like to express our gratitude to City Staff for their active participation throughout the process.

As always, the Committee appreciates your support of our efforts. It is a pleasure to serve our City and its Residents.

### SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE MEMBERS

Amy Huerta, Chair  
Rebecca Airmet, Vice Chair  
Larvel Bunker  
Joel Clemmer

Raymond Hess  
Samakab Hussein  
Mary Morse Marti  
Patrick McQuillan

Paul Raymond  
Corina Serrano  
Darren Tobolt  
Elsa Vega Perez

## June 17, 2019 - CIB Public Hearing

**Committee Members Present:** Mary Morse Marti, Larvel Bunker, Joel Clemmer, Darren Tobolt, Samakab Hussein, Ray Hess, Pat McQuillan, Amy Huerta

### Public Comments Received

1. Greg Finzell – Rondo Community Land Trust
  - 10 units of affordable housing, support recommendations, appreciate being considered
  - Since last here, submitted proposal to housing finance agency for funding and still waiting on other STAR proposal
  - Feel good about other grants, hoping they come through as well so we can do the 10 units citywide
2. Gail Merriam – Neighborhood Development Alliance
  - 3 proposals – Acquisition Rehab Revolving Loan Fund, Oakdale, West side Commercial Rehab
  - West side has been ignored for a long time which is why we came in with these requests
  - Lack of affordable starter homes on west side
  - Only CDC on west side engaged in real estate development
  - Successful buying older homes and rehabbing to resell at or below 80% median value
  - Try to do things that make neighborhood look good, fit in
  - Important to us to give people quality, sustainable homes
  - Commercial rehab – want to bring money to parts of west side that have gotten money before (Smith, Stryker, etc.)
  - Lot of Smith business owners suffered w/ High Bridge being closed
  - District del Sol doing pretty well
3. Beth Hyser – Neighborworks Home Partners
  - 3 projects
  - A little surprised and concerned to be cut this time
  - Serving some of St Paul's core neighborhoods
  - Seen a lot of gentrification – fight by helping people stay in their homes
  - Deferred maintenance in low to moderate income exceeded \$750M in 2009.
  - Age of housing stock averages 1922 citywide, most neighborhoods served are closer to 1910 or older, including North End and Frogtown
  - 12 people on waiting list which is \$300,000. Can wipe out 1-year contract today.
  - Got a call from North End asking what happened when funding recommendations came out. Need is there, have a waiting list.
  - Leverage funds 3:1, pairing CDBG funds with MHFA funds
  - Typically CIB has been housing focus and STAR has been commercial focus. This year seems to be more commercial.
  - Folks can only get 1 CDBG loan ever. So these are all new customers.
4. Jason Peterson – Neighborworks Home Partners
  - Why cut now? We've improved our program, just hired more language skills, have worked to grow programs

- Looking at geography served – North End, Green Line, Citywide is mostly west side and west end. Those are lowest income and most diverse neighborhoods, by far
- Cuts coming on the backs of neighborhoods that really need these services
- Concerned about displacement - CURA just put out a study – gentrification aligns with our service area
- Poorest neighborhoods w/ less resources and older houses
- Cut disproportionately compared to other organizations
- 5. Ben Johnson – Neighborhood Development Center
  - Grateful to be included in recommended funding
  - Mixed use commercial building at University and Dale
  - Project is community inspired, at gateway to Frogtown
  - Focus on low income and people of color – future home of Big Daddy’s barbecue
  - Create job, serves as community space
  - \$500k ask goes directly to help neighborhood entrepreneurs build their spaces out in this building
  - Will create 87+ jobs, and house 8-12 new or existing businesses
  - NDC part of ecosystem that allows low income entrepreneurs to access loans, training, technical assistance, etc.
  - Lot of momentum for this project, businesses appreciate
  - Notice request was cut in half, would like to see other half come back in 2021.
  - Construction in Spring 2020, open in Summer 2021
- 6. Jonathan Oppenheimer – Friends of Hamline Park
  - Lots of opportunities for folks to use this space
  - Speaking in favor of application for Hamline Park play area which has fallen into disrepair
  - Gets tremendous amount of use
  - Number of folks who don’t have outdoor spaces (small yard, rentals, etc.) who rely on this space
- 7. Dr. Bruce Corrie – City of Saint Paul
  - Speak in support of community partners listed here, we engage with a number of them on good projects
  - This funding is important – multiple ways we have to put a deal together – CDBG is an essential component
  - Ask team: how can we go deeper and wider? How can we help build the city?
  - CDBG comes up when department is asked where community can get resources
  - Money being put to good use
  - Why are we applying for technical assistance money? Building up this program. People discovering they did not have right insurance or correct loans – need technical, legal, assistance to help these people
- 8. Anne DeJoy – ESND
  - In support of North End Façade Improvement and Business Investment Fund
  - CDBG great resource for code remediation
  - Older buildings dealing with have code issues that need to be resolved before can get certificate of occupancy, not typically something a bank would finance
  - ESND provides technical assistance through whole process
  - Also do construction project management

- Resource of CDBG and ESNDG helping business and building owners throughout the process is appreciated
  - We also got cut a little, probably everyone did, recognize there is always more need than resources available
  - We will make good use of resources we receive
  - Working in some of the neediest communities as well
9. Jessica Kopp – Friends of Hamline Park
- Support of Hamline Park playground
  - Long-time Hamline resident to do what neighbors can do to help make the space better through programming, gardening, litter collection, partnering w/ Parks and Rec, etc.
  - Park place where you can be in community w/o formal programming – important for building strong communities
  - New equipment is welcoming and tells kids we care about you and value you enough to have things that are beautiful and functional
10. John Bandemer – Saint Paul Police Department
- Request is for new patrol station in Central District
  - Dept is broken into 3 districts – Eastern district is in heavily residential, Western is mix of commercial and residential, Central was relocated into HQ at Grove Street
  - Police dept has been coming to CIB for many funding cycles to acquire property on North End so we can relocate patrol resources back into that neighborhood
  - Important to have building and officers accessible for small businesses and residents
  - Having visibility on North End is important mission for Chief Axtell to accomplish while he can
  - Building would be similar to Western District building – mix of public space and office space for investigators and patrol functions. Approx. 100 patrol officers and investigators
  - Community room for meetings and events
  - Funding request is for us to explore either property acquisition or building acquisition and do design work, working towards construction in 2022-2023
11. Laura Jones - resident
- Opposition to building Central District police station
  - Community has been weighing in for several years on the need for upstream interventions that would be more effective
  - Police stations don't meet the needs to offer community spaces
  - There have been workgroups that have come up with some ideas – day drop-in centers, alcove model out of California serving youth ages 12-25, spaces to reach young adult population
  - County has announced closing Totem Town
  - New station would be expensive, unnecessary, and at odds with County and City efforts to move prevention upstream
  - Research, evidence, and community input support prevention and community engagement not additional buildings for law enforcement
12. Bob Spaulding – resident and City staff
- City code requires you to hold hearings including public hearing, notice on City website did not include funding recommendations
  - Mayor Carter won elections based on community first public safety platform

- Would suggest that instead of new public safety investment, align with community first public safety
13. Danielle Swift - resident
- Live on the East Side – would like to see investment in our people
  - A lot of people struggling with housing, could have more for youth
  - Would hate to see more millions of dollars pumped into police when I don't know if this will solve issues that people are facing across the city
  - Crime is a symptom but not root cause
  - Struggle with access to food, programming, etc. If we were to invest in those areas, we might be able to see a change in those issues
  - Racial disparities in occurrences with police
  - Think outside the box – try to invest in other areas
14. Alice Messer – Parks and Recreation
- Thank residents for coming to speak in favor of Hamline Park
  - Reference a couple letters that will be submitted that share concerns around deferred maintenance and reductions in annual programs that will impact ability to keep centers open and running

[Public Comments - Capital Improvement Budget Committee Public Hearing - full details](#)

### **Budget Committee Public Hearing September 3, 2020**

Sarah O'Gorman: We lack adequate, safe housing, jobs that pay living wage, health care, well-funded schools, these must take priority over funding the police.

Andrea Buiser: The City of Saint Paul is not doing enough to address the problem of homelessness. Too much of the budget is allocated toward funding the police and not enough is allocated to affordable housing for our residents.

Bruce Corrie: We need to make critical investments in this economy so need new tools. An investment fee of 2% on all development projects including the Ford site and the revenue flows to the HRA for investment in business development and affordable housing in areas of concentrated poverty in Saint Paul. Current assets of the HRA are depleted and we are losing our capacity to invest in long term economic development of the City.

[Community input on the Mayor's 2021 proposed budget - full details](#)

### **Truth in Taxation Public Hearing December 2, 2020**

11.7.20 email Theresa Beckhusen sent to City Council Members and Budget Committee  
St. Paul can support community garden efforts, farmers markets, educational support and opportunities, public health, housing, and more. As I review the current proposed 2021 budget, I am dismayed to see just how much is tentatively allocated to the police (\$122.33 million as of this writing) vs. the relatively paltry \$1.89 million tentatively allocated to public health. Public health does not comprise even 1% of the current proposed budget. I'm also disappointed to see the relatively low amount allocated to the Community Development Block Grant program. Would it not make more sense to invest in St. Paul communities through this program? In past presentations to the City Council, Chief Axtell has noted that the police department is

sometimes tasked with addressing issues that would be better addressed through other programs: housing/homelessness, education, community investment, etc. Why not reallocate some of the SPPD budget to those very areas to support the people of St. Paul and minimize police interference in their lives? Why not use some of those funds to support people experiencing homelessness in St. Paul and work toward a workable, sustainable solution for keeping those folks safe and cared for?

11.27.20 email Arline Datu

I live in Ward 2 and am a leader in ISALAH. I strongly support the passage of the tenant protections ordinance for St. Paul. Now more than ever, our city needs comprehensive tenant protections to address rising displacement, help keep people in their homes and eliminate discrimination especially during an economic downturn and COVID19. That's why I am asking that you put \$150,000 towards implementing this important ordinance to ensure future stability and safety for all in our community.

11.24.20 email Christina Locke

I am a Saint Paul resident concerned about proposed budget allocations for 2021. While there are understandably cuts across the board, these cuts are nowhere near equitable. The police budget is nearly maintained while allocations for public health and community development suffer disproportionately. Our neighbors are facing homelessness during this public health crisis. Maintaining bloated police budgets do nothing to address issues of inequity and poverty our city faces. Please consider deeper cuts to the police budget and reallocating those funds to addressing root causes of poverty and crime.

11.30.20 email Madeleine Hallberg

My name is Madeleine H. and I live in Ward 3. I'm really hoping that the next city budget will involve a reallocation of police funds to better serve our communities in peaceful, non-confrontational ways. Two examples of peaceful, restorative investment would be:

1. \$300,000 for community contracts and education/community outreach and 3 investigators so we as a city remain committed to workers knowing their rights, and
2. More resources toward community first public safety, such as a mental health response team that can be dispatched for mental health emergencies instead of police. This shift in community safety would just be a start.

12.1.20 email Theresa Beckhusen

I'd like to again voice my belief that the SPPD's budget should be decreased in favor of increasing investment in other areas. Saint Paul can support public health, education, housing, and so much more. As Root & Restore Saint Paul wrote in an article that police do not address or solve problems like homelessness, racialized gaps in access to education as well as healthcare, food insecurity, poverty, unemployment, and more.

12.1.20 email Jerry Blume

I live in ward three and I'm a volunteer with Isaiah. I ask you that more resources are put to prioritize the community first public safety initiatives stop by the mayor and the city budget and more money to the police budget. For us to be at City to truly work as everyone, I ask you to continue to invest at least \$50,000 an immigrant legal defense fund through our city budget. To pass \$15 minimum wage in earned sick and save time in the last couple of years. I ask that you

put \$300,000 for community contracts in education/community outreach and three investigators so remain committed to workers knowing their rights. Now more than ever, our city needs comprehensive tenant protections to address rising displacement, help keep people in their homes And eliminate discrimination especially during an economic downturn and COVID-19. I ask you to put \$75,000 toward implementing this important ordinance to ensure future stability and safety for all in our community.

12.1.20 email Elana Dahlager

I am a lifelong resident of Ward 4, represented by Mitra Jilali Nelson. I am writing with respect to the proposed 2021 budget for the city. It seems unconscionable, then, that the police should be allotted 122 million dollars, while other public services-- public services which proactively work to prevent crime, as opposed to the reactive and inefficient nature of policing-- are forced to take huge cuts and serve fewer of the people of St. Paul who are in desperate need of those services.

12.1.20 email Marc David

The Community-First Public Safety (CFPS) initiatives that they funded last year with great fanfare — that Carter claims as one of his top priorities — have actually not been fully implemented. Others, like the Right Track youth jobs program, were meant to get at the root causes of criminal activity, which Carter himself claims to focus on. Under the proposed budget, St. Paul would spend more on policing than on libraries, winter street maintenance, youth job development, financial empowerment, citywide recreation programs, BIPOC business development, human rights, and arts and community gardening initiatives combined. Given the negative impact this imbalance will have on public safety, the mayor and council should reconsider the skewed priorities in the proposed budget, which cuts the police department by only 2% but areas like public health and community development by double-digit amounts.

12.1.20 email Sharon Hwee

I am writing as a Chinese-American community member from Ward 3, living in the Mac-Groveland neighborhood. I urge the council to divest in the police budget, and invest in other community pools especially ones that support our libraries, BIPOC business development, human rights, non-police mental-health response units, and measures to reduce homelessness in St. Paul.

12.1.20 email Jason Peterson, Executive Director/Chief Executive Officer NeighborWorks Home Partners

As a non-profit partner and homeownership center celebrating 40 years of partnering with the City of St. Paul to provide the full gamut of homeownership services to families all across St. Paul. We would encourage you to continue to prioritize supporting access to fair and affordable housing as this is a foundational need for families all across St. Paul. Specific areas we would encourage you to maintain funding include:

- Supporting investments in the recently created affordable housing trust fund including, specifically, funding for development of affordable housing, supporting community land trusts and providing funding for down payment assistance to help families buy a home.
- Supporting the Capital Improvement Budget process including, specifically, supporting community partners in providing critical program such as home repairs and housing development to ensure families can live in safe and affordable housing.

- Supporting IT infrastructure updates to ensure PED can remain in compliance with contract and grant requirements and can work with partners easily to ensure their compliance with these requirements.

#### 12.1.20 email Carrie Pomeroy

I am a longtime Hamline Midway resident and an active volunteer with the St. Paul Public Library system and local mutual aid efforts to feed and support people dealing with food scarcity and homelessness in our community. I'm also a member of the Root and Restore Saint Paul coalition. I strongly support divesting money from policing in St. Paul and investing in affordable housing, job training and job-creation programs, youth programs, public health and mental health supports, restorative justice diversions, and violence prevention led by trusted, credible messengers rather than police.

#### 12.1.20 email Magie Sauerer

Why is the city proposing significant decreases in libraries, culture and recreation, and community development and housing with only minor decreases in police? Why are these programs seeing a decrease in the proposed budget but the mayors offices budget is barely impacted?

#### 12.1.20 letter Elena Gaarder, President/CEO, Metropolitan Consortium of Community Developers

As you consider the proposed 2021 budget, MCCD offers comments on the housing and small business investments.

**Fair & Affordable Housing:** MCCD and our members appreciate the City's important affordable housing work, including the SAFE Housing tenant protections passed by the Council in July 2020. We support allocating general funds to the Office of Financial Empowerment for a robust implementation strategy for the tenant protections, including comprehensive marketing & outreach. Additionally, it is critical that the City fund the advanced notice technology solution for the Planning & Economic Development Department. In future budget cycles we would also like to see local funding for acquisitions by nonprofit housing developers.

**Small Business & Community Wealth Building:** 2020 presented immense challenges to businesses and entrepreneurs throughout Saint Paul, and we support the range of investments proposed:

- ☐ \$1M for 2020 civil uprising business assistance;
- ☐ \$710K for citywide business assistance;
- ☐ \$250K for BIPOC-owned business technical assistance;
- ☐ \$250K for BIPOC small developer growth program.

MCCD firmly believes an equitable recovery is possible with intentional investments and accountability to the City's racial equity goals. We appreciate the attention towards BIPOC-owned businesses, new ownership models, and wealth building opportunities, and agree that flexible and forgivable funding opportunities will be the most beneficial to businesses throughout the City.

#### 12.1.20 email Stacia Wick

I am a white St. Paul resident who is calling on the City Council to develop public safety systems that focus AWAY from traditional policing and TOWARD investment in communities, children, and systems that measurable benefit BIPOC families in need. Please commit more of

the city budget to housing, parks and recreation, libraries, environmental projects—like expanded access to trails, bike routes, and affordable (or free) public transit.

#### 12.1.20 email Benjamin Ashley-Wurtmann

I write today to ask for a continued priority and sense of urgency in reallocating funding to community safety. Housing, mental health services, and trusted figures in the community can do far more than police in addressing the root cause of crime.

#### 12.2.20 email Laura Jahnig

My name is Laura and I am a resident of the Hamline-Midway neighborhood in St Paul. Since the city budget is being voted on next week, I just wanted to share my thoughts for consideration before the vote. I am urging the city council to vote on reallocating police funds to other needed areas. There are homeless people in St Paul who need our help (and who are also terrorized by the cops) and I support funds being reallocated to create affordable housing.

#### 12.2.20 email Nicolaas VanMeerten

As a homeowner in Ward 2, it is appalling to see how much funding we spend on police. Increased policing will not solve any of our city's most intense problems, including, but not limited to, poverty, housing instability, access to healthcare, or educational gaps.

### **Emails to Council - 2021 Budget**

Laura Jones: I am a resident of Ramsey County. I would like to urge the members of the council, when deliberating on next year's budget, to consider first and foremost redirecting funds from the city's police department instead to our most vulnerable citizens. Specifically, the number of unhoused people in St. Paul has grown enormously because of the current pandemic and it is the job of the government to offer these people support and resources. PLEASE show these unhoused citizens that their government cares about their lives and the lives of their children by providing as much funding assistance to aid programs as quickly as possible, and not by raising the funding of those that have demonstrated violence against them.

Natasha Holden: I am writing to you as a Minnesota citizen who feels it is important to fund community services in the city of Saint Paul. Thousands of people experience houselessness every year in our communities, and oftentimes are met with police violence instead of government intervention and help. We need to invest deeply in programs for these disenfranchised peoples, who often times end up being BIPOC. We need to invest in treatment programs for the addicts in our communities. We need to invest in programs that will help first-time homebuyers. We need to invest in supporting our small businesses.

Kate Warner: I moved to St. Paul in 2017 and have lived in Dayton's Bluff and currently am a homeowner in Frogtown. While I am happy to be creating new roots within this community, I am still regularly shocked that a progressive city with such an extreme climate seems to have left their unhoused neighbors to fend for themselves - especially a city with limited affordable housing (actual affordable housing, not whatever this "affordable luxury nonsense is), and an abundance of resources (compared to most other parts of the country TBH). Without actual intervention in the form of affordable housing, the numbers of unhoused folks are going to grow (pandemic) and require even more resources to solve (pandemic).

Leah Korger: I'm a St. Paul citizen that is pleading with you to defund the police department and be more creative about how to solve the many issues our city is facing. We need new programs that are much more effective than the police department to serve our citizens and end homelessness, hunger, violence, and greater access to mental health services. Please defund it and invest in education, social services, social workers, community centers, crisis hotlines, and trained professionals who are better equipped to descilate and care for our community.

Lindsay Blahnik: I am a resident of the Highland Park neighborhood. I write to you today to provide feedback on St. Paul's proposed budget for next year. I do not support increased funding to the police force when that money could be better used to address homelessness, education, and racial inequities within our city. It's a little insane to me that the police department is given over \$122 million, while the entire Community Development and Housing department will be given less than \$50 million, even though we are living through one of the greatest homeless surges of our lifetime. I believe taxpayer money would be better spent in preventative ways that address families' economic instability, such as rent relief, homeless shelters, discounted childcare, and food/utility assistance. I fully support more money being given to homeless shelters and the basic income trial study.

Audrey Parry: I am writing today to push for funds in the St. Paul city budget to be allocated to housing for residents over more funding for the SPPD. We are in the midst of a housing crisis.

Budget Survey via email: As a resident of Ward 1. Make a budget that reflects that.

2. What do you like most about the proposed budget? The SRO budget dropping to \$0 thanks specifically to youth organizing.
3. What do you like least about the proposed budget? You dare invoke the name of George Floyd, yet the police budget is nearly 5X that of the PED during a double-fronted housing crisis.
4. What would you change about the budget and why? Give more money to housing, health, and your constituents that are hurting instead of the boys in blue that terrorize us.
5. What services would you reduce to help balance the budget? Police.
6. What services and investments are most important to you? Affordable Housing, Community First Public Safety, Homelessness & Unsheltered, Job Creation.
7. What other comments would you like to share? Our inalienable rights are to life, liberty, and the pursuit of happiness. Make a budget that reflects that.

Johannah Frisby: I am a St. Paul resident. I am emailing to request that this budget season, you defund the police and fund the community. With the increase in community members experiencing homelessness, we need more funding for proper shelter and care, with an emphasis on long-term solutions. I am asking you to direct those funds to housing, addiction and recovery services, wellness centers, youth services, and mental health services.

Grace Clark: I am writing to implore you to defund the police and invest instead in community care. As you all know, we are facing many intersecting crises right now – the pandemic, climate change, lack of sufficient housing, racist violence, the list goes on.

Anonymous: Defunding the police, to spend more on public housing, and other needs.

Ryan Ball: I live in Midway St. Paul and I strongly believe a large portion (not a fraction) of the police budget should be reallocated to other community programs. Bolster public schools, build support systems for the homeless population, strengthen social services.

Wendy Eggerman: I am a Saint Paul homeowner and I ask you to please not give the police any more money. Please redirect that money to other services in our community. The homeless population would be especially well served by this money as they get displaced during the coldest months of the year.

Brooke: I am a concerned citizen who would like to see the budget cut for St. Paul police. The money could be used to help house the homeless in St. Paul as winter nears instead of bolstering police violence toward the homeless.

Anonymous: I am writing this email urging you to defund the St. Paul police department. Use the money taken from the police department to create housing for the homeless, or the blood of their deaths this winter will be on your hands.

Ashley, Ward 2: I am writing today to demand that you do not increase the police budget and that you defund the police and move toward a community centered public safety approach. I would like to see those funds redirected to housing since our population of unhoused individuals is on the rise and we need different solutions to provide people with the resources they need, especially during the COVID-19 pandemic. I would like the city to invest in more hotels to homes. I would like to see more money invested in community programs working to prevent homelessness, food shortages, and mental health crises- also known as investing in actual community needs.

Clara Sorenson: I am a constituent in Ward 4 of St. Paul. I am writing to you with concern regarding our city's budget for the upcoming year. It has come to my attention that the proposed budget for the Police Department in St. Paul is \$104,738,797, significantly more than any other department in the city. It is deeply disappointing to me that after a summer of commitments from all across the nation to divest from police and reinvest in our schools, public health, public works, and affordable housing, efforts that would truly make our communities safer, this is the budget that St. Paul has set.

Ezra Nayagam Muthiah: I am a constituent of Ward 3 and I am writing to voice my thoughts on Mayor Carter's proposed 2021 budget. While aspects of the budget, such as the guaranteed income pilot program, are indeed commendable, the budget does not on the whole reflect Saint Paul as a city. I am staunchly opposed to the amount of money allocated to the Saint Paul Police Department. The public library agency, public works, safety and inspections, and parks and recreation all had their budgets cut by a larger percentage. Libraries and parks are crucial departments to the wellbeing of people without access to a safe place to sleep or work. Our money should be going to ensuring that libraries stay open and thriving; it should be funding the guaranteed income pilot, mental health support, programs that get guns off the streets, youth programs, education, COVID-19 testing.

Jade Arrowsmith: I am writing as a concerned member of the community. I do not agree with increasing the police budget. I hope that next year's budget can better reflect our communities

needs by investing more in affordable housing, education, emergency preparedness and health in regards to covid, and funding for physical infrastructure.

Vivia Alfifuson: I am emailing as a resident of Saint Paul, MN. It is important that we defund the police this year. We could be using the resources the city uses to barricade the police precincts to house and feed people in the city. Please defund the police and use the money to protect people from winter and poverty.

Mia Krohn: As next year's budget is being determined, I am reaching out to request that you defund the police and allocate more funding to the community. Education and shelters should receive more funding to build a stronger community.

Anonymous: I am asking for the St. Paul City Council to defund the police and put money back into the community. There are hundreds of people experiencing homelessness who aren't met with the appropriate support.

Monica Randazzo: I am a St. Paul resident, and I am writing to request that the St. Paul police be defunded and funds be redirected to dire community needs. Defund the police to reduce the violence against our community, and redirect funding to aid our unhoused neighbors who currently face police violence rather than government support.

Katrina Illig: I am emailing in regard to Mayor Carter's proposed 2021 budget. What St. Paul needs is prevention, and the hundred million dollars that are currently being funneled into the police department should be reallocated to programs that promote social good, not punishment. That money should be preventing libraries from being defunded, should be funding the guaranteed income pilot, mental health support, programs to get guns off of streets, youth programs, schools, COVID-19 testing.

Alex Hagen: I live in Saint Paul. I am writing to you today to urge you to allocate more money in next year's budget towards housing St. Paul residents experiencing homelessness, instead of prioritizing the police; redistribute that money towards giving everyone a home.

Maggie Jaenicke: I am a college student at Macalester College currently living in St. Paul. I am in favor of defunding the police department (and diverting funding to positive community resources). Hundreds of people are currently unhoused in St. Paul, and are met with needless, violent, and dehumanizing evictions from the police, rather than care and support. This would be a good area to reinvest funding (providing housing rather than perpetuating the problem through evictions and anti-homeless infrastructure).

Samantha Wolk: Hello St. Paul City Council Members, I am writing you on behalf of those in our city that need defending and help the most. we can not in good conscious continue to increase police funding year after year. This money could be significantly better spent housing unhoused community members who have been supported by their communities. We are in the middle of a pandemic, there is mass unemployment, there are so many needs in the community that could be fulfilled with this money. so many people who could be housed.

Paisley Rodriguez: I am a New Hope resident. I am urging you to please decrease the St. Paul Police Department's funding. This money would be much more helpful in funding community initiatives and creating sustainable housing for people experiencing homelessness.

Helen Miegs: I am writing today, as a citizen of St. Paul, to ask that the City Council not increase police funding in the new budget. This funding could go to increased affordable housing for the houseless people that are about to have to survive the Minnesota winter outside, to mental health professionals who are better equipped to cope with mental health crisis than the police, to more education funding to prepare people for life, the list goes on.

Adam: I am a resident of Saint Paul who enthusiastically endorses a redirection of funds from our police department into social services that will actually take care of our neighbors. Where is our public housing? Where is our rent control? Where is our plan to care for victims of addiction? Where are all these programs that will prevent violence from taking place?

Conor Burk: I am a St Paul resident and I believe that we need to decrease our police budget and put the money back into the community. The money should be redirected into affordable housing (actually affordable) and mental health supports.

Morgan Hinline: I am writing this with hopes you will take my words into consideration. Defund the police and instead, fund our community! The hundreds of homeless people in St. Paul do not need police harassing them, they need housing! Help support education, low income housing, rehabilitation centers, and mental health services! No one is saying we don't need police.

Amy Manning: This is going to be a long, hard winter, and if we want genuine public safety in this city we need investment in things that actually keep people safe: food assistance, housing assistance and tenant protections, addiction services, and COVID prevention. Defund the police and fund true public safety and public health.

Meredith: I want the government to support people's lives, not facilitate their deaths. This means that, at the Saint Paul City Government level, I want money allocated to immediately house our unhoused residents instead of going towards our police department. I'd rather Public Works have more money to plow and salt our streets so that there are less accidents. I want to see the City provide direct funds to help people who are unemployed by the pandemic pay their rent and mortgages. I want our schools to have the resources they need and our teachers to be paid more. I want folks who aren't carrying weapons and who have the proper training to respond to safety crises in our community. I want more mental health professionals to be employed to help people having a mental health crisis.

Vincent Ferguson: I am a St Paul resident. Please support and protect our community members by shifting the funding and responsibility for responding to mental health issues, drug possession, and non-violent disturbances away from conventional armed policing, onto the COAST unit and other departments that are better suited to address these issues by taking a non-violent approach, de-escalating the situation, and connecting people to the resources they need.

Solei C.: I'm a student in the Saint Paul public school district and I am writing to reinforce our state's need, and power, to defund the police and actually support the people. Defunding the police would give us the resources to take care of the thousands who are now jobless and homeless due to this pandemic and a lack of affordable housing.

Oslo Martin: I am a St Paul resident. Take money out of the policing budget and invest it back in our community. Hundreds of homeless individuals have been met with police violence and evictions in St Paul, rather than the support they deserve through low-cost housing solutions.

Emily Regan: I'm a neighbor who lives at 1185 Goodrich in St. Paul. I'm urging the council to protect our neighbors by investing in community first and defunding the police. Hundreds of people in St Paul alone are living outside and met with police violence & aggression instead of programs that can help them get affordable housing and into more stable life situations. It's appealing to me that we allow people anytime to have no place to go. Our city leaders should be prioritizing preventive and supportive programs that have been proven successful and strengthen community. There's also no shortage of other public services like libraries, parks, education that could surely use the funding always.

Muna: I am a resident of St Paul, zip code 55116, I am emailing asking the council to REDUCE FUNDING to the SPPD! I am asking the funds directed towards policing to go towards housing and food security for my community.

Morgan Hazelton: I am a long time St. Paul resident and while this recent year has been overwhelming for many of us, no community has been hit harder than the people experiencing homelessness in this city. I am writing now to ask you to consider adjusting the St. Paul police budget to more accurately reflect the needs of the community.

Emeline O'Hara: I am emailing in favor of abolishing the St. Paul Police Department. We could reallocate SPPD's AMPLE funds into free housing.

HaiVy Thompson: I am a lifelong Minnesotan and have resided in St. Paul since 2005. I ask that you seriously discuss defunding the police and redirecting the budget to programs and services that address our city's most basic human needs - housing, education, health care.

Anastasia Zink: End all financial support of the St Paul Police Department. Reallocate funding to address the root social issues that plague our communities. You have the power to allocated Millions of dollars from SPD to end poverty, housing/food insecurity, and expand mental health programs. Immediately stop park evictions and provide housing alternative. Budget to end homelessness by converting empty hotels and stop relying on a broken system of shelters with insufficient beds.

Emma Harrington: I am a young community member urging you to take steps towards abolition of the police. I urge you to redirect money from the police budget towards mental health care, housing, COVID relief, and community support.

Jen: There is a real homeless problem in St. Paul that is met frequently with police force and violence. The cops do NOT need more money. Money should be directed towards more social programs and crisis intervention.

Maria Mens: As a resident of St. Paul, I have been deeply disturbed this past year seeing how, even at the height of a pandemic, we are still unable to help our houseless community members. We need to invest in housing, and services that lift our community members up. I'm calling on our city council to defund the police and re-allocate those funds to housing.

Becca Simon: I'm writing to urge you to divest from policing and invest money in community resources and solutions. Safe housing is a human right. Defunding is the answer.

Mae Hanzlik: I am a former St Paul resident who lived in Union Park neighborhood up until 2017. I am writing to you today to urge you to prioritize funding in the budget for people experiencing homelessness in St. Paul. Support defunding the police, and use that money instead for short-term and long-term solutions to house more of our St. Paul community for them. Reliable, affordable housing is a critical piece of public health and public safety.

Priscilla Trinh, UMN, Sustainable Systems Management, Food Recovery Network: I am writing to express my concern over increasing police funding. Rather than bolster this form of public safety that is rooted in bias, I encourage defunding the police and redirecting resources to strengthen other forms of public safety such as mental health services, community deescalation training, and many other proven methods.

Madison Nelson: I currently attend The University of St. Thomas as a law student. We need to defund (not completely, but by A LOT!) the police and put that money into the community. People need food, housing, and healthcare more than they need cops.

Ellen Fee: I live in the Union Park neighborhood of St. Paul. I am writing to you today to urge you to prioritize support for people experiencing homelessness in St. Paul, and not increase the budget of the St. Paul Police Department.

Rebecca Hare: My name is Rebecca Hare, and I live in St. Paul. I am writing to urge the Council to defund and abolish the St. Paul Police Department and immediately invest directly in people in need of financial support, housing, legal support, and medical care. This triple pandemic of racism, COVID-19, and an economic downturn is a time of crisis that needs a people-centered emergency response. We need immediate direct cash distribution, housing, legal support, and medical care for people in need without bureaucratic requirements that frustrate access by those most in need.

Rosemary Shuda: I am writing to urge you to divest from the Saint Paul Police Department and to invest in social services, public health, and housing for the homeless. The Saint Paul Police department harms the community more than it helps it.

[Truth-in-Taxation Public Hearing - public comments full details](#)

## **2021 Budget Approval – City Council December 9, 2020**

### 9.28.20 email Lynne Goughler

Prior to Mayor Carter's election, St Paul was a safe, charming place to eat and visit. It was a destination point.

- Why have not the downtown streets, the beautiful cobblestones been repaired?
- What Major businesses have been attracted to St Paul?
- Why are we giving \$500 a month to 150 families to start college funds? Who is monitoring this program? What if they do not want to go to college? And is this a grant or does it come out of taxes?
- Why are some of our city parks unsafe?
- Why has there been no plan for the homeless? The CONV-19 only increased the homeless problem.
- When the riots began he announced that protestors arrested were from out of town. Then he corrected his statement. He seemed to not want to deal with the issues of citizen involvement.

My point is our city is not being run like a corporation, but more like community activists. Cities need to grow people, and businesses.

### 12.9.20 email Mary Perry

After listening to the budget address, and understanding the current situation due to the pandemic, here are a few comments:

- People's Prosperity Guaranteed Income Pilot - The residents of St. Paul cannot sustain a program that does not serve every resident of the City equally. At the end of 2021, this program should be abandoned or monies drawn from other than the City (or County) funds. We would all be better served by helping others to rise up rather than providing a handout.
- Homelessness - St. Paul has approved and financially supported many, many highdensity buildings in recent years. In the midst of a pandemic, we see the shortsightedness of putting large groups of people in communal living situations. Further, these buildings do not provide any long-term affordable housing and benefit only the builders. Examples of this are the Schmidt Brewery and most recently, the Highland Bridge. The result is the ludicrous encampments in City parks. We have become Seattle! Many of the people in these encampments are working poor. Why can't they afford rent in our City! It is the responsibility of this City Council to find very real ways to help alleviate our citizens living in tents during the extreme heat and cold of Minnesota. Stop funding developers/builders and start reducing the costs to live in St. Paul.
- City and county taxes as well as the levies by our school board, have created a breaking point for St. Paul residents. Especially our seniors and those just starting out, who want to remain homeowners in our City. Ironically, most seniors cannot afford to leave their homes because they can't afford to rent in our city!

## **Comments Received by Ward 6**

Elizabeth Decourt, SPPS Middle School Librarian: I am writing to request Council members do all they can to lessen the Mayor's proposed cuts to the overall Library budget. Please fund the ability to hire staff when the libraries can reopen in a post-pandemic environment. The Friends request up to \$450,000 be invested in this fund, but any investment will mean more services for the City and the people who need the library the most. When the library is funded we are

funding public safety, they are funding education, they are funding workforce development, and so much more.

Randy de Rosier: I am writing to remind you council member when you fund the library you are funding public safety, funding education, funding workforce development, and so much more.

## **Budget Survey Questions – Responses – 159 Responses – August 27 through December 8, 2020.**

2. What do you like about the proposed budget? 110 responses
  - a. Two (2) responded - investments in community development, affordable housing.
  - b. One (1) responded - in support for provision of funds for struggling small business and low-income families.
3. What do you like least about the proposed budget? 128 responses
  - a. Eleven (11) responded - increased funding needed for PED, community development, homeless response, affordable housing, economic development/job creation, and social services/mental health services
  - b. One (1) responded - decreased funding for the homeless and more for small businesses impacted by the destruction after George Floyd's death.
4. What would you change about the budget and why? 122 responses
  - a. Twenty-three (23) responded - more funding for PED, community development, homeless response, affordable housing, economic development/job creation, and social services/mental health services
  - b. One (1) responded - funding for the guaranteed income pilot should be used support eviction prevention.
  - c. One (1) responded - have the county, state and federal governments/funding provide social/community services.
5. What services would you reduce to help balance the budget? 124 responses
  - a. Two (2) responded - reduce special loans, economic development, and related real estate investments.
  - b. Six (6) responded - reduce police/public safety and fund community development, programs and services that address the root causes of poverty and crime.
  - c. Four (4) responded - reduce/eliminate funding for homeless initiatives.
  - d. Two (2) responded - eliminate job creation activities.
6. What services and investments are most important to you?
  - a. Seventy-two (72) responded - Affordable Housing
  - b. Eighty-three (83) responded – Homeless and Unsheltered
  - c. Twenty-seven (27) responded – Job Creation
  - d. Thirty-nine (39) responded – Small Business
7. What other comments would you like to share? 82 responses
  - a. Three (3) responded - permanent solutions for the unhoused/houseless.

- b. Four (4) responded - community development, affordable housing, social/community/mental health services.
- c. Two (2) responded - small business support and development.

[Saint Paul City Council Meeting - Adoption of 2021 Budget - full details](#)

**Consolidated Plan 2020-24 - Annual Action Plan 2021-22 - Public Comment Period – March 1, 2021 through March 31, 2021**

All comments received will be considered.

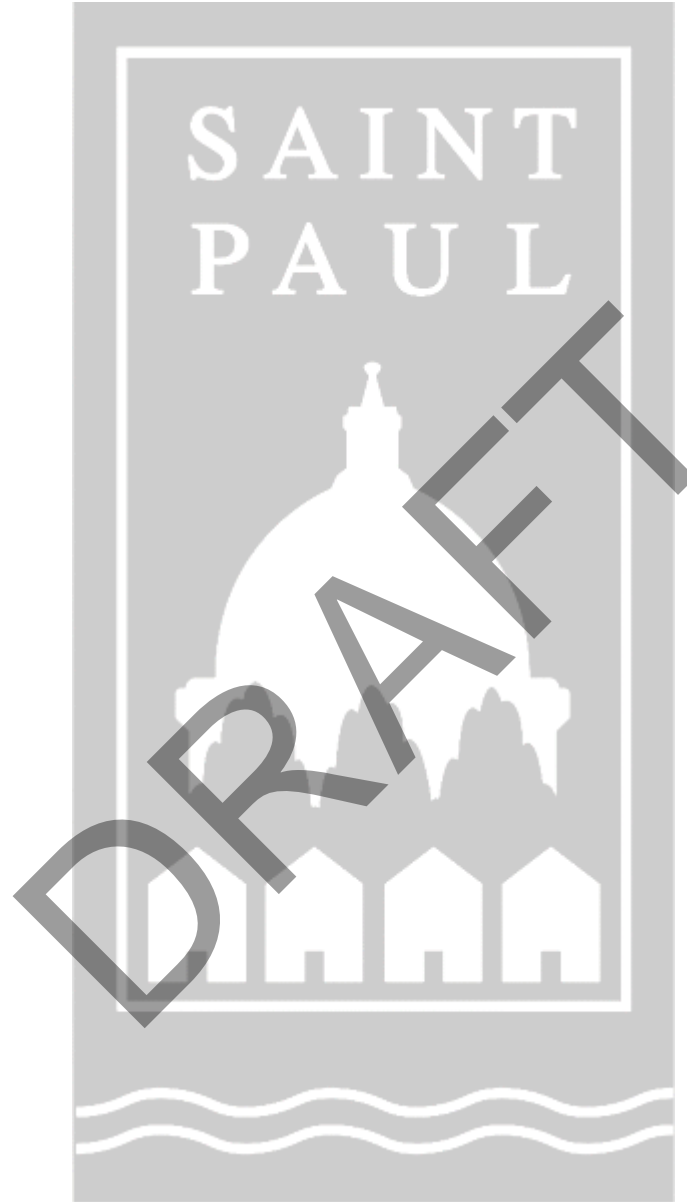
**Virtual Public Hearing March 15, 2021 – Via Skype**

All comments received will be considered.

**City Council Authorization to Submit 2021-22 Annual Action Plan to HUD – April 7, 2021**

All comments received will be considered.

DRAFT



# CITIZEN PARTICIPATION PLAN - Amended

CITY OF SAINT PAUL

1100 CITY HALL ANNEX  
425 WEST FOURTH STREET  
SAINT PAUL, MN 55102



**SAINT PAUL  
MINNESOTA**

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

# City of Saint Paul

## Citizen Participation Plan

As required by the U.S. Department of Housing and Urban Development (HUD) regulations found at 24 CFR 91.105, this Citizen Participation Plan sets for the City of Saint Paul's policies and procedures for providing citizens and other interested parties with opportunities to participate in an advisory role in the planning, implementation, and evaluation of the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) programs. The City receives CDBG, HOME, and ESG funds annually from HUD, and these programs are administered through the Department of Planning and Economic Development.

The objective of the CDBG program is the development of viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities. The CDBG program has a focus on low- and moderate-income persons and households earning less than 80% of the Area Median Income, or in predominately low- and moderate-income census tracts. The objective of the HOME program is to provide, develop, support, produce, and expand the supply of decent and affordable housing to serve low- and very low-income persons. The objective of the ESG program is to prevent homelessness and assist those already homeless.

As an entitlement community and recipient of CDBG, HOME, and ESG funds, the City is required to produce the following documents:

1. Consolidated Plan (Con Plan) – a five-year plan that documents the City of Saint Paul's housing and community development needs, outlines strategies to address those needs, and identifies proposed program accomplishments.
2. Annual Action Plan (AAP) – an annual plan that describes specific CDBG, HOME, and ESG projects and programs that will be undertaken over the course of the fiscal year.
3. Consolidated Annual Performance and Evaluation Report (CAPER) – an annual report that evaluates the City's accomplishments and use of CDBG, HOME, and ESG funds.

The primary objectives of the Citizen Participation Plan are to:

1. Encourage citizen participation by all Saint Paul citizens in the development of the Consolidated Plan, Annual Action Plans, and CAPERs, emphasizing the involvement of low- and moderate-income residents, people living in CDBG target neighborhoods, people with disabilities, minorities, non-English speakers, and residents of assisted housing.

2. Give all citizens reasonable and timely access to meetings, information, and records related to the City's CDBG, HOME, and ESG programs.
3. Give all citizens the opportunity to identify and respond to proposed uses of funds.
4. Give all citizens the opportunity to review and comment on program performance.

This Citizen Participation Plan, together with other materials relating to the City's CDBG, HOME, and ESG programs, are available on the City's website (which can be translated) and in alternative formats for persons with disabilities. For information, contact the Department of Planning and Economic Development at 651-266-6575.

#### Capital Improvement Budget (CIB) Committee

The Saint Paul Capital Improvement Budget (CIB) process is designed to engage the public in evaluating capital needs in the City. As a part of this process, the CIB Committee, 18 Saint Paul residents representing each of the Minnesota senate districts located in Saint Paul, are involved with the annual allocation of the CDBG funds. These residents are charged with hearing project proposal presentations, scoring projects, and offering comments. A public hearing is held during the CIB funding cycle to solicit comments regarding funding selection and priorities prior to the Committee making its formal recommendations. The CIB Committee's recommendations are presented to the Mayor and Council and are the basis for the selection of projects and programs funded with CDBG funds.

#### Public Hearings

The City will hold at least two public hearings each year to obtain citizen's views about housing and community development needs, proposed uses of funds and review of program performance. At least one public hearing will be held to obtain the views of citizens before the Consolidated Plan is published for comment.

The City will ensure adequate public notice before each public hearing, with sufficient information published about the subject of the hearing to facilitate informed comment. Public hearings will be announced online, via the City's Early Notification System, and in the Saint Paul City Council designated legal newspaper of general circulation. Public notice will be given at least two weeks before a public hearing or public meeting is held.

The City will hold all public hearings at times and location accessible to potential and actual beneficiaries. Reasonable accommodations will be made for people with disabilities upon advance request. Interpretation services for non-English speaking citizens will be provided at public hearings upon advance request, provided such services are available.

If a public hearing is required and if in-person public hearings are not feasible due to health and safety concerns for citizens, virtual public hearings that provide reasonable notification and access for citizens will be held.

### Development of the Consolidated Plan and Annual Action Plans

The City will make a concerted effort to notify residents, state and local health service providers, social service providers, fair housing organizations, state and local governments, public housing agencies, affordable housing developers, businesses, community and faith based organizations, and other stakeholders of the development of the Consolidated Plan and Annual Action Plans through email, online postings, and public notices in the Saint Paul City Council designated legal newspaper of general circulation.

The City will conduct public open houses at convenient times and locations to inform and educate citizens on the development of the Consolidated Plan and Annual Action Plans as well as solicit input for the plans. Reasonable accommodations will be made for people with disabilities upon advance request. Interpretation services for non-English speaking residents will be provided at public hearings upon advance request, provided such services are available. The City also will solicit input from residents and stakeholders through online surveys, phone calls, focus groups, and interviews. Interpretation services for non-English speaking residents at public hearings and public meetings upon advance request, provided such services are available.

The City will also offer to attend a standing District Council Board of Directors or Committee meeting to inform members about the plans, answer questions, and solicit input regarding community needs. The District Councils are resident groups that engage and represent the people living in the district and the Board of Directors and Committees are made up of volunteers elected by the neighborhoods' residents.

The City invites proposals applying for CDBG funding through the CIB process. The CIB Committee hears proposal presentations, score projects, and provides recommendations to the Mayor and Council which are the basis for the selection of projects and programs funded with CDBG funds. The Saint Paul Housing and Redevelopment Authority (HRA) accepts applications for HOME funding, along with other federal and local sources, through an open pipeline process. Applications are reviewed by housing staff for each individual project prior to a funding recommendation. Ramsey County Continuum of Care, in conjunction with Ramsey County and the City, will issue a Request for Proposals (RFP) on an annual basis for projects applying for ESG funding.

The City will publish its draft Consolidated Plan and Annual Action Plans for review and comment on the City's website. The City will publish public notices in the Saint Paul City Council designated legal newspaper of general circulation describing the purpose of the Consolidated Plan and Annual Action Plans and listing the locations where the plans may be examined. The Plans will be available for review at the Department of Planning and Economic Development, on its website, and at the Saint Paul Public Library Bookmobile. Posters requesting feedback will be displayed, and written instruction for accessing an online copy

will be made available, at all Saint Paul public library branches and the Bookmobile (14 sites in all). Saint Paul public libraries do not require a library card to access public library computers.

Before the City adopts the Consolidated Plan or Annual Action Plans, the City will make available to residents and other interested stakeholders information that includes the amount of funds the City expects to receive and the range of activities that may be undertaken that will benefit low- and moderate-income citizens.

The City will receive and consider written comments on the draft Consolidated Plan and Annual Action Plans for a minimum period of 30 day and shall hold public hearings prior to adopting the final Consolidated Plan and Annual Action Plans and final acceptance by City Council.

#### Substantial Amendments to the Consolidated Plan and Annual Action Plans

In accordance with 24 CFR 91.505, the City of Saint Paul has developed criteria to be used to determine what changes in HUD funding constitutes a substantial amendment, and therefore requires an amendment to the City's Consolidated Plan. These basic criteria, except for the expedited Citizen Participation process, have been incorporated since the City began receiving CDBG program funding, originally included as criteria for amendments to the City's Capital Improvement Budget Program and Process. These criteria were originally more stringent than federal requirements. The PED Grants Management division of the City of Saint Paul has determined that the following actions will be considered substantial amendments to its HUD-funded programs:

- The addition of a project not described in the Consolidated Plan;
- The cancellation of a project described in the Consolidated Plan;
- An increase in the amount to be expended for a project, if the increase is greater than \$50,000 and also exceeds 25 percent of the amount originally appropriated for the project;
- A change in the location of any public improvement or public facility described in the Consolidated Plan;
- A change in any project that will affect a majority of the intended beneficiaries or a majority of the planned activities.
- A change in the Citizen Participation Plan process, in accordance with 24 CFR §91.105(c), to establish expedited procedures to draft, propose, or amended consolidated plans when necessary to expedite or facilitate the use of grant funds as allowed under the CARES Act.

If a substantial amendment is made, the City will follow all applicable HUD rules, as prescribed in the federal regulations. The City may also utilize an expedited procedure to draft, propose, or amend consolidated plans when necessary to expedite or facilitate the use

of grant funds. When utilizing the expedited procedure to draft, propose, or amend consolidated plans for this purpose a public notice will be published in the Saint Paul City Council designated legal newspaper of general circulation. This public notice will clearly state: that the expedited procedures are being used; shall include reasonable opportunity to comment of no less than five (5) days; provide citizens with access to action plan amendments and/or amended citizen participation plans, as applicable, on the City's website [<https://www.stpaul.gov/conplan>]; and clearly note that comments will be received through e-mail, telephone, or U.S. postal mail post-marked up to the stated date and time in the public notice. The City may also utilize written comments on the substantial amendment which will be reviewed by City staff, the Mayor, and City Council before the decision to implement the amendment is made.

#### Consolidated Annual Performance and Evaluation Reports (CAPERs)

The City will prepare a CAPER each year to notify citizens of the accomplishments of the previous program year and the progress made toward meeting the Consolidated Plan goals in accordance with HUD requirements. Citizens will receive notice of the CAPER through online postings and public notices in the Saint Paul City Council designated legal newspaper of general circulation. The CAPER will be available for review at the Department of Planning and Economic Development, on its website, and at the Saint Paul Public Library Bookmobile. Posters requesting feedback will be displayed, and written instruction for accessing an online copy will be made available, at all Saint Paul public library branches and the bookmobile (14 sites in all). Saint Paul public libraries do not require a library card to access public library computers. The City will receive and consider comments on the CAPER for 15 days before the public hearing to authorize submission of the report to HUD.

#### Access to Information and Records

Any resident, organization, or other interested party may submit written requests for information regarding the Consolidated Plan, Annual Action Plans and CAPERs, including the City's use of funds under the CDBG, HOME, and ESG programs. This Citizen Participation Plan, the Consolidated Plan, the current Annual Action Plan, the current CAPER, and any substantial amendments to these plans will be available for public review at the Department of Planning and Economic Development and on its website.

#### Comments, Complaints, and Appeals

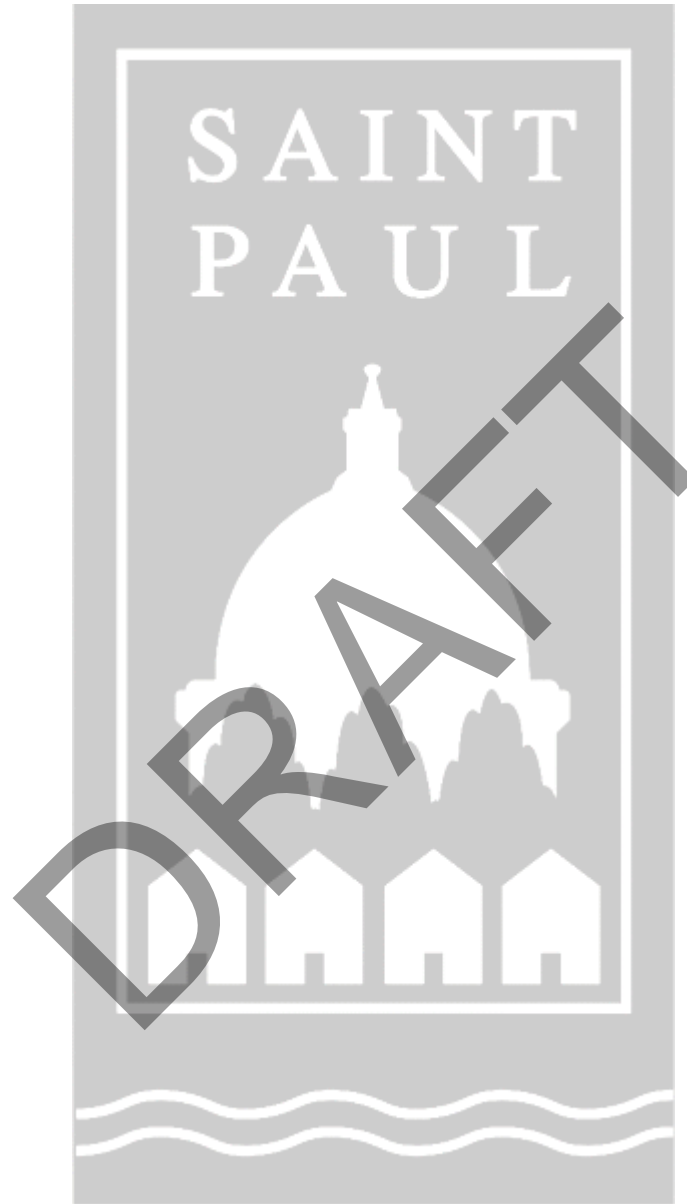
The City is responsible for carrying out the development and implementation of the Annual Action Plans. Any person wishing to file a complaint regarding the Consolidated Plan, Annual Action Plans, amendments, and/or CAPERs may do so in writing to:

City of Saint Paul  
Department of Planning and Economic Development  
Beth Ulrich, Grants Manager  
1100 City Hall Annex  
25 West Fourth Street  
Saint Paul, MN 55102  
(651) 266-6689  
[beth.ulrich@ci.stpaul.mn.us](mailto:beth.ulrich@ci.stpaul.mn.us)

The City shall respond to the complaint within 15 days of receipt of the complaint or within 5 days when the City is using an expedited process. All complaints and responses will be maintained for at least six (6) years. Accommodations and/or alternative filing methods will be allowed for persons with disabilities.

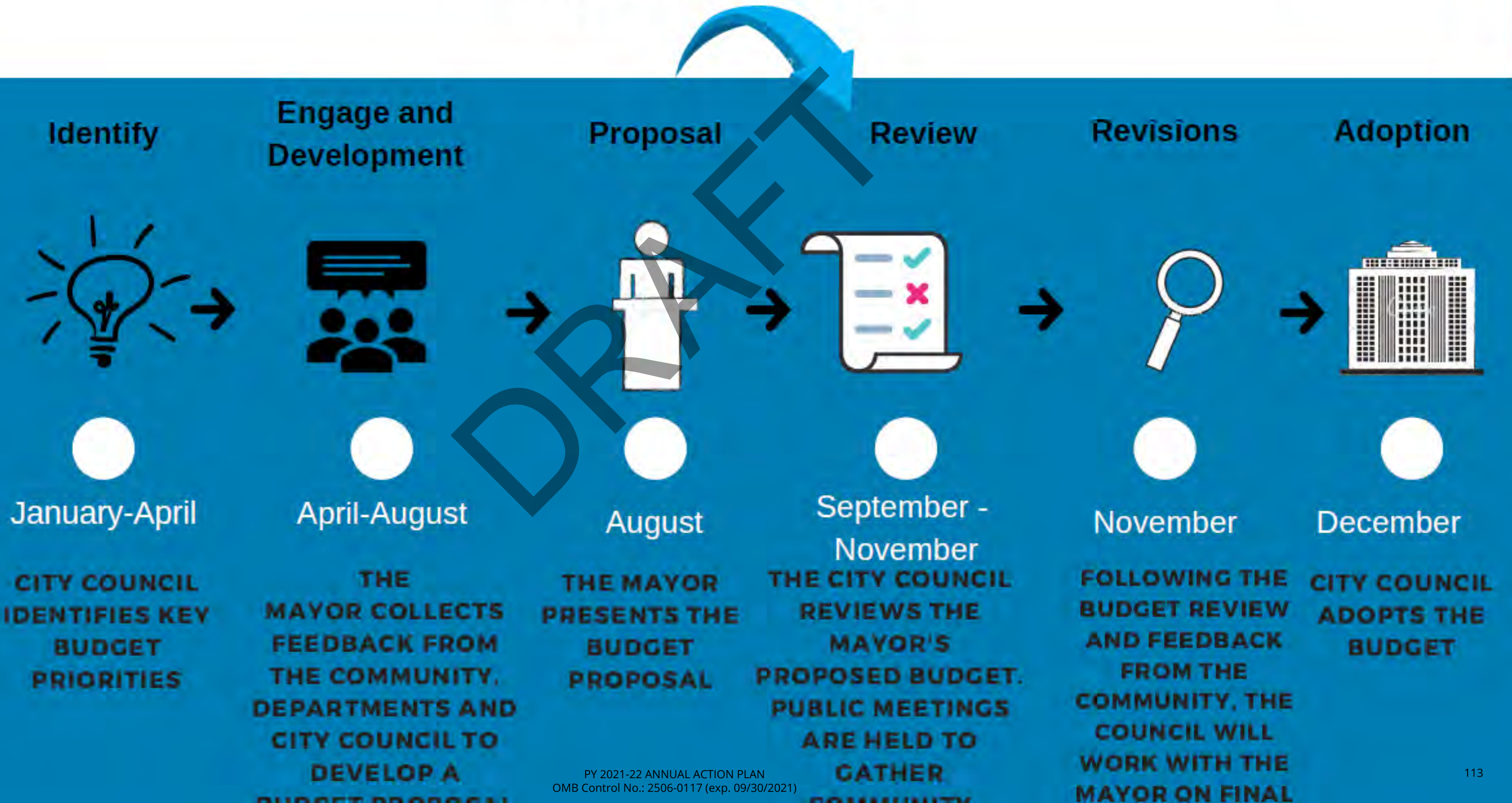
All records regarding the adopted Consolidated Plan, Annual Action Plan, Substantial Amendments, and CAPERs, along with use of funds and performance measurements are retained for a minimum of six (6) years at the above address. All residents or interested parties will be given reasonable access to these records upon request.

DRAFT



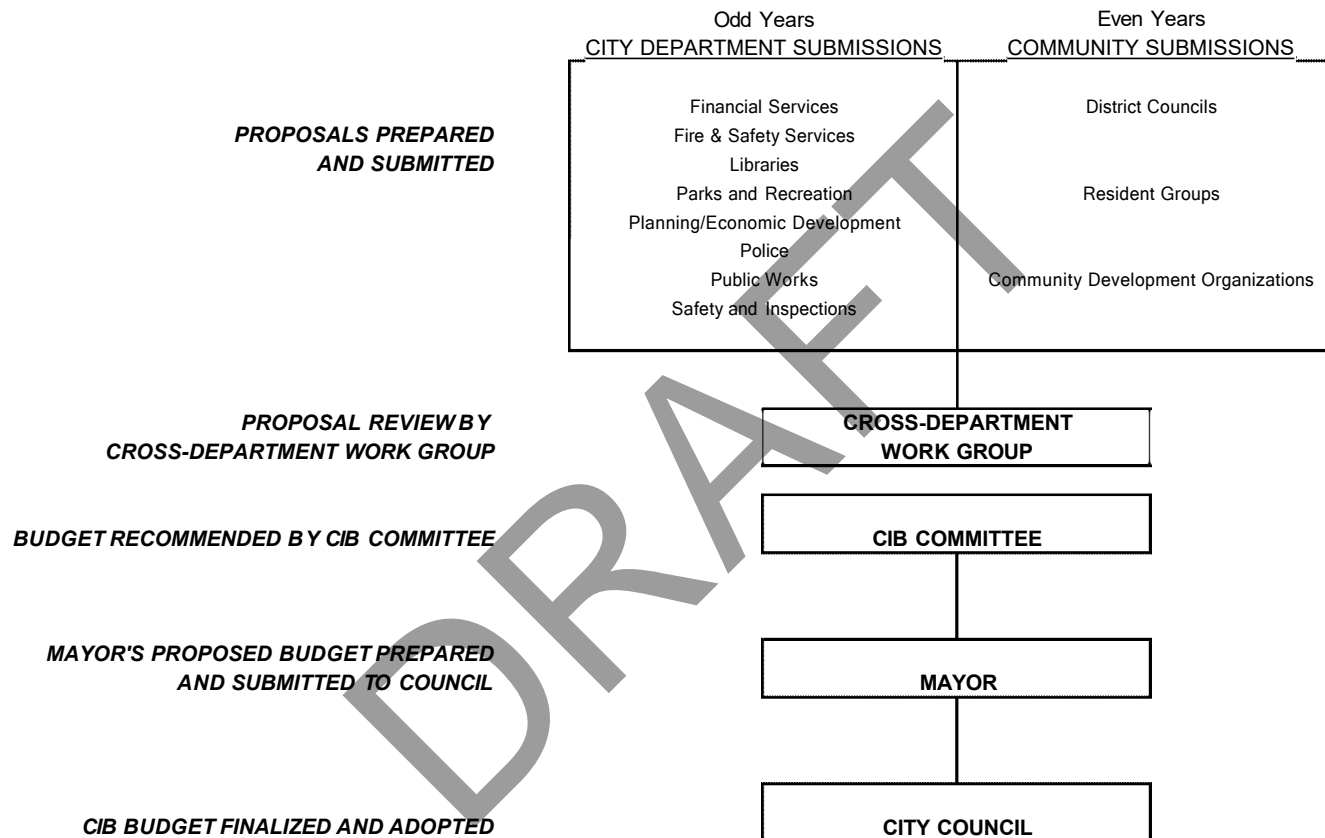
# St. Paul City Council Budget

## PROCESS MAP



## ATTACHMENT C

### CITY OF SAINT PAUL CAPITAL IMPROVEMENT BUDGET PROCESS



**CITY OF SAINT PAUL**  
**ANNUAL ACTION PLAN PROGRAM YEAR 2021-22**  
**FAIR HOUSING**

As a recipient of U.S. Department of Housing and Urban Development (HUD) funds, inclusive of Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Solutions Grant (ESG), the City of Saint Paul (City) has the obligation to Affirmatively Further Fair Housing, and to take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.

To "affirmatively further fair housing," the City of Saint Paul will:

- *Analyze and eliminate housing discrimination in the Jurisdiction.*
- *Promote fair housing choice for all persons.*
- *Provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability, and national origin.*
- *Promote housing that is structurally accessible to, and usable by, all persons, particularly persons with disabilities.*
- *Foster compliance with nondiscrimination provisions of the Fair Housing Act.*

The City's obligation to affirmatively further fair housing applies to all housing and housing related activities in the grantee's jurisdictional area whether publicly or privately funded. The City's Human Rights Ordinance prohibits discrimination by private parties, such as owners, lessees, managing agents, real estate brokers, real estate sales persons, appraisers, developers, banks, banking organizations, mortgage companies, insurance companies, or other persons having the right to sell, rent, or lease any real property (City of Saint Paul Legislative Code, Chapter 183.06). Correspondingly, the City's public policies and regulations were adopted to foster equal opportunity for all to obtain employment, education, real property, public accommodations, public services, contract, and franchise without regard to race, creed, religion, sex, sexual or affectional orientation, color, national origin, ancestry, familial status, age, disability, marital status or status with regard to public assistance, and strictly in accord with their individual merits as human beings.

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

The City participated in the development of the 2020 *Regional Analysis of Impediments to Fair Housing Choice*. The 2020 *Regional Analysis of Impediments to Fair Housing Choice* (2020 AI) was finalized on January 21, 2021 by the Fair Housing Implementation Council (FHIC) and The

## ATTACHMENT D

Lawyers Committee for Civil Rights Under Law. The Executive Summary is attached. [[2020 Regional Analysis of Impediments to Fair Housing Choice \(AI\)](#)]

The following goals were identified In the 2020 AI:

*Goal 1: Increase the supply of affordable housing in high opportunity areas.*

*Goal 2: Preserve the existing stock of affordable rental housing.*

*Goal 3: Support homeownership for households of color.*

*Goal 4: Prevent displacement of Black and Brown low- and moderate-income residents.*

*Goal 5: Increase community integration for persons with disabilities.*

*Goal 6: Ensure equal access to housing for persons with protected characteristics, lower income, and homeless.*

*Goal 7: Expand access to opportunity for protected classes.*

*Goal 8: Reduce barriers to mobility.*

## CITY HOUSING PROGRAMS AND PROCEDURES THAT AFFIRMATIVELY FURTHER FAIR HOUSING CHOICE

### **AFFORDABLE HOUSING AND THE QUALIFIED ALLOCATION PLAN**

Although affordable housing issues are not fair housing concerns per se, the lack of affordable housing in the Twin Cities effectively reduces housing choices for many protected classes. Many communities lack affordable housing opportunities and economic conditions discourage the development or preservation of affordable housing. Over half of renter households earning up to 100% of area median income (AMI) are identified as being cost burdened with 26% cost burdened (with housing costs greater than 30% of income) and 27% severely cost burdened (with housing costs greater than 50% of income). For homeownership households, 24% of households earning up to 100% of AMI are cost burdened and 18% are severely cost burdened. To rent a modest two-bedroom apartment, Ramsey County workers must earn \$22.13 per hour and work 40 hours per week all year long. However, the typical renter in Ramsey County earns the equivalent of \$18.11 per hour (published by the National Low-Income Housing Coalition, with Minnesota data released jointly by Minnesota Housing Partnership, *Out of Reach Report 2019*, July 2019).

In response, City Council passed resolution 18-1204, calling for action to create and preserve housing that is affordable at all income levels; address racial, social and economic disparities in housing; create infrastructure needed to stabilize housing; fund an Affordable Housing Trust Fund; and to fund down payment assistance for first-time homebuyers. This resolution is a public acknowledgement that housing, especially affordable housing, is a priority for the City. The 2040 Comprehensive Plan also supports affordable housing development. Policy H-32 states "Continue to use City/HRA resources to support affordable rental housing citywide with at least 30 percent of the total rental units (both market-rate and affordable) financially assisted by the City/HRA being affordable to households earning 60 percent or less of AMI with at least: 10% of all units being affordable to households earning 30% of AMI; 10% of all units being affordable to households earning 50% of AMI; and 10% of all units being affordable to households earning 60% of AMI.

Currently, the City has over 18,000 publicly-assisted affordable housing units (including supportive housing units). The PHA owns and manages 418 public housing units and 3,836 units with Project-Based Rental Assistance (PBRA) that were converted from public housing via HUD's Rental Assistance Demonstration (RAD) effective January 1, 2020. The PHA also administers 4,929 Housing Choice Vouchers (as of January 2020). These include 175 Family Unification Program (FUP) vouchers, 288 Mainstream Program/Disability vouchers, and 236 Veterans Affairs Supportive Housing (VASH) vouchers. PHA has allocated 563 project-based vouchers (PBVs); and more than half of those (361) are in supportive housing developments. In total, the PHA provides over 9,200 affordable homes to more than 22,000 people with the greatest need – households at or below 30% AMI. In all, approximately 34% of City renters receive some housing assistance.

During PY 2019, the City and the HRA provided financing or favorable loan terms to preserve, renovate, or construct affordable rental housing for households at or below 60% of AMI as well as market rate. The City used a combination of financing that included LIHTC, HUD funds, TIF, and City STAR funds. Total units developed or preserved were 1,333. Of these 777 were market rate, 556 were affordable (at/below 80% AMI), and 362 for seniors.

With an allocation of \$982,759 and \$901,241 for Low Income Housing Tax Credits (9% credits) for 2019 and 2020, the City has limited financial capacity to produce affordable rental housing. If the 9% allocation is combined with the 4 % tax credits, the City is able to finance 6 affordable housing developments each year. As a result, the City must partner with HUD, MHFA, and various foundations to develop other comprehensive financing plans necessary to develop/preserve affordable housing. It is essential that MHFA tax credits are allocated in a manner that equitably develops more affordable housing metro-wide which will advance fair housing choice within the Twin Cities metro area.

The HRA'S LIHTC Qualified Allocation Plan (QAP) encourages economic integration and housing stability citywide with production and preservation of affordable housing throughout the City. The QAP prioritizes projects that create family-sized housing (3 bedrooms or more), promotes greater access to affordable rental units by limiting security deposits and denials based on rental and credit history, and rental developments that commit to longer periods of affordability. Additionally, a condition of receiving LIHTC through the St. Paul HRA is developing tenant screening guidelines that implement the 2016 HUD Fair Housing Guidance related to the use of criminal history.

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

Saint Paul's affordable housing policies effectively create more accessible rental housing units because large multi-family housing developments (5 units or more) must comply with the American with Disabilities Act (ADA) and Section 504.

Persons with physical challenges also typically need City services that can encourage self-reliance. In response, the City continues to upgrade City services that can assist residents with disabilities, such as new City traffic lights designed to respond to the needs of visually-impaired residents and the Ramsey County Emergency Community Center's Vital Emergency Response Information Form that lessens the emergency response time for emergencies affecting City residents with disabilities.

The City's *Complete Streets* policies considered the needs of all street users of all ages and abilities in the process of street design. The City's Transportation Committee (comprised of 4 Saint Paul Planning Commissioners and 8 community members, including an accessibility representative) advises the City Planning Commission on how to better integrate transportation planning and projects with land use decisions such as zoning, neighborhood and comprehensive planning, and infrastructure investments. The Transportation Committee reviewed planning or design documents for consistency with *Complete Streets*

approach and Universal Design guidelines. These apply to all City projects including infrastructure and public improvements paid for in whole or part with HUD funds.

The City's 8-80's *Vitality* initiative was designed to increase activity and vitality on City streets and public spaces by making these more accessible to people of all ages and abilities. Under this initiative, pending funding, Victoria Park will have universally-accessible play area for visitors of all abilities; it will be the first play area within Saint Paul that exceeds minimum accessibility standards. Marydale Park play area has been renovated with the replacement and addition of play equipment that meets CPSC and ADA guidelines, and provides accessibility and safety measures with the appropriate resilient surfacing. This renovation has enhanced the park's site features and will fill the family-oriented activity needs of in the adjacent diverse neighborhood.

### **AFFORDABLE SUPPORTIVE RENTAL HOUSING**

To further fair housing choice, the City recognizes the diverse needs of its residents by financing supportive housing citywide and that serves residents with challenges or barriers to housing. Ain Dah Yung Supportive Housing opened in late 2019 and provides 42 units of culturally-responsive affordable supportive housing units for urban American Indian and formerly homeless young adults. Saint Paul has existing affordable supportive housing developments located citywide, including the City-owned Saint Paul Residence (60 units for at-risk of being homeless, and 60 units for long-term homeless units for late stage alcoholics and those with chemical dependency in the Midway neighborhood).

Dorothy Day Higher Ground and Opportunity Center provides 171 permanent supportive housing units, all of which are occupied. Of these units 15 have been reserved for single adults experiencing long term homelessness and 11 units are reserved for homeless youth. The first two floors of the building, the Opportunity Center, consists of dining facilities, a health clinic, and office space for programming and other services to address the needs of homeless adults (including many residents with mental health and substance abuse barriers) residing in Saint Paul.

City staff also participated with the MHFA Stabilization Committee and Stewardship Committee to facilitate the financing of supportive housing and/or assist with affordable housing developments at-risk of financial difficulties.

### **ZONING CODE**

As a baseline, the City's Zoning Code supports the development of supportive housing in that the Zoning Code only requires conditional use permits for supportive housing developments over a certain size or density within residential, traditional neighborhood districts, business, and industrial districts. The Zoning Code at Section 65.162 defines supportive housing as one (1) main building, or portion thereof, on one (1) zoning lot where persons with mental illness, chemical dependency, physical or mental handicaps, and/or persons who have experienced homelessness reside and wherein counseling, training, support groups, and/or similar

services are provided to the residents. The Zoning Code also allows SRO facilities to be built in more areas which consequently facilitated the development of the City-owned Saint Paul Residence that serves residents experiencing homelessness or at-risk of being homeless and are desiring to live in a sober environment.

The Zoning Code also encourages high density affordable rental housing along transit corridors, such as Central Corridor, which allows for easy access to major employment opportunities. For example, Prior Crossing (supportive housing for homeless young adults) and the Ain Dah Yung Supportive Housing (culturally-response supportive housing for American Indian young adults) are located on University Avenue and the Green Line light rail.

Accessory Dwelling Units (ADU) are now allowed in expanded areas of the City; Sustainable Building Regulations Ordinance established sustainable building regulations for buildings owned, operated, or funded by the City ensuring energy efficiency and sustainability and thus lower costs for building owners and ultimately tenants.

Additionally, the City has supported and approved more recent zoning changes to increase opportunities for multifamily and affordable housing: Both the Marshall Ave Zoning Study and Stryker Ave Zoning Study rezoned multiple properties to expand locations for multifamily and affordable housing along two corridors of the City.

### **CITY'S HOUSING STRATEGIES TO END HOMELESSNESS**

Homelessness is not a fair housing issue per se. However, many adults entering emergency shelters and transitional housing in Ramsey County are representative of protected-classes. Furthermore, the status of homelessness effectively has a disparate discriminatory impact because many long-term homeless residents face housing barriers due to challenges with mental health, brain injury, developmental disabilities, cognitive learning disabilities, and/or chemical dependency. Consequently, there is a continuing need to develop and maintain affordable supportive housing.

For many residents experiencing homelessness, the lack of economic opportunities is also a major barrier to obtaining and retaining stable housing. On average, Ramsey County renters lack sufficient incomes (i.e. a minimum hourly wage of \$22.13) to pay the fair-market rent for a two-bedroom apartment. In addition, households that lack sufficient education and/or job skills are more at-risk of becoming homeless due to the inability to qualify for or find higher wage employment.

Under a Joint Powers Agreement with the City, Ramsey County administers the City's ESG program funding to partially fund emergency shelters, transitional housing services, street outreach to residents experiencing homelessness, homelessness prevention, and rapid re-housing (RRH) programs that support the needs of residents experiencing homelessness or those at risk of becoming homeless.

## ATTACHMENT D

Saint Paul works with the Ramsey County Continuum of Care (CoC) to ensure that comprehensive homelessness prevention and RRH services can be provided to people experiencing homelessness, including underserved communities – new Americans, young adults, seniors, families with minor children, and veterans experiencing homelessness.

Initiatives and programs which the City either funds, in whole or part, or participates in includes:

**Ramsey County Governing Board/Family Homelessness Prevention Assistance Program (FHPAP)** – As of January 2021, these two board are a single governing board. During the 2020 program year, City staff participated with the Homeless Advisory Board to implement the City/County's *Heading Home Ramsey – Plan to End Homelessness* - a five-year plan of creating 920 permanent supportive housing units in Ramsey County for long-term homeless residents. The Ramsey CoC Governing Board implemented the HUD-required coordinated assessment and HMIS protocols so that the City/County can effectively respond to its homeless residents while meeting HUD national objectives. During the program year, Catholic Charities and Ramsey County staff were instrumental in operating the *Coordinated Access to Housing and Shelter* (CAHS) program which as a single point of entry into the assistance system is used to assess homeless individuals and families seeking emergency shelter to determine the most appropriate referral based upon the needs of the household.

**Responding to needs of homeless single adults** - During the program year, City staff continued to partner with the COC and community service providers to respond to homelessness issues faced by Saint Paul residents. Efforts included development of a community-based response system to address the increasing demand for emergency shelters for homeless individuals, families, and youth through financing the construction of emergency shelters, supportive housing facilities, and affordable housing and allocating ESG funds to assist those in shelters move into more permanent housing. The County continued to provide funding for a winter shelter, Safe Space, which is now open year round. Model Cities provides outreach workers to engage residents to provide information about and connection to social services.

The emergency shelter demand is a constant concern, even with the development of Dorothy Day Center Higher Ground and Phase II which provided 280 shelter beds (including medical respite and pay-for-stay beds), and 193 permanent single room occupancy (SRO) supportive housing units (all 193 SRO units are occupied). Phase II provided 171 permanent housing units integrated with a one-stop location to connect people with critical services to improve health, income, housing stability, and well-being. All units are occupied. Catholic Charities uses a Housing First model at the City-owned Saint Paul Residence which assists (60 units) single adults with chemical dependency, mental illness, disabilities, or other housing barriers, and 60 at-risk of being homeless residents. The program focuses on providing permanent, affordable housing as quickly as possible and then provides the supportive services and connections to community-based supports needed for

## ATTACHMENT D

individuals/families to keep their housing. In response to COVID-19 concerns, the City's homeless population has benefited from new shelter beds at the former Bethesda Hospital which will provides 100 plus beds and 24/7 services, a temporary shelter at the former Luther Seminary Stubs Hall dormitory to serve up to 70 women and couples, and various hotels that have provided beds.

Freedom House, former Fire House 51. Will operate as a day shelter for homeless people. Operated by Listening House, the day shelter will provide showers, storage for personal belongings, have access to food, water, and clothing.

In recognition of the emergency shelter need, the City allocated ESG funding for Shelter Operations and RRH programs for homeless adults, families, and unaccompanied youth. Community agencies provided drop-in weekly outreach for residents experiencing homelessness using the downtown Central Library and Rondo Community Library pre-COVID-19 and now at Catholic Charities Opportunity Center, during the daytime and staying at Dorothy Day Center at night. Outreach initiatives were a direct result of City's involvement at the bi-monthly Downtown Police/Homeless Forums.

The City's Department of Safety and Inspections has allocated three staff members to work full-time on homelessness issues. Two of them regularly visit the more than 50 known camps across Saint Paul. The intent is to get people into shelters.

Metro Transit Police, through its Homeless Action Team (HAT), provided support and resources to homeless sheltering on Metro Transit trains, buses, and in transit stations. The HAT team has added a night case manager. Saint Paul Police's created a chemical dependency program and a homeless/un-sheltered outreach program to respond to community needs and expectations. Community Outreach and Stabilization Unit or C.O.A.S.T. C.O.A.S.T consists of the Mental Health Resource Team, Recovery Access Program, and Police Homeless Outreach Program.

**Responding to the needs of homeless families** - The City participated with various committees to address family homelessness such as the Ramsey County/State of Minnesota Family Homeless Prevention Assistance Program (FHPAP) and the County CoC Governing Board, as of January 2021 this is a single Governing board. The City-financed affordable housing development provided more housing choice for at-risk of being homeless families, who often state that the lack of affordable housing is the major barrier to housing stability. Additionally, many long-term homeless families are often challenged when one family member has a disability – often mental illness – which affects the family's ability to sustain income. Funding supportive services assists these households in stabilizing their housing.

In addition to financing affordable housing, the City, working in collaboration with the CoC, allocated ESG funding to various organizations, such as Catholic Charities – Family Service Center and Interfaith Action Project Home, which serves families experiencing homelessness

by providing emergency shelter space, a day center, and volunteer support through faith communities and use of their facilities (with a move to a permanent facility in 2021). ESG funds have supported rapid re-housing services for adults experiencing homelessness at Higher Ground Saint Paul; the Theresa Living Center which serves families with children, particularly single-parent/single women with children; and the Community Stabilization Project (CSP) which works with tenants, landlords, and community stakeholders to stabilize families in their homes, prevent homelessness and displacement, and secure a households' capacity to become self-sufficient.

ESG also funded homelessness prevention initiatives, such as East Side Family Center – Neighborhood House, Southern Minnesota Regional Legal Services (providing legal representation to residents at risk of being homeless as well as working with public entities on issues of homelessness), and Minnesota Community Care - *HouseCalls* (health and social services, and utility assistance funds through a collaboration of Minnesota Community Care and Ramsey County). The City also partially funds Interfaith Action's Project HOME which provides support for families facing homelessness. Project HOME provides overnight shelter for families in partnership with dozens of area churches, synagogues, and schools. It also added a day shelter with services and rapid exit case management to support families achieve both stability and economic mobility through assistance in finding permanent, affordable housing and employment.

**Responding to the needs of homeless youth** - The City and County recognize that the number of affordable housing units and the number of emergency shelter beds for homeless youth remains insufficient. City ESG funds are awarded for emergency shelter services for youth at Salvation Army *Booth Brown House*, Lutheran Social Services *Safe House*, and Ain Dah Yung. Funding was also allocated to Face to Face - *Safe Zone* – a youth drop-in center, emergency shelter and RRH program. All programs serve homeless youth, unaccompanied youth, or runaway youth. Saint Paul HRA allocated low-income housing tax credits for Ain Dah Yung Supportive Housing. In partnership with Project for Pride in Living, this project provides 42 PSH units for at-risk for homelessness American Indian youth which includes units for youth with disabilities. Also included are classrooms and a technology center.

**Emergency Solutions Grant Program** - The County through a Joint Powers Agreement with the City allocates and administers the City's ESG funds. For program year 2020, ESG assisted 13 community agencies with funds for emergency shelter operations and costs of providing services - essential services, case management, emergency health services, mental health services, and transportation to homeless families and individuals in emergency shelters and transitional housing. ESG also funded street outreach and RRH programs.

ESG-funded community agencies provide lifelines to residents experiencing homelessness or at-risk of being homeless. For single adults, Higher Ground Saint Paul provides shelter beds (including medical respite and pay-for-stay beds) and permanent supportive housing

units. The Saint Paul Opportunity Center provides permanent housing units integrated with a one-stop location to connect people with critical services, including physical, mental, and chemical healthcare services. Catholic Charities' Family Service Center and Interfaith Action Project Home provide emergency shelter for families allowing time to seek more permanent housing. Such housing services were complemented by community-based services for residents experiencing homelessness, such as Listening House (drop-in for homeless adults); and Interfaith Action's Project Home Day Center (a day center for families experiencing homelessness).

Transitional housing was supported with ESG funds for a portion of operating costs for transitional housing services provided by Theresa Living Center's transitional housing programs which provide individualized case management and collaboration with existing agencies to address specific needs of women with children.

For homelessness prevention Minnesota Community Care's *HouseCalls* and East Side Family Center Neighborhood House provide emergency financial assistance, including emergency utility assistance especially in response to the State's Cold-Weather Rule (restricting utility shut-off from October 15 through April 15).

Finally, ESG assisted homeless youth with services: Ain Dah Yung with culturally-response emergency shelter for urban American Indian young adults; Face to Face's *SafeZone* - day drop-in center/supportive services and RRH; and LSS's *Safe House* - emergency shelter services.

Most of all, ESG-funded community agencies recognize that residents experiencing homelessness often have multiple barriers to securing permanent housing. Although some homeless residents lack sufficient funds for stable housing, many homeless residents face barriers that limit their ability to earn sufficient income required for stable housing. That said, in addition to providing housing services, ESG-funded agencies provided supportive services so that residents experiencing homelessness can move toward self-sufficiency.

### **CITY'S HOME IMPROVEMENT LENDING PROGRAMS**

The City's Home Improvement Lending programs provided home improvement loans to CDBG-income eligible homeowners, including Deferred Payment Due-on-Sale Home Improvement loans and Saint Paul/Ramsey County Lead Paint Window Replacement program. These City programs assisted 105 households comprised of 17 female-headed households; 25 White households (24%), 21 Black households (20%), 44 Asian households (42%), 2 Native American households (2%), 13 multi-racial household (12%), and 13 households identified as Hispanic (12%). Households assisted were those in the most need including 30 households at 0%-30% AMI; 49 households at 31%-50% AMI; and 26 households at 51%-80% AMI.

## ATTACHMENT D

To further promote fair housing choice, the City's Home Improvement Lending staff provided multilingual home ownership services in Hmong language and have staff available who speak Vietnamese and Spanish. Language translation services are also provided, as needed.

The City' also partners with various non-profit community development corporations, such as Dayton's Bluff Neighborhood Housing Services (DBNHS), Neighborhood Development Alliance, Inc. (NeDA), NeighborWorks Home Partners (NWHP), North East Neighborhoods Development Corporation (NENDC), and Rondo Community Land Trust (RCLT) to provide neighborhood-based housing programs that are responsive to the needs of St. Paul residents and City priorities. NeDA's multi-lingual/multi-cultural housing services assisted Spanish-speaking residents living in the West Side neighborhood. Through these partners, an additional 44 homeowner housing units received essential emergency repairs and housing rehabilitation.

In recognition that 1 in 5 City residents speaks a language other than English in their homes and in accordance with title VI of the Civil rights Act of 1964, 42 U.S.C. § 2000d and Executive Order 13166, the City has developed a Limited English Proficiency Plan (LEP). Based on data collected from a variety of sources, including the Saint Paul Public Schools and the U.S. Census Bureau, the City's primary language groups that are non-English include, but are not limited to Spanish, Hmong, and Somali. This means that increasingly, City employees are providing services to individuals who may be limited English proficient (LEP) because of national origin. The City's LEP Language Access Plan outlines and describes how the City will improve access to its services for LEP individuals.

The City is committed to making its services and information about those services available to everyone, regardless of language barriers. As residents, workers or visitors who contribute to the quality of life in the City, LEP individuals are entitled to meaningful access to City services. As a recipient of federal financial assistance, the City is required by federal law to plan for and provide meaningful access to City services for LEP individuals. The City's website is also translatable and translators are available throughout all City departments.

### **MORTGAGE FORECLOSURE PREVENTION PROGRAM**

The City of Saint Paul is one of several HUD-approved housing counseling agencies providing counseling in the City of Saint Paul under the umbrella of the Minnesota Home Ownership Center (MNHOC). The network of agencies providing mortgage default/early delinquency counseling in the City of St Paul assists households with guidance and help with submission of mortgage modifications, working with their mortgage servicer on a smooth transition out of the home (short sale or deed in-lieu of foreclosure), providing information about the foreclosure process, and moving on after foreclosure.

The network of agencies provides individualized mortgage foreclosure prevention counseling by working with the homeowner to create an action plan and viable budget. In addition, housing advisors provide referrals to community resources, such as food shelves,

formal budget counseling, bankruptcy counseling, legal aid, and as necessary emergency assistance from Ramsey County. Most importantly, the network of agencies assists homeowners in default by communicating with mortgage servicers for modifications, forbearance agreements, or repayment plans, taking the burden of communication off the homeowner. As a result, 54 of the default cases closed during 2019-20 had successful outcomes - foreclosure was prevented.

Finally, although predatory lending practices are not discriminatory per se, predatory lending practices may have a disparate discriminatory impact on communities of color, lower income, the elderly, and those with lower credit scores.

### **INSPIRING COMMUNITIES PROGRAM**

The City of Saint Paul's *Inspiring Communities* program was created to consolidate properties, both for new construction and rehabilitation, acquired with NSP, CDBG, and HRA funds under a single strategy. The *Inspiring Communities* program largely focuses investment on geographically defined cluster areas in neighborhoods most impacted by foreclosure and vacancy. The program funds assist developers with development gap financing for construction of new housing on vacant lots or rehabilitation of vacant structures. As a neighborhood redevelopment program, *Inspiring Communities* also creates construction job opportunities for local residents, Section 3 certified businesses, M/W/SBEs, and advanced equity in contracting and workforce hiring.

### **Cumulative Impact of Inspiring Communities**

Since 2008, the City has allocated more than \$45,000,000 of federal, state, and local funds to revitalize vacant and foreclosed properties in designated Saint Paul neighborhoods. Approximately 300 properties have been sold or are in the process of being sold. *Inspiring Communities* has developed energy-efficient, sustainable, and affordable homes in areas of Saint Paul with the greatest need for stable housing. The quality of housing increased the overall affordability, as these homes should not require major capital investments for 10-15 years. Additionally, these investments served as for catalyst for neighboring homeowners to reinvest in their properties and neighborhoods. During program year 2019, 2 new homes were constructed and sold to income-eligible households. Purchasers of Inspiring Communities homes are eligible to receive up to \$5,000 in financial assistance to help complete the purchase.

### **CITY'S EFFORT TO AFFIRMATIVELY FURTHER FAIR HOUSING BY ENSURING AVAILABLE HOUSING SERVICES TO LIMITED ENGLISH PROFICIENCY RESIDENTS**

The City of Saint Paul recognizes that limited English proficiency (LEP) residents are often unable to access housing service information in their primary languages. In recognition that 1 in 5 City residents speaks a language other than English in their homes and in accordance with title VI of the Civil rights Act of 1964, 42 U.S.C. § 2000d and Executive Order 13166, the City has developed a Limited English Proficiency Plan (LEP). Based on data collected from a variety of sources, including the Saint Paul Public Schools and the U.S. Census Bureau, the City's primary language groups that are non-English include, but are not limited to Spanish, Hmong, and Somali. This means that increasingly, City employees are providing services to individuals who may be limited English proficient (LEP) because of national origin. The City's LEP Language Access Plan outlines and describes how the City will improve access to its services for LEP individuals. Translators can be provided in multiple languages across City departments and the City's website is translatable.

The City is committed to making its services and information about those services available to everyone, regardless of language barriers. As residents, workers or visitors who contribute to the quality of life in the City, LEP individuals are entitled to meaningful access to City services. As a recipient of federal financial assistance, the City is required by federal law to plan for and provide meaningful access to City services for LEP individuals. The City's HREEO department coordinates and maintains the City's LEP program. The PED department has an LEP policy with multilingual staff to provide information about the following housing programs:

#### ***Minnesota Home Ownership Center (MNHOC) Home Buyer Education Classes***

Minnesota maintains a high homeownership rate at around 71% but has a 35.1 percentage point disparity in homeownership rates between white/non-Hispanic households and households of color, ranking 5<sup>th</sup> largest disparity in the country (*Key Trends in Housing*, Minnesota Housing Finance Agency, January 2018).

That said, the City financially supported the Minnesota Homeownership Center (MNHOC) which offers individualized financial wellness and home buyer counseling, homebuyer education classes (*Home Stretch* workshops), which included multicultural and multilingual homebuyer classes. Homeownership workshops were held in English, Hmong, Somali, Karen, and Spanish. MNHOC also works directly with the African Development Center and African Economic Development Solutions to outreach to Somali and Africans new to America. MNHOC's *Framework*, an online educational program, was offered in Spanish. Because of these efforts, 82% (402 of 490) of households participating in homebuyer education and 75% (269 of 358) of households participating in financial wellness and homebuyer counseling identified as people of color.

Subsequently, Fannie Mae worked with MNHOC's *Framework* in which households who purchase Fannie Mae properties through its *HomeReady Buyer* program will be eligible for up

to 3% off the purchase price of the home in the form of closing cost assistance. Fannie Mae's *HomeReady Buyer* program indicates that industry leaders recognized the value of homeownership education and counseling.

To improve homeownership education classes, MNHOC also performs pre- and post-workshop surveys (in English and Spanish) for which 98% of *Home Stretch* workshop participants stated that the *Home Stretch* helped provide confidence in the home-buying process.

Finally, even with its budgetary restrictions, the City continues its funding of MNHOC – recognizing that the MNHOC's home buyer classes and counseling serve first-time low- to moderate-income (LMI) homebuyers and provides a leadership role in responding to foreclosures.

### ***City's Home Improvement Lending Programs/Mortgage Foreclosure Prevention Program***

To ensure access to housing programs, the City's Home Improvement Lending Programs' staff provided home ownership services and default counseling in Hmong and other language translation services, as needed.

### ***Relocation Counseling***

The City has the ability provide culturally-sensitive relocation assistance, if needed. However, during this program year, there was no need to provide multilingual relocation services.

### **HOME OWNERSHIP ALLIANCE - EMERGING HOUSING MARKET INITIATIVES**

During the program year, the City participated with MNHOC's *Home Ownership Alliance* (HOA) initiative, a collaboration of more than 30 organizations committed to equitable homeownership for people of color and lower-income households. The HOA brings together organizations that represent a range of communities, including the Neighborhood Development Alliance, and NeighborWorks Home Partners and Twin Cities Habitat for Humanity. The HOA leverages these partnerships to create paths for underserved communities to achieve equitable, affordable homeownership.

An example of the HOA's collaborative innovation is the launch of the "Get Ready. Be Ready" campaign to reach African Americans in St. Paul's East Side and North Minneapolis. To reach these potential homeowners, HOA works with community representatives to create key messages addressing known myths about homeownership, and invest in community radio and print media, along with social media and outreach to community leaders. The HOA plans to outreach to other populations affected by a lack of access, including East African, Hispanic, and Southeast Asian communities.

The HOA also advocates for changes to the very programs intended to advance affordable homeownership. Research has shown that the existing down payment assistance (DPA) ecosystem is inconsistently funded, limits consumer choice, and hinders buyers' ability to

compete in a tight market. Further, lenders can be reluctant to work with complex programs with varying features and cite uncertainty about compliance with the secondary market as an obstacle to working with DPA programs. Intended impact is to disrupt the status quo and advance a consumer-centered down payment system statewide, with the potential for national replicability. The outcome is centralization of resources, non-profit leaders supporting lenders and consumers, common underwriting, consistent features, and broader geographic availability.

**SAINT PAUL DEPARTMENT OF HUMAN RIGHTS AND EQUAL ECONOMIC OPPORTUNITY (HREEO)**

Pursuant to the Saint Paul Human Rights Ordinance (SPHRO), Saint Paul HREEO staff respond to human rights complaints. HREEO is a City of St. Paul Department dedicated to eliminating housing disparities and discrimination under the local civil rights ordinance and the FHA. In 2015, Saint Paul Human Rights Division was granted full certification as a HUD Fair Housing Assistance Partner (FHAP) which effectively increased the Human Rights Division's capacity in bringing the authority of the Fair Housing Act to eligible complaints. Discrimination cases falling under the Fair Housing Act and the SPHRO are investigated by the Human Rights Division and cross-filed with HUD's Office of Fair Housing and Equal Opportunity (FHEO). Subsequently, HREEO is the only FHAP that is substantially equivalent under HUD's work-sharing agreement in the State of Minnesota. The human rights team has an extensive history of eradicating housing discrimination. All of the investigators and leadership are fully trained under HUD requirements including the 5-week investigators' training in Washington, D.C. HREEO's staff have conducted Fair Housing continuing legal education training for attorneys and professionals in the housing and property management fields. Furthermore, staff have considerable experience with attempting and conducting conciliation.

During the program year, the Human Rights Division increased its visibility in the community by participating in outreach activities and events. Human Rights Specialists are responsible for the investigations and outreach for the HREEO department and have exceeded the case production for a jurisdiction of this size. HREEO has a long history of taking on challenging policy issues, and producing timely, thorough, and useful investigations which have led to individual complainant remedies as well as wider public interest policy changes with landlords and housing providers in our jurisdiction.

The City of St. Paul is the only majority minority city in Minnesota. The diversity of HREEO's staff reflects the communities we serve. This team is fluent in many languages, such as Amharic, Oromo, Hmong, Spanish, and Tagalog. In the past, the Human Right's staff partnered with the Equal Opportunity Commission and the U.S. Department of Labor to coordinate and organize outreach to the Hmong Community through their vulnerable workers project. In other efforts, Human Rights staff has worked with Saint Paul Police and the Autistic Society of Minnesota to facilitate a collaborative effort to improve interactions between police and residents with autism.

### **LEGAL SERVICES: SOUTHERN MINNESOTA LEGAL REGIONAL SERVICES**

Often, legal representation is needed to enforce fair housing rights. In response, the City has financially supported the Housing Equality Law Project (HELP), administered by Southern Minnesota Regional Legal Services (SMRLS) which provides fair housing enforcement services.

With this grant, the City partially funded one attorney to assist Saint Paul residents who are treated unfairly when seeking or maintaining their housing. Legal services included negotiated settlements, assisted with filing of complaints with enforcement agencies, and represented people in court. Persons who benefit from these services include low-income persons of color, immigrants and refugees, disabled persons, and female heads of households and their families who were treated unfairly, and in violation of anti-discrimination laws, by landlords when they look for housing, live in housing, or try to keep their housing.

Finally, the City awarded ESG funds to partially fund SMRLS's legal representation for residents experiencing homelessness or those at-risk of being homeless to stabilize their housing.

### **CITY'S EFFORT TO AFFIRMATIVELY FURTHER FAIR HOUSING THROUGH ANTI-DISPLACEMENT AND INCREASED ACCESS STRATEGIES**

#### **City's Housing Trust Fund Strategy**

The Housing Trust Fund was developed by Mayor Melvin Carter to produce, preserve, and protect housing affordability for Saint Paul residents. The fund serves as a flexible financial tool used to address the current crisis of housing affordability in Saint Paul. Current issues facing the Saint Paul housing market include increasing costs of labor and materials limiting new construction, housing costs rising at a faster pace than average incomes, and significant racial disparities in homeownership. The Housing Trust Fund strategy identifies five key objectives to address housing issues. The strategy builds upon the findings of the Saint Paul Fair Housing Working Group and community engagement during the City's 2040 Comprehensive Plan process as well as Mayor Carter's Voices of Our Community and Imagine Our City listening sessions.

- Meet the needs of those with the lowest incomes by increasing supply. The lowest income residents in St. Paul are the most cost-burdened and have the fewest existing housing options
- Invest in low- and moderate-income residents by investing in the existing supply. Maintaining the housing options that are already serving low- and moderate-income families will ensure ground is not lost on increasing the supply and displacement is prevented.

## ATTACHMENT D

- Explore innovative approaches to meeting housing needs. Piloting programs and options to produce affordable opportunities more efficiently will allow more residents to be served.
- Build wealth for residents and communities. Targeting housing investments in ways that increase affordability and the resources available to low-income residents and communities.
- Promote fair access to housing for all of us. Expanding tenant protections, landlord training, and coordination among City departments to ensure fair access to housing and displacement prevention.

The Saint Paul Housing Trust Fund will invest millions in affordable housing using the strategies described above. Recent investments include:

- Investments in innovative models for homeownership and wealth building through the expansion of Accessory Dwelling Units and Community Land Trusts
- Financing to preserve unsubsidized naturally occurring affordable housing units and prevent displacement
- Families First Housing Pilot - The Families First Housing Pilot provides Saint Paul families a \$300 monthly rent supplement and ongoing supportive services for three years, in partnership with the Saint Paul Public Schools, the Saint Paul Public Housing Agency, and community partners. St. Paul invested \$3 million through the Housing Trust Fund in order to support up to 250 families in underperforming schools with ongoing rental support. Additional funds to provide supportive services from community partners were awarded through grants from philanthropic partners. The program launched in February of 2020, after city staff and the Mayor met with teachers in each school to promote the program, which leans heavily on school staff to identify families experiencing housing instability.
- The City's Down payment Assistance Program, launched in July of 2020, provides financial assistance for homebuyers at or below 60% AMI. Qualified homebuyers can receive up to \$40,000 for a home down payment, closing costs, and/or property inspection. The program was developed to protect and preserve naturally occurring affordable housing in neighborhoods vulnerable to displacement and gentrification pressures. The program is funded with support from Minnesota Housing.
- Saint Paul Bridge Fund – Emergency housing relief announced in early March for families most vulnerable to the economic impacts of COVID-19, with \$1.3 million deployed as an immediate housing stability tool for residents in crisis prior to availability of State and Federal assistance:  
<https://www.stpaul.gov/departments/planning-economic-development/saint-paul-bridge-fund>
- The City is investing to preserve Naturally Occurring Affordable Housing (NOAH) and continues work on an Inclusionary Zoning ordinance to allow greater density for new construction in exchange for including affordable units. An additional effort is the 4(d) Affordable Housing Incentive Program offers rental property owners a 40% tax rate

reduction and grant assistance for rehabilitation for units that remain affordable for the next 10 years. Property owners can invest the savings into updating and maintaining their NOAH units, and low-income families are provided additional safe and stable housing options at a time when rent continues to rise across the Twin Cities.

### **Office of Financial Empowerment**

In 2019, the City formed a new Office of Financial Empowerment, including a full-time Fair Housing Coordinator position who works with several City departments and residents as well as with the regional Fair Housing Implementation Council to establish policies, regulations, and programs to proactively ensure that Saint Paul residents do not experience housing discrimination and to affirmatively further fair housing.

During PY 2019, the Office of Financial Empowerment developed a framework for the Fair Housing strategy with overarching goals of decreasing housing displacement, increasing housing access and focusing on Affirmatively Furthering Fair Housing. The City has a fair housing strategy that aligns community and department work in four core areas: Preservation and Production, Education and Engagement, Enforcement and Compliance and Tenant Protections.

In 2019/2020, OFE focused on Tenant Protections, passing a suite of tenant protections policies geared at ensuring stable, accessible, fair, and equitable housing opportunities for all.

Effective March 1, 2021, the ordinance includes:

- **Tenant Rights and Responsibilities Information:** The Tenant Rights and Responsibilities Information policy ensures tenants and landlords know their rights, responsibilities, and what resources are available to them. The City will make a packet and poster available in multiple languages online with this information.
- **Security Deposit Limit:** The Security Deposit Limitation policy ensures equitable access to housing by ensuring tenants will not be required to pay more than a single month's rent as a security deposit. It also includes a prepaid rent limitation that ensures tenants will not be required to pre-pay more than one month's rent at move-in.
- **Tenant Screening Guidelines:** The Tenant Screening Guidelines policy ensures fair access to housing by creating uniform screening criteria guidelines for applicants related to the use of rental, criminal and credit history. This policy eliminates the use of information that is less likely to betide to your housing history and limits the length of time criminal history and evictions can be used as the basis for disqualification.
- **Just Cause Notice:** The Just Cause Notice policy increases housing stability by ensuring landlords provide just cause for nonrenewal of lease or termination of tenancy at the time notice is given. The policy includes just causes related to tenancy

issues like nonpayment of rent or breach of lease, as well as changes to the use of the property like an owner or family member choosing to occupy the unit.

- **Advance Notice of Sale:** The Advance Notice of Sale policy supports the preservation of affordable housing and addresses displacement pressures faced by tenants. It ensures that a notice of a proposed sale be provided to the City and tenant before an affordable property is placed on the market as well as after the transfer of ownership occurs, coupled with a tenant protection period after the sale.

### **Returning Home Saint Paul Pilot**

The Office of Financial Empowerment launched the Returning Home Saint Paul (RHSP) pilot in November 2020. RHSP is a partnership between the City, HousingLink and Ujamaa Place 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 mitigation 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 serving 20 residents find and maintain housing.

### **Anti-Displacement Policy Network**

During program year 2019 City staff and elected officials participated in the Anti Displacement Policy Network Cohort through PolicyLink. Minneapolis and Saint Paul jointly formed a team to participate in this network to learn about policies other cities around the country are pursuing to combat displacement and to advance anti-displacement policies here in the Twin Cities. The cities of Minneapolis and Saint Paul continue to engage with a local cohort of organizations focused on anti-displacement work.

### **CITY'S EFFORTS TO DEVELOP A REGIONAL APPROACH THAT AFFIRMATIVELY FURTHERS FAIR HOUSING – Fair Housing Implementation Council (FHIC)**

The City recognized that a regional approach was necessary to effectively identify and eliminate impediments to fair housing and promote fair housing opportunities. In response, Saint Paul partnered with 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 as members of the Fair Housing Implementation Council (FHIC) and developed the 2020 Analysis of Impediments to Fair Housing Choice (AI 2020).

The 2020 Regional Analysis of Impediments to Fair Housing Choice (AI) was finalized by the Fair Housing Implementation Council (FHIC) and The Lawyers Committee for Civil Rights Under Law on January 21, 2021. Each Jurisdiction held a public hearing and made the document available for public comment. Following the close of all public comment periods,

## ATTACHMENT D

the Lawyers committee and FHIC updated the draft AI to include the public comments received, a summary of the comments and responses.

While the FHIC worked with the Lawyers Committee to draft the AI, the Preserving Community and Neighborhood Choice Rule was published and adopted. Our understanding is that there is no longer a formal regulatory or compliance requirement to submit this plan, however, the FHIC has submitted the Final AI to the local HUD field office for feedback and has been encouraged to do the same with FHEO representatives.

The City of Saint Paul intends to continue to work towards understanding the impediments and addressing the goals identified in this AI and continuing membership with the Fair Housing Implementation Council (FHIC) to consider regional approaches to Fair Housing Issues

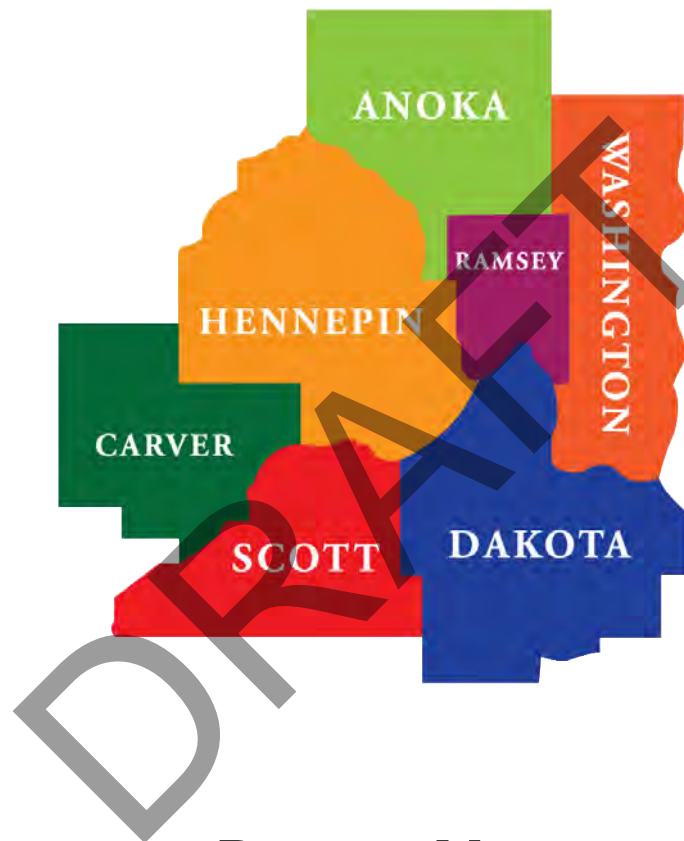
### SUMMARY

The City is committed to providing equal opportunity to all people in all areas of City services and City programs. This document identified actions that affirmatively furthered fair housing. That said, Saint Paul affirmatively furthers fair housing in four distinct ways – funding, participation, direct service, and policy.

While the City works to remove impediments to Fair Housing, there remains a constant need for fair housing work as part of the fabric that makes up Saint Paul government, its rules, and regulations. The City of Saint Paul remains committed to ensuring every resident is able to fully realize fair housing.

To view the Plan: [2020 Regional Analysis of Impediments to Fair Housing Choice \(AI 2020\)](#)

# **TWIN CITIES REGIONAL ASSESSMENT OF FAIR HOUSING**



**Prepared by  
the Lawyers' Committee for Civil Rights Under  
Law**

**January 21, 2021**

## TABLE OF CONTENTS

<b>TABLE OF CONTENTS .....</b>	<b>2</b>
<b>II. Executive Summary.....</b>	<b>3</b>
<b>III. Community Participation Process.....</b>	<b>11</b>
<b>IV. Assessment of Past Goals.....</b>	<b>16</b>
<b>V. Fair Housing Analysis .....</b>	<b>45</b>
<b>A. Demographic Summary .....</b>	<b>45</b>
<b>B. General Issues .....</b>	<b>88</b>
<b>i. Segregation/Integration .....</b>	<b>88</b>
<b>ii. Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs) .....</b>	<b>139</b>
<b>iii. Disparities in Access to Opportunity.....</b>	<b>147</b>
<b>iv. Disproportionate Housing Needs.....</b>	<b>164</b>
<b>C. Publicly Supported Housing Analysis .....</b>	<b>229</b>
<b>D. Disability and Access .....</b>	<b>252</b>
<b>E. Fair Housing Enforcement, Outreach Capacity and Resources .....</b>	<b>289</b>
<b>VI. Fair Housing Goals and Priorities.....</b>	<b>295</b>
<b>VII. Appendices.....</b>	<b>301</b>
<b>A. Contributing Factors Appendix .....</b>	<b>301</b>
<b>B. Data Documentation Appendix.....</b>	<b>347</b>
<b>C. Segregation/Integration Appendix.....</b>	<b>353</b>
<b>D. Disparities in Access to Opportunity Appendix .....</b>	<b>401</b>
<b>E. Publicly Supported Housing Appendix .....</b>	<b>585</b>
<b>F. Public Comments Index .....</b>	<b>618</b>

## II. Executive Summary

The Twin Cities Regional Analysis of Impediments to Fair Housing choice (AI) is a thorough examination of structural barriers to fair housing choice and access to opportunity for members of historically marginalized groups protected from discrimination by the federal Fair Housing Act (FHA). This analysis specifically analyzes the following jurisdictions in the Twin Cities Region: Anoka County, Coon Rapids, Dakota County, Hennepin County, Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, Ramsey County, St. Paul, Washington County, Woodbury, Scott County and Carver County. While Coon Rapids and Minnetonka are no longer classified as entitlement jurisdictions, the two cities were included in this analysis, as they were entitlement jurisdictions for the majority of the 5-year period between AIs conducted for the Region.

In addition to analyzing and identifying barriers to fair housing choice within the Region, this AI also outlines meaningful strategies that can be implemented to achieve progress towards the various entitlement jurisdictions' obligation to affirmatively furthering fair housing. The Lawyers' Committee for Civil Rights Under Law (Lawyers' Committee), in consultation with the Twin Cities Fair Housing Implementation Council (FHIC) prepared this AI. To provide a foundation for the conclusions and recommendations presented in this AI, the Lawyers' Committee reviewed and analyzed:

- Data from the U.S. Census Bureau and other sources about the demographic, housing, economic, and educational landscape of the Consortium, nearby communities, and the broader region;
- Local housing production and education data;
- Various County and City planning document and ordinances;
- Data reflecting housing discrimination complaints;
- The input of a broad range of community groups and stakeholders that deal with the realities of the housing market and the lives of members of protected classes in the Twin Cities Region.

The AI draws from these sources to conduct an analysis of fair housing issues such as patterns of integration and segregation of members of protected classes, racially or ethnically concentrated areas of poverty regionally, disparities in access to opportunity for protected classes, and disproportionate housing needs. The analysis also examines publicly supported housing in the city as well as fair housing issues for persons with disabilities. Private and public fair housing enforcement, outreach capacity, and resources are evaluated as well. The AI identifies contributing factors to fair housing issues and steps that should be taken to overcome these barriers.

### Overview of the Twin Cities Region

The Twin Cities Region falls within the Minneapolis-St. Paul-Bloomington, MN-WI metropolitan statistical area. The Region has historically been overwhelmingly white and remains so to this day, despite a growing number of immigrants of color. Minneapolis and St. Paul specifically are the most diverse, both of which have historical enclaves of Black residents. The cities have growing Hispanic/Latinx populations, as well as growing communities of Hmong and Somali residents. With the exception of smaller suburbs immediately outside of the urban centers the remainder of

the region remains extremely white, despite small concentrations of Black, Indigenous and other people of color (BIPOC).

Patterns of segregation and disparities in access to opportunity in housing and other areas are very stark in the Twin Cities. The same characteristics that make the Twin Cities an ideal place to live for many—environmental healthy neighborhoods, proficient schools, and high home ownership rates, to name a few—are not at all equally experienced by the Region’s communities of color, low-income communities, and persons with disabilities. Neighborhoods with higher concentrations of BIPOC residents have less access to proficient schools, are less environmentally healthy, have less access to transportation and jobs and have higher rates of poverty. Many jurisdictions within the region have taken significant steps to improve access to safe and affordable housing, including increased contributions to Housing Trust Funds, zoning changes, larger and deeper affordability requirements for new developments, and reform of code enforcement services. At the same time, however, the Twin Cities region is attractive to outside investors using their capital to fund massive new developments that are not affordable for many residents. Smaller, outer ring suburbs have also experienced Not in My Backyard (NIMBY) sentiment from residents in response to attempts to develop more affordable housing or allow for increased density. In addition, as the urban centers become less affordable, many residents are being pushed out to the suburbs. Transit-oriented development has provided additional transportation options throughout the larger suburban/rural region, but has also been met with critiques of displacement and gentrification of communities of color that once resided in the new transit corridors.

Further, as civil rights attorneys, we would be remiss not to acknowledge that systemic racism within the Region has led to strategic disinvestment in communities of color, and over-policing of Black and Brown bodies. These disparities were brought to the forefront in Minneapolis following the murder of George Floyd by officers of the Minneapolis Police Department. The police were called by the clerk of a Minneapolis convenience store, located at 38<sup>th</sup> Street and Chicago Avenue, over an allegedly counterfeit \$20 bill. Since then, residents of the Region and the country have stood up to demand that police no longer be able to ravage Black communities. This event has sparked important conversations in the Region and beyond, and we hope that as a result, data in future Analyses of Impediments will show increased opportunity to housing, jobs, and schools for historically disadvantaged populations.

### **Contributing Factors to Fair Housing Issues**

In addition to the main sections of the AI, this analysis includes a discussion of the following contributing factors to fair housing issues:

1. Access to financial services
2. Access for persons with disabilities to proficient schools
3. Access to publicly supported housing for persons with disabilities
4. Access to transportation for persons with disabilities
5. Admissions and occupancy policies and procedures, including preferences in publicly supported housing
6. Availability of affordable units in a range of sizes
7. Availability, type, frequency, and reliability of public transportation
8. Community opposition

## ATTACHMENT D

9. Deteriorated and abandoned properties
10. Displacement of and/or lack of housing support for victims of domestic violence, dating violence, sexual assault, and stalking
11. Displacement of residents due to economic pressures
12. Impediments to mobility
13. Inaccessible public or private infrastructure
14. Inaccessible government facilities or services
15. Lack of access to opportunity due to high housing costs
16. Lack of affordable, accessible housing in a range of unit sizes
17. Lack of affordable in-home or community-based supportive services
18. Lack of affordable, integrated housing for individuals who need supportive services
19. Lack of assistance for housing accessibility modifications
20. Lack of assistance for transitioning from institutional settings to integrated housing
21. Lack of community revitalization strategies
22. Lack of local private fair housing outreach and enforcement
23. Lack of local public fair housing enforcement
24. Lack of local or regional cooperation
25. Lack of meaningful language access for individuals with limited English proficiency
26. Lack of private investment in specific neighborhoods
27. Lack of public investment in specific neighborhoods, including services or amenities
28. Lack of resources for fair housing agencies and organizations
29. Lack of state or local fair housing laws
30. Land use and zoning laws
31. Lending discrimination
32. Location of accessible housing
33. Location of employers
34. Location of environmental health hazards
35. Location of proficient schools and school assignment policies
36. Location and type of affordable housing
37. Loss of affordable housing
38. Occupancy codes and restrictions
39. Private discrimination
40. Quality of affordable housing information programs
41. Regulatory barriers to providing housing and supportive services for persons with disabilities
42. Siting selection policies, practices, and decisions for publicly supported housing, including discretionary aspects of Qualified Allocation Plans and other programs
43. Source of income discrimination
44. State or local laws, policies, or practices that discourage individuals with disabilities from living in apartments, family homes, supportive housing and other integrated settings
45. Unresolved violations of fair housing or civil rights law

## Proposed Goals and Strategies

The following goals and strategies were developed and refined using the aforementioned data sources and extensive conversations with community groups, local stakeholders, community members, and jurisdiction staff.

*Goal 1: Increase the supply of affordable housing in high opportunity areas.*

- Change existing land use and zoning laws, where possible, to allow for more types of affordable housing, such as Accessory Dwelling Units (ADUs), Single Room Occupancy (SRO) multi-family projects, or other low cost models such as tiny homes.
- Provide additional investments in the Affordable Housing Trust Funds in St. Paul and Minneapolis and additional investments in affordable housing in the other jurisdictions.
- Provide funding to assist community organizations in purchasing, rehabilitating, and leasing dilapidated rental properties. Ensure that these organizations have the right of first refusal to purchase prior to outside, for-profit developers.
- Condition the distribution of grant funds to jurisdictions by the Metropolitan Council based on communities providing concrete plans to meet their fair share of the decennial affordable housing needs.
- Expand bonus point offerings in RFPs to incentivize the development of large units with three or more bedrooms.

*Goal 2: Preserve the existing stock of affordable rental housing.*

- Partner with the Minnesota Attorney General's office to develop land lease and other protections for residents of manufactured home communities.
- Provide restrictions on the "flipping" of affordable rental housing by outside investors. Require that 1) a large percentage of units remain affordable at deeper levels of affordability; 2) previous tenants have rights of return; and 3) displaced tenants have access to relocation services.
- Rehabilitate and maintain the existing stock of publicly owned, affordable single-family homes. Provide regular inspection and maintenance of these properties.
- Provide Advanced Notice of Sale and Tenant Opportunity to Purchase/first right of refusal for tenants of affordable housing units that are for sale.

*Goal 3: Support homeownership for households of color.*

- Develop partnership with local lending institutions to conduct homebuyer and financial literacy education targeted at communities of color.
- Develop a program or policy to provide for regular review of local lending practices for fair housing issues.
- Increase funding for down payment assistance programs.
- Fund and facilitate credit counseling and improvement programs targeted at communities of color.
- Provide more opportunities for families on public assistance to transition to ownership.

## ATTACHMENT D

- Provide long-term support for communities of color beyond down payment assistance, such as additional funding programs for necessary repairs.

### *Goal 4: Prevent Displacement of Black and Brown low- and moderate-income residents.*

- Pilot a Right to Counsel Program to provide pro bono counsel to tenants facing eviction.
- Pass localized Just Cause Eviction protections and advocate for statewide Just Cause eviction legislation.
- Advocate for statewide rent control/stabilization legislation.
- Consider the impact of transit-oriented development and preserve additional units in mixed income developments along transit corridors
- Establish a minimum nonpayment of rent threshold for evictions of \$100 and adopt a rule which allows tenants to cure by paying the full amount owed up to and including the date of trial for the eviction.
- Establish a policy for regular community participation in advance of approving new development in areas populated by low- and moderate-income Black and Brown residents. To ensure maximum participation, these meetings should be held at a variety of times be accessible via public transportation, be in locations that are ADA accessible, and provide food and perhaps childcare, if the meeting occurs in the evening.
- Establish policies that provide for analysis of potential fair housing impacts of new development in areas populated by low- and moderate income Black and Brown residents.
- Conduct or contract for regular research on gentrification and displacement throughout the region.
- Provide funding for rent relief programs, foreclosure prevention programs, and small business support in distressed areas.
- Establish use of the Equitable Development Scorecard to evaluate all new residential and mixed-use development proposals.

### *Goal 5: Increase community integration for person with disabilities.*

- Increase the supply of integrated permanent supportive housing by utilizing Project-Based Vouchers in developments that include units that have rents that are within Housing Choice Voucher payment standards as a result of inclusionary zoning programs. Require a set-aside of permanent supportive housing units through requests for proposals and notices of funding availability under the HOME Investment Partnerships programs as well as under locally-funded affordable housing programs.
- Advocate for greater funding from the Minnesota Legislature for the Developmental Disabilities Waiver in order to eliminate the need for a wait list for services under that program.
- Ensure consistency in disability-related Housing Choice Voucher preferences across housing authorities.
- Deepen enhanced accessibility requirements for developments receiving federal financial assistance to require that 10% of units be accessible to persons with ambulatory disabilities and that 4% of units be accessible to persons with sensory disabilities.
- Increase funding and availability of Metro Mobility services.

## ATTACHMENT D

- Encourage Metro Transit to subsidize rides of caregivers assisting riders with disabilities.
- Explore the creation of more affordable transportation options, especially outside of Minneapolis and St. Paul.
- Ensure that bus stops and curb cuts are plowed and/or shoveled after snowfall.
- Increase regional cooperation among disability service providers.
- Provide additional funding to disability support service organization to ensure recruitment and retention of qualified support staff.
- Create and invest in a relief fund for landlords and tenants to apply for rehabilitation assistance related to the cost of requested reasonable accommodations.

*Goal 6: Ensure equal access to housing for person with protected characteristics, lower-income, and homeless.*

- Implement source of income protections throughout the Region and advocate for statewide protections.
- Eliminate participation in the Crime Free Multi-Housing program by local police departments.
- For municipalities with crime-free housing and nuisance ordinances that allow for eviction based on a number of calls for emergency service or criminal activity of tenants, condition funding on the repeal of these ordinances and advocate for statewide legislation banning these ordinances. This legislation should explicitly prohibit eviction based solely on calls for emergency service, particularly for survivors of domestic violence, victims of crime, and those experiencing health emergencies.
- Require that all rental and homeownership applications be made available in Spanish, Hmong, and Somali, and ensure that paper copies are available for those without computer access.
- Ensure that housing authorities have translation services available to their customers.
- Encourage landlords to follow HUD's guidance on the use of criminal backgrounds in screening tenants.
- The St. Paul Housing Authority should eliminate the use of a policy that allows for termination without proof beyond a reasonable doubt or a report to law enforcement.
- Following Minneapolis's example, introduce and pass legislation that requires inclusive credit screening practices that do not rely on FICO scores.
- Increase the capacity of existing fair housing enforcement agencies by providing additional funding for staff.
- Provide additional funding to increase capacity and frequency of record expungement clinics.
- Following Minneapolis's example, transition from exclusively complaint-based code-enforcement services. Provide for regular code enforcement review of all rental properties as part of rental licensing restrictions.
- Monitor school redistricting policies for those that may create new or exacerbate existing segregation patterns for communities of color.
- Establish a permanent Fair Housing Advisory Committee that will participate regularly in FHIC meetings. This committee should be made up of a diverse group of community members.

## ATTACHMENT D

- Work with the courts to ensure that they refrain from publishing evictions immediately when filed. Courts should wait to publish evictions on a tenant's record until after a judgement has been entered.
- Work with the courts to prevent evictions from remaining on a tenant's record when the eviction has been dismissed, and reduce the amount of time evictions remain on a tenant's record from 7 years to 2 years.
- Explore capping the amount of application fees private landlords may charge and the creation of a universal rental application to reduce the difficulty of applying and the amount of fees landlords are able to charge
- Restrict the ability of landlords to evict tenants during the winter months.
- Expand services and resources for homeless families.
- Partner with community based fair housing organizations to conduct regular testing of potential discriminatory steering practices by realtors.

### *Goal 7: Expand access to opportunity for protected classes.*

- Increase regional cooperation to encourage transit development that connects communities of protected classes to employment and reduces general transit-related isolation of these communities.
- Increase the minimum wage in the metro area to \$15 an hour.
- Enact legislation to prevent landlords from requiring excessive security deposits or multiple months' rent.
- Regularly review the screening criteria of the Region's Public Housing Authorities to ensure compliance with HUD Background Screening Guidance, including criminal backgrounds, rental history, and credit history. As mentioned above, the St. Paul Housing Authority should eliminate the current policy of allowing for termination for criminal activity when the alleged activity has not even been reported to law enforcement or proven beyond a reasonable doubt.
- Relax stringent guidelines for reasonable accommodations claims to Public Housing Authorities.
- Consult with industry experts and community groups to create a Racial Justice Framework for analysis of proposed development and siting of affordable housing.
- Provide funding and staffing for public campaigns to combat NIMBY sentiment throughout the region. These campaigns should also include content to dissuade negative notions around voucher holders.

### *Goal 8: Reduce barriers to mobility.*

- Enact policies that provide for regular reviews of residency and other preferences for fair housing impacts.
- Implement selective use of payment standards based on Small Area Fair Market Rents (FMRs), to expand housing choice specifically in zip codes that are areas of opportunity. As an example, for a Minneapolis zip code, the current payment standard for a two bedroom apartment is \$1,228. For the same zip code, the Small Area FMR payment standard would be \$1,820.

## ATTACHMENT D

- Condition the receipt of public funds for any new housing development on the acceptance of vouchers and agreement not to discriminate on the basis of an applicant's receipt of public assistance.
- Enact policies providing for regular review of landlord listing services to ensure availability of units in opportunity areas.
- Implement a fair housing auditing policy for LIHTC developments overseen by Minneapolis, St. Paul, Washington County, and Dakota County, specifically assessing voucher holder marketing and access—particularly for family LIHTC housing outside of concentrated areas.
- Expand policies providing for regular landlord/developer outreach and engagement, to encourage and support participation in the voucher program, including periodic workshops and an ongoing working group.
- Institute protocols to regularly review and report on suballocators' LIHTC performance in achieving siting balance (in designated areas of opportunity), and further incentivize development in areas of opportunity through set asides, basis boost designations, and/or increased competitive points.

DRAFT

# HOME Investment Partnerships Program Resale / Recapture Policy



**SAINT PAUL**  
**MINNESOTA**



## SECTION I - BACKGROUND AND PURPOSE

The City of Saint Paul receives funding from the U.S. Department of Housing and Urban Development (HUD) through the HOME Investment Partnerships (HOME) program for the development of decent, safe, affordable housing. To ensure that HOME program funding creates long-term affordable housing, HOME regulations impose occupancy requirements over the length of an affordability period. The affordability period is based on the amount and type of HOME program funding provided per housing unit. For homeowner housing this is done through a resale or recapture provision so that affordability is preserved or funds recaptured for development of additional affordable housing units. The applicable resale or recapture provision is triggered if, during the affordability period, a homeowner housing unit developed and/or purchased with HOME program funds is sold or transferred, whether voluntarily or involuntarily.

The following provisions are to assist the City in carrying out homeownership funded activities under the HOME program in a manner consistent with HUD requirements and local goals and objectives contained in the City's Consolidated and Annual Action Plans. The City must also follow all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. The City and its subgrantees and contractors shall not deny any family, household or individual the equal opportunity to apply for or receive assistance under any HOME program funded activity or project on the basis of race, color, gender, religion, creed, national origin, age, familial or marital status, handicap or disability, sexual or affectional orientation or reliance on public assistance. The City's offices and programs are accessible to persons with disabilities.

## SECTION II - APPLICATION TO CITY HOMEOWNERSHIP PROGRAMS

The City's funded homeownership programs have the following goals:

- to increase the overall homeownership rate;
- create greater opportunity for homeownership among lower income and minority households; and
- to revitalize and stabilize neighborhoods and communities.

HOME program funding may be used for:

- Rehabilitation/resale of existing housing and/or new construction of single-family housing (1-4 units) which may be traditional single-unit, condominiums, and townhomes, or a 2-4-unit building in which at least one unit is owner-occupied.
- Direct assistance to an eligible buyer for purchase of eligible property.

- HOME program assistance under the City's single-family development/redevelopment programs shall not exceed HOME program subsidy limits for the current Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area.

### SECTION III - DEFINITIONS

Affordability Period - The period during which the property must remain affordable and occupied by an eligible buyer. The amount and type of HOME program assistance and the unit type affect the affordability period, as described in Table 1, below. This is also referred to as the period of affordability or POA.

**TABLE 1**

<b>HOME PROGRAM MINIMUM AFFORDABILITY PERIODS</b>	
<b>HOME Investment (resale) or Direct Subsidy (recapture) Per Ownership Unit</b>	<b>Minimum Affordability Period</b>
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
Greater than \$40,000	15 years

Affordable Range of Homebuyers - When using the Resale provision, the price to the subsequent buyer must be affordable to a reasonable range of homebuyers. The City defines this as a buyer with a gross household gross annual household income (income before any deductions) from 60 to 80 percent of the area median income (AMI) for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area as determined by HUD, adjusted for household size, and subject to change annually. Income eligibility must be determined using the definition of income found at 24 CFR Part 5.609 (Part 5 Income). The affordable range of homebuyers is further defined as those households that meet the definition of *Successful Homeownership* as described in this *Section III - Definitions*.

Direct Homebuyer Assistance - Any financial assistance that directly subsidizes the purchase of an eligible property, e.g. down payment, principal reduction, closing cost assistance, etc. or that reduces the purchase price from fair market value to an affordable price.

Development Subsidy - A subsidy that fills the gap between the cost to develop a housing unit and the fair market price (appraised value). While the subsidy does not go directly to the homebuyer, it helps make development of a single-family house affordable to eligible buyers possible.

Eligible Buyer - The City's homeownership program defines an eligible household as one that must have a gross annual household income (income before any deductions) from 60 to 80 percent of the area median income (AMI) for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area as determined by HUD, adjusted for household size, and subject to change annually. Income eligibility must be determined using the definition of income found at 24 CFR Part 5.609 (Part 5 Income). See definition of *Successful Homeownership* for additional requirements.

Eligible Properties - Existing or newly constructed modest single-family residential units (1-4 units, of which at least one unit is owner-occupied) located within the limits of the City of Saint Paul which do not exceed current HOME program purchase price limits established annually by HUD for new and existing housing for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. Properties specifically **not eligible** include any located in a 100-year flood plain, manufactured housing (mobile homes), recreational or seasonal property, and property which **will not** be used as the buyers' primary residence.

Gross Annual Household Income - Refers to the annual projected gross household income, as determined according to 24 CFR Part 5.609 (Part 5 Income), as of the date of the application, from all sources and before taxes and withholding, for all persons who will live in the HOME-assisted housing unit.

Net Proceeds - The sale price minus superior (first) loan repayment (other than HOME program funds) and any closing costs.

Noncompliance - Occurs when there is failure to comply with primary residency, and/or with use of a HOME-assisted unit during the affordability period, as follows:

- a. The original HOME-assisted buyer no longer occupies the unit as his/her principal residence (e.g. unit is rented, vacant or used as a business, rooming house/short-term rental establishment, etc.), or
- b. The house was sold or transferred during the affordability period, either voluntarily or involuntarily, and the applicable resale or recapture provision was not enforced.

Successful Homeownership - The City's homeownership program depends on first mortgage lenders to apply prudent household and property underwriting standards to support the objective of successful homeownership. Based on the first mortgage lenders' and the City's underwriting guidelines which includes: a front-end ratio of at least 25% and no greater than 33% (i.e., principal, interest, taxes, insurance, and association dues, as applicable, or referred to as PITI) and a back-end ratio no greater than 43% (i.e., total debt, including housing debt

or PITI); acceptable mortgage products (e.g. FHA, VA or Conventional); and term and rate, for households with gross annual household incomes from 60 to 80% of area median income for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area.

#### **SECTION IV – APPLICATION OF RESALE / RECAPTURE PROVISIONS**

Table 2 describes under what circumstances the Resale or Recapture Provision will be used for City of Saint Paul single-family owner HOME-assisted units.

**TABLE 2**

CITY OF SAINT PAUL SUMMARY OF APPLICABLE RESALE / RECAPTURE PROVISIONS BY SUBSIDY TYPE		
Direct Homebuyer Subsidy	Community Land Trust Property (CLT) <sup>#</sup>	Development Subsidy <sup>#</sup>
Recapture provision shall apply	Resale provision shall apply	
<sup>#</sup> HOME program regulations require that resale provisions must be used.		

#### **SECTION V - RECAPTURE REQUIREMENTS**

Recapture applies to HOME-assisted units where direct homebuyer assistance (down payment and closing cost assistance) has been provided or indirect homebuyer assistance has been provided by selling a HOME-assisted unit below fair market value (i.e. sold below appraised value).

##### **A. TYPE OF HOME PRORAM ASSISTANCE SUBJECT TO RECAPTURE – Direct Homebuyer Assistance – Down Payment and Closing Cost Assistance**

Direct homebuyer assistance is described as the direct HOME program subsidy provided to the eligible buyer that enables the eligible buyer to purchase the housing unit. Direct homebuyer assistance may include, but not be limited to, principal reduction, payment of closing costs and fees.

The affordability period is based upon the total amount of direct homebuyer assistance provided through HOME program funding as described in Table 1. Direct homebuyer assistance will not exceed \$150,000, depending on housing type – new or existing, 1-4 units. The entire amount of the direct homebuyer assistance will be subject to full recapture during the HOME affordability period. An additional, separate City restriction will be applied to ensure longer term affordability up to 30 years.

When a house is sold or transferred, voluntarily or involuntarily, during the HOME affordability period, the amount subject to recapture will come from available net proceeds from sale of the house. The amount subject to recapture during the HOME affordability period cannot exceed available net proceeds. Available net proceeds are the sale price minus superior (first) loan repayment (other than HOME program funds) and any closing costs.

When applying the recapture provision, the City will permit a subsequent eligible buyer (see *Section III – Definitions*) to assume the HOME program assistance:

- subject to all HOME program requirements for the remainder of the affordability period;
- homebuyer is low-income (60 to 80 percent AMI); and
- successful homeownership can be reasonably determined and as defined in *Section III – Successful Homeownership*.

### **B. ENFORCEMENT OF THE RECAPTURE PROVISION**

Each homebuyer will execute a HOME program Declaration of Covenants, Conditions, and Restrictions, recorded with Ramsey County, which clearly states and imposes the HOME program restrictions for occupancy, affordability, and recapture requirements placed on the property. The homebuyer will also execute a separate HOME program mortgage and promissory note, recorded with Ramsey County, in the amount of the homebuyer assistance. The HOME program mortgage runs for at least the applicable minimum affordability period based on the total amount of direct homebuyer assistance, as noted in Table 1.

The HOME assistance Declaration of Covenants, Conditions, and Restrictions will reference applicable provisions and definitions to ensure the HOME program requirements are met, including the following:

- The property will be the principal residence of the initial eligible buyers, and all subsequent eligible buyers during the HOME affordability period, who assume the HOME loan, mortgage, and affordability period or the full amount of HOME program assistance must be repaid to the City.
- HOME program assistance recaptured by the City will not exceed the available net proceeds at sale or transfer of the house, whether voluntary or involuntary.
- The affordability restrictions imposed by Declaration of Covenants, Conditions, and Restrictions running with the land, or other similar mechanisms will terminate upon foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. Recapture of direct homebuyer assistance is still applicable but is limited to available net proceeds.

Homebuyers will also execute a HOME Program Written Agreement for Homebuyer Assistance which will clearly outline the use of HOME program funds; affordability restrictions, enforcement of the affordability provisions, and use of the property as the buyer's principal residence. This agreement, between homebuyer and the City, will be executed prior to sale of a HOME-assisted single-family unit.

### **C. AMOUNT SUBJECT TO RECAPTURE**

#### **During HOME Affordability Period**

The full amount HOME program direct homebuyer assistance is subject to recapture during the HOME affordability period. All available net proceeds remaining after the City has recaptured the full direct HOME program homebuyer assistance may be retained by the homebuyer. The recaptured HOME program funds will be used by the City to carry out HOME-eligible activities in accordance with HOME program requirements.

#### **After Expiration of the-HOME Affordability Period**

After the expiration of the HOME affordability period any sale or transfer, voluntary or involuntary, requires the HOME loan balance be repaid and limits recapture by the City to the available net proceeds of sale. Receipts collected after the HOME affordability period has expired are recorded as "program income" and will be used by the City to carry out HOME-eligible activities in accordance with HOME program requirements. Available net proceeds in excess of the City's HOME loan balance are retained by the original homebuyer.

#### **Noncompliance**

Occurs when there is failure to comply with primary residency, and/or with use of a HOME-assisted unit as follows: 1) the original HOME-assisted buyer no longer occupies the unit as his/her principal residence (i.e. unit is rented, vacant or used as a business, rooming house/short-term rental establishment, etc.), or 2) the house was sold or transferred, either voluntarily or involuntarily, during the affordability period and the applicable resale or recapture provision was not enforced.

The full amount of the HOME assistance invested in the unit must be repaid by the City from other non-federal City funding sources; this includes development subsidy and direct homebuyer assistance, minus any HOME funds already repaid to the City. The City will, to the greatest extent possible, recoup HOME funds invested in the housing unit from proceeds from sale of the HOME assisted unit.

**D. NET PROCEEDS**

The City will calculate the recapture amount which should be equal to the amount provided to homebuyer at initial sale and as evidenced by the HOME mortgage, note, and Declaration of Covenants, Conditions, and Restrictions document. The recapture amount is limited to the available net proceeds from the sale of the house, see Table 3 below. In a declining housing market where home values are depreciating, the initial homebuyer may not receive net proceeds because the house has sold for less or the same price as the original purchase price, i.e. there was no appreciation in market value. The amount of direct homebuyer assistance is not forgivable and will be due at the end of the extended affordability period, 30 years, or when the buyer sells or transfers the house, whether voluntarily or involuntarily.

**TABLE 3**

<b>EXAMPLE</b>	
<b>Recapture Provision at Sale of HOME-Assisted Unit Fair Return on Investment</b>	
\$200,000	> appraised value or sale price of property (lesser of)
\$125,000	- less balance of senior lien note amount
\$ 5,000	- less closing costs to seller (reasonable/customary)
<b>\$ 70,000</b>	<b>= Available Net Proceeds</b>
	- less direct homebuyer assistance provided by the
\$ 40,000	City
<b>\$ 30,000</b>	<b>= Proceeds to Seller</b>

**SECTION VI - RESALE REQUIREMENT**

Resale ensures that HOME-assisted units remain affordable over the entire affordability period. As described in Table 2, the City will utilize the resale provision when a HOME-assisted single-family housing unit receives only a development subsidy (no direct assistance to the homebuyer but reduces the development cost by a subsidy directly to the developer) or is a community land trust (CLT) property. How the resale provision applies to each scenario is detailed below.

**A. HOME-ASSISTED PROPERTIES WHERE RESALE APPLIES****Development Subsidy Units**

The HOME program requires the resale provision when a HOME-assisted single-family housing unit is developed and sold with no direct assistance to an eligible buyer, i.e.

assistance is provided to the developer which covers the gap between the cost to build/rehabilitate a housing unit and the fair market value (appraised value). A development subsidy allows a reduction in the price of the house to fair market value (appraised value) at sale to an eligible buyer. In this case there is no direct subsidy to recapture from the homebuyer. Instead, to preserve long-term affordability, resale to another eligible buyer is required. The initial homebuyer will receive a fair return at the time of resale, as described in this section, below. The length of the affordability period is based on the total amount of HOME program funding invested in the housing unit, see Table 1.

## **Community Land Trust (CLT) Properties**

When a HOME-assisted housing unit is developed and sold as a community land trust (CLT) property, HOME program regulations require use of the resale provision. A CLT property achieves long-term affordable homeownership by separating the ownership of the house and the land; the developer retains ownership of the land and enters a long-term lease with the homebuyer. The initial homebuyer will receive a fair return at the time of resale, as described in this section, below. The affordability period is determined by the total HOME program funding used to develop the housing unit, see Table 1.

## **B. RESALE - BASIC REQUIREMENTS**

Under the resale provision, if the initial buyer decides to transfer or sell the house, voluntarily or involuntarily, during the affordability period the subsequent eligible buyer must be income-qualified under the HOME program and must occupy the house as a principal residence. The following applies:

- The original buyer will receive a fair return on investment as described in this section, below;
- The resale price must be affordable to a reasonable range of low-income homebuyers (those at 60-80 percent AMI and as further defined under *Section III, Successful Homeownership*);
- The same requirements for successful homeownership are applied to subsequent buyers as were applied to the initial homebuyers, see definition of *Successful Homeownership* in *Section III*;
- If the market price that provides a fair return to the initial homebuyer is too high to be affordable for the subsequent eligible buyer within the targeted income range, 60-80 percent AMI, to purchase the property, the City will provide HOME program assistance as a direct subsidy to the subsequent buyer, not to exceed the current HUD HOME program subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-

WI metropolitan statistical area, to ensure affordability and successful homeownership;

- If the City or the CLT exercises its rights to purchase, additional HOME funds may also be provided to complete necessary rehabilitation to ensure the housing unit meets local and HUD required property standards, and the unit will then be sold to another eligible buyer; and
- When additional HOME funds are provided to a subsequent homebuyer as direct homebuyer assistance or for necessary housing rehabilitation when the City or CLT exercises its rights to purchase (the City cannot provide HOME assistance to the buyer for rehabilitation), the affordability period will be recalculated to include the additional HOME program funds. As a result, the affordability period may increase because it is based on the total amount of HOME program funding invested in the unit, which has increased in the sale to a subsequent buyer, see Table 1. Total HOME program assistance will not exceed the current HUD HOME program subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area.

## **C. ADDITIONAL HOME ASSISTANCE BY CITY AND/OR CLT/DEVELOPER TO PRESERVE AFFORDABILITY**

Under the resale provision resale to subsequent homebuyers by the City and/or CLT/developer may require additional HOME program assistance:

- to purchase the unit and preserve long-term affordability for households at 60-80 percent AMI and meet the definition of *Successful Homeownership* in *Section III*; and
- when the City or the CLT exercises its right to purchase, additional HOME funds may be used to complete necessary rehabilitation to ensure the unit meets local and HUD property standards and resell to an eligible buyer.

City underwriting guidelines will dictate how much assistance, if any, is needed, and the total amount of HOME program funding will not exceed the current HOME program maximum per unit subsidy limits for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area. When additional HOME funds are provided, as described above, the affordability period will be recalculated to include the additional HOME program funds. As a result, the affordability period may increase because it is based on the total amount of HOME program funding invested in the unit which has increased, see Table 1. If additional HOME program funding is provided to a subsequent buyer under the Resale provision, the subsequent buyer must meet the definition of *Successful Homeownership* as defined in *Section III*.

## D. FAIR RETURN ON INVESTMENT – RESALE OF CLT AND DEVELOPMENT SUBSIDY UNITS

The City defines and determines fair return on investment for CLT properties and Development Subsidy units as a process that must include an appraisal at initial purchase and an appraisal at resale, both completed by an independent, third-party appraiser. The difference in market value, as determined by independent, third-party appraisals represents the increase in market appreciation of the housing unit. To retain affordability for low-income households at 60 to 80 percent AMI for the Minneapolis/St. Paul/Bloomington, MN-WI metropolitan statistical area and as further defined in *Section III, Successful Homeownership*, the City will multiply the market appreciation by a reasonable standard appreciation factor to determine the fair return to the initial homeowner. The City utilizes a 25 percent appreciation factor. The subsequent sale price of the unit will be based on the original purchase price plus the share of appreciation determined through appraisals and the market appreciation factor, see Table 4. In a declining housing market where home values are depreciating, the initial homebuyer may not receive a return on investment because the house has sold for less or the same price as the original purchase price, i.e. there was no appreciation in market value. The cost of appraisals, at initial purchase and at subsequent resale, will not be charged to the initial or subsequent buyer.

The value of all documented capital improvements made by the initial homebuyer is accounted for in the resale appraisal, therefore, the City will not undertake a separate accounting and valuation of the initial homebuyer's capital improvements.

TABLE 4

### EXAMPLE

#### CLT Property and Development Subsidy Units Fair Return on Investment

$\$250,000 >$  fair market value (resale appraisal)  
 $\underline{\$175,000}$  - less initial purchase price (initial purchase appraisal)  
 **$\$ 75,000$**  = market appreciation  
  
 $\$ 75,000 >$  market appreciation  
 $\underline{\times 25\%}$  > City's determined reasonable standard appreciation factor  
 **$\$ 18,750$**  = Fair Return to Initial Homeowner/Homebuyer  
  
 $\$175,000 >$  initial purchase price  
 $\underline{+ \$ 18,750}$  + fair return to initial homeowner/homebuyer  
 **$\$193,750$**  = Resale Purchase Price

In this calculation no additional HOME program funding is provided and the initial homebuyer does not receive more than the calculated fair return. The total fair return on investment is the purchase price for the subsequent homebuyer. The standard appreciation factor will be based on the current market and set to provide a reasonable fair return to the homebuyer while ensuring that the subsequent sales price is close to market rate and remains affordable to a reasonable range of low-income homebuyers, as described in *Section III, Successful Homeownership*.

### **E. ENFORCEMENT OF RESALE PROVISION - CLT AND DEVELOPMENT SUBSIDY UNITS**

Each eligible homebuyer will execute a HOME program Declaration of Covenants, Conditions, and Restrictions, recorded with Ramsey County, which clearly states and imposes the HOME program restrictions for occupancy, affordability, and resale requirements placed on the property. The homebuyer will also execute a separate HOME program mortgage and promissory note, recorded with Ramsey County, in the amount of the of the development subsidy or HOME homebuyer assistance, that runs for at least the applicable minimum affordability period, based on the total amount of the HOME program development subsidy or direct homebuyer assistance, noted in Table 1.

Each mortgage and associated affordability requirements can terminate in the event of foreclosure, transfer of title in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. If a subsequent buyer cannot be identified, the City will repay HUD the full HOME investment less any prior repayments.

The HOME mortgage and Declaration of Covenants, Conditions, and Restrictions will reference applicable provisions and definitions to ensure the HOME program requirements are met including the following:

- Subsequent sales are to another HOME program eligible buyer with a gross annual household income within a range to promote successful homeownership, 60 to 80 percent AMI, and as further defined in *Section III, Successful Homeownership*.
- The property will be the principal residence of the initial eligible buyers, and all subsequent eligible buyers during the affordability period.
- The property will be sold at a price that provides the owner a fair return, while ensuring that the house will remain affordable to a reasonable range of low-income buyers, as described in *Section III, Successful Homeownership*.
- The affordability restrictions imposed by Declaration of Covenants, Conditions, and Restrictions running with the land, or other similar mechanisms will terminate upon

foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.

Homebuyers will also execute a HOME Program Written Agreement which will clearly outline the use of HOME program funds, affordability restrictions, enforcement of the affordability provisions, and use of the property as the buyer's principal residence. This agreement, between homebuyer and the City, will be executed prior to sale of a HOME-assisted unit.

### **SECTION VI - NONCOMPLIANCE**

Noncompliance occurs when there is failure to comply with primary residency, and/or with use of a HOME-assisted unit as follows:

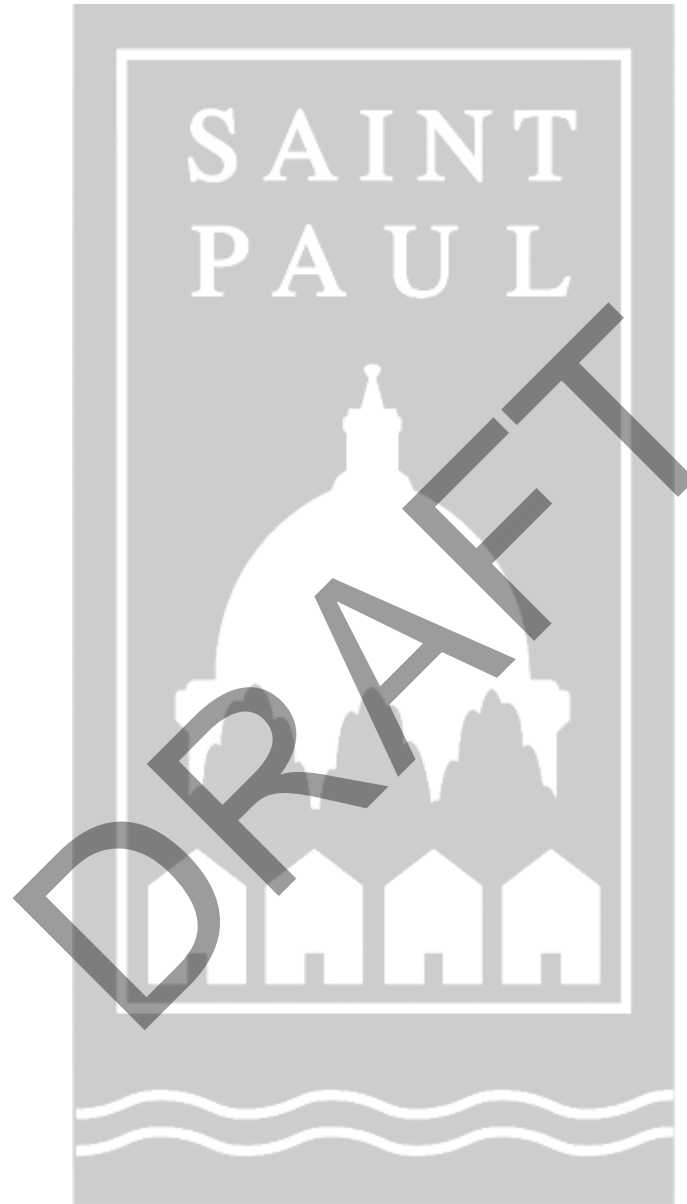
- a. The original HOME-assisted buyer no longer occupies the unit as his/her principal residence (i.e. unit is rented, vacant or used as a business, rooming house/short-term rental establishment), or
- b. The house was sold or transferred, either voluntarily or involuntarily, during the affordability period and the applicable resale or recapture provision was not enforced.

If, during the affordability period, the HOME-assisted unit is in noncompliance, the City will repay the full amount of the HOME program funding invested in the property minus any prior repayments. Repayment will be made by the City from non-federal funding sources.

### **SECTION VII - ONGOING MONITORING**

Whether the HOME-assisted property is subject to resale or recapture, the applicable restrictions shall be clearly stated in the HOME Covenants, Conditions, and Restrictions, which shall be filed with Ramsey County. This document will clearly state that the affordability restrictions may terminate upon foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD.

Additional monitoring is completed annually through verification of Ramsey County property records and/or postcard or letters mailed with "Do Not Forward" instructions which can demonstrate whether the homeowner is receiving mail at the house.



**CITY OF SAINT PAUL  
CONSTRUCTION AND REHABILITATION  
PROPERTY STANDARDS**

**I. PROPERTY PROVISIONS**

**A. PROGRAM INTENT AND HOUSING VALUES**

Our Program's goal is to eliminate neighborhood blight through renovation and demolition, while providing low and moderate-income families with safe, secure and affordable housing.

The values that flow from this goal include:

- Performance and durability
- Historically sensitive exteriors
- Economic life-cycle costs
- Affordable operating costs
- Competitive project appropriate costs
- Lead-safe housing

**B. APPLICABLE LAWS AND REGULATIONS**

Our Program intends to construct and maintain homes in accordance with the following statutory and regulatory requirements:

- City of Saint Paul Building Code
- Applicable State of Minnesota Building Codes and Regulations
- Federal Housing Quality Standards (I will check to see if we replace with UPCS)
- HUD Lead-Based Paint Regulation (24 CFR Part 35)
- Accessibility requirements as applicable, in accordance with Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and the Fair Housing Act.

**C. FREQUENCY OF INSPECTION**

The following inspections are required for all projects utilizing HOME funds.

- Initial inspection
- Progress inspections with draw requests
- Final inspection

**D. HEALTH AND SAFETY**

The rehabilitation standard must specify the life-threatening deficiencies that must be addressed immediately if a housing unit is occupied.

## **E. DISASTER MITIGATION STANDARDS**

Standards shall be applied in accordance with State and local requirements or as established by HUD, where they are needed to mitigate the risk of potential disasters, such as earthquakes, hurricanes, flooding, and wildfires.

## **F. CONTRACT DOCUMENTS**

Once the scope of work is finalized and approved by City, the Borrower shall provide for approval complete specifications and drawing sets which set forth in detail the requirements of the project. The City will prepare the Home Repayment Loan Agreement for the project.

## **G. DEVELOPER / CONTRACTOR DETERMINATION**

Projects shall be subject to the City's Two Bid policy. All contractors and subcontractors providing project services shall not be listed on the Federal Service Desk's System for Award Management debarment listing.

## **II. REHABILITATION STANDARDS**

New rehabilitation projects shall meet State and Local codes, ordinances, and zoning requirements. In the absence of an applicable State or Local code for new construction, HOME-assisted projects must meet the International Code Council's (ICC's) International Residential Code (IRC) or International Building Code (IBC), whichever is applicable to the type of housing being developed.

The following additional standards are incorporated or specified:

- Disaster mitigation standards, in accordance with State and local requirements or as established by HUD, where they are needed to mitigate the risk of potential disasters (such as earthquakes, hurricanes, flooding, and wildfires).
- PJs shall improve project oversight including:
  - Review and approve written cost estimates, construction contracts, and construction documents.
  - Conduct construction progress and final inspections to ensure that work is done in accordance with the applicable codes, the construction contract and other constructions documents.

The following standards shall be adhered to if receiving City assistance for new construction:

### **A. MAJOR SYSTEMS**

The PJ must require an estimate of the remaining useful life of major systems. Major systems include structural support, roofing, cladding, weatherproofing (e.g., windows, doors, siding, gutters), plumbing, electrical and heating, ventilation, and air conditioning.

This must be done with a capital needs assessment for projects with 26 or more units. If the remaining useful life is less than the affordability period, the PJ must require replacement reserve deposits to ensure that the project's major systems and physical need can be adequately maintained and addressed throughout the affordability period.

## **B. UPCS (Uniform Physical Condition Standards)**

In accordance with 24 CFR 5.703, UPCS are applied to rehabilitation in the absence of State and local codes in the pre-2013 rules.

## **C. SITE IMPROVEMENTS**

### SOIL TREATMENT FOR LEAD HAZARDS

Repair Standard: Interim standards - 1 year - will require monitoring to ensure continued effective control methods. Replacement- 20 years.

Play Area: Bare soil play areas shall be tested for lead content. Any bare soil over 400 PPM in lead shall be covered with a reinforced landscape cloth and impermanent surface covering; e.g., gravel, bark, sod, or artificial turf containing not more than 200 PPM. Loose impermanent covering, such as bark or gravel, shall be applied in a thickness of not less than six (6) inches.

Other Bare Soil: Bare soil outside of play areas shall be tested for lead content. Any bare soil over 2000 PPM in lead, and totaling more than nine (9) square feet per property, shall be covered with a reinforced landscape cloth or other impermanent surface covering containing not more than 200 PPM in lead, an interim control measure which prevents children's access to the area soil. Soil lead levels above 5000 PPM usually requires abatement.

### TREES

Repair Standard: Minimum Life: N/A

Trees that are too close to the structure, or threaten the structure, shall be trimmed or removed.

Replacement Standard: N/A

### OUT BUILDINGS

Repair Standard: Minimum Life: 1 year

Unsafe and blighted structures, including out buildings, sheds, garages and barns, will be removed if it is not financially feasible to complete the repairs required to make them structurally sound and leak free with lead hazards stabilized.

Replacement Standard: N/A

No replacement of out buildings is allowed.

### PAVING AND WALKS

Repair Standard: Minimum Life: 5 years

Badly deteriorated essential paving, such as front sidewalks, will be repaired to match. Non-essential deteriorated paving, such as sidewalks that are unnecessary, will be removed and appropriately landscaped.

Replacement Standard: Essential walks and drives shall be replaced with concrete.

## **D. EXTERIOR SURFACES**

### EXTERIOR LEAD HAZARDS

Repair Standard: All exterior paint shall be stabilized using lead-safe practices.

Replacement Standard: Lead components shall be replaced, or the paint removed, to create a lead-free exterior.

### EXTERIOR STEPS AND DECKS

Repair Standard: Minimum Life: 5 years

Steps, stairways, and porch decks will be structurally sound, reasonably level, with smooth and even surfaces.

Replacement Standard: 20 years

New steps and stairways shall be constructed of preservative-treated lumber in conformance with the CAB Code. Porch decks shall be replaced with tongue and groove pine.

### EXTERIOR RAILINGS

Repair Standard: Minimum Life: 5 years

Handrails will be present on one side of all interior and exterior steps or stairways, with more than two risers, and around porches or platforms over 30" above ground level. Railing repairs will be historically sensitive.

Replacement Standard: Minimum Life: 10 Years

Railings shall be wrought iron or preservative-treated lumber.

### EXTERIOR CLADDING

Repair Standard: Minimum Life: 10 Years

Siding and trim will be intact and weatherproof. All exterior wood components will have a minimum of two continuous coats of paint, and no exterior painted surface will have any deteriorated paint.

Replacement Standard: Minimum Life: 20 Years

Historically sensitive vinyl siding over house wrap.

### EXTERIOR PORCHES

Repair Standard: Minimum Life: 10 years

Unsafe or unsightly porches will be repaired to conform closely to historically accurate porches in the neighborhood.

Porch repairs will be structurally sound, with smooth and even decking surfaces.

Replacement Standard: Minimum Life: 15 Years

Deteriorated porches shall be rebuilt with preservative treated structural lumber and tongue and groove pine decks.

### EXTERIOR HARDWARE

Replacement Standard: N/A

Minimum Life: 10 Years

Every dwelling unit will have a mailbox, or mail slot, and minimum three (3) inch high address numbers at the front door.

## **E. FOUNDATIONS AND STRUCTURE**

### **FOUNDATIONS / FLOOR SYSTEMS / STAIRS**

Repair Standard: Minimum Life: 20+ Years

Foundations / Floor Systems / Stairs will be sound, reasonably level, and free from movement.

Replacement Standard: 50 Years

Construct to comply with building code and construction documents.

### **STRUCTURAL WALLS**

Repair Standard: Minimum Life: 50 Years

Structural framing and masonry shall be free from visible deterioration, rot or serious termite damage, and be adequately sized for current loads. Prior to rehab, all sagging floor joists or rafters will be visually inspected, and significant structural damage and its cause will be corrected.

Replacement Standard: 50 Years

Construct to comply with building code and construction documents.

### **FIREWALLS**

Repair Standard: Minimum Life 25 Years

Party walls shall be maintained without cracks and plaster deterioration, and covered with 5/8" type X gypsum, glued and screwed to studs.

Replacement Standard: Minimum Life: 25 Years

When frame walls and floors adjoining together dwellings are gutted, new wall finish installation will conform to local requirements for fire ratings.

## **F. WINDOWS AND DOORS**

### **EXTERIOR DOORS**

Repair Standard: Minimum Life: 10 Years

Doors shall be solid, weather-stripped, operate smoothly, including a peep site, a dead bolt and entrance lock set.

Replacement Standard: Minimum Life: 10 Years

All replacement doors, at the front of the property, will be historically sensitive. Steel six-panel doors may be installed at entrances not visible from the front street. Dead bolt locks will be installed on all doors.

### **WINDOWS**

Repair Standard: Minimum Life: 10 Years.

All single glaze windows shall be covered by a storm sash, in which the meeting rail matches up with the prime window. Operable windows shall have a locking device and mechanism to remain partially open.

Deteriorated windows with lead paint should be replaced whenever the budget allows.

Replacement Standard: Minimum Life: 20 Years

Double-glazed, double or single hung, PVC, Lowe, one over one, with historically sensitive snap-in grids and a minimum R-value 2.

Bedrooms, kitchens and baths shall have one operable window with a screen.

### INTERIOR DOOR / PLACEMENT

Repair Standard: Minimum Life: 10 Years

All bedrooms, baths and closets shall have well operating doors.

Replacement Standard: Minimum Life: 10 Years

Hollow core, pressed wood product with brass plated bedroom lockset.

## **G. ROOFING**

### PITCHED ROOFS

Repair Standard: Minimum Life: 10 Years

Missing and leaking shingles and flashing shall be repaired on otherwise functional roofs.

Replacement Standard: Minimum Life: 25 Years

Fiberglass asphalt, three-tab, Class A shingles weighing at least 200 lbs. and up to 240 lbs., with a pro-rated 25- year warranty with continuous ridge vents.

### FLAT AND LOW SLOPE ROOFING

Repair Standard: Minimum Life: 10 Years

Built-up roofing, flashing and accessories shall be repaired with a five-year leak free warranty.

Replacement Standard: Minimum Life: 20 Years

Fully adhered EPDM over one-inch insulation board, or over plywood.

## **H. INSULATION AND VENTILATION**

### INSULATION / VAPOR BARRIER

Replacement Standard: Minimum Life: 15 Years

Attic areas and crawl space will be insulated with vapor barrier. The goal for attic insulation is R-45, and for crawl space R-19. Frame walls will be insulated with vapor barrier if the wall finish is removed. Plastic vapor barriers will be placed over bare soil in crawl spaces.

### ATTIC VENTILATION

Replacement Standard: Minimum Life: 20 Years

Attics will be ventilated with a minimum of one (1) square foot of free vent for each 300 square feet of roof area to comply with building code.

### KITCHEN VENTILATION

Replacement Standard: Minimum Life: 5 Years

Range hoods, or exhaust fans, shall be exterior ducted. 150 CFM, 10 sone or less.

### BATH VENTILATION

Replacement Standard: Minimum Life: 5 Years

Exterior ducted 60 CFM, 6 sone or less, with separate switch in all full baths.

## **I. INTERIOR STANDARDS**

### LEAD-CONTAINING COMPONENTS

Repair Standard: Lead-containing walls, trim, doors and cabinets must have any deteriorated paint stabilized using lead-safe measures. As an alternative, a liquid encapsulant can be applied on such components when the surface is deemed suitable for such coatings.

Replacement Standards: At the owner's request, when funding is sufficient, lead-containing walls, trim, doors and cabinets identified during a lead-paint inspection can be replaced or enclosed to comply with public health requirements.

### FLOORING

Repair Standard: Minimum Life: 5 Years

Bathroom and kitchen floors shall be rendered smooth and cleanable using polyurethane, or by being covered with water-resistant vinyl flooring. Damaged wood floors will be repaired.

Carpet shall be clean and sanitary without excessive deterioration.

Basement floors shall be continuous concrete.

Replacement Standard: Minimum Life: 7 Years

Baths shall receive sheet vinyl over plywood underlayment. Kitchens shall be sheet vinyl over plywood underlayment. New basement slabs shall be at least three (3) inches thick.

Carpet shall be designed to be easily cleaned with durability to serve 7 years.

### CLOSETS

Repair Standard: Minimum Life: 15 Years

All bedrooms shall have closets with a door, clothes rod and shelf.

Replacement Standard: Minimum Life: 15 Years

All bedrooms shall have four (4) foot long by two (2) wide closets with bi-fold door and wire shelves.

### INTERIOR WALLS AND CEILINGS

Repair Standard: Minimum Life: 10 Years

All holes and cracks shall be repaired to create a continuous surface and any deteriorated paint should be stabilized using lead-safe measures.

Replacement Standard: Minimum Life: 10 Years

Walls shall be plumb, ceilings level with a smooth finish on at least 1/2' gypsum.

Additional Reference: American Gypsum Association

### CABINETS AND COUNTERTOPS

Replacement Standard: Minimum Life: 10 Years

Doors, drawers and hardware shall be maintained in sanitary condition.

Countertop surfaces shall be maintained in a sanitary Condition.

Cabinet surfaces shall be free of loose paint or varnish.

### APPLIANCES

Replacement Standard: Minimum Life: 7 Years

Appliances shall meet energy efficiency standards.

### HAZARDOUS MATERIALS

Repair Standard: Minimum Life: N/A

Asbestos and lead paint hazards, when identified, shall be addressed in conformance with applicable local, state and federal laws.

Rehabilitated properties shall be cleaned to pass a lead dust clearance test to the levels prescribed by HUD regulations.

## **J. ELECTRIC**

### SERVICE

Repair Standard: Minimum Life: 15 Years

Service capacity must be designed to provide for building size and number of units.

Replacement Standard: Minimum Life: 15 Years

Service capacity must be designed to provide for building size and number of units.

### EXTERIOR ELECTRIC

Repair Standard: Minimum Life: 7 Years

All entrances will be well lighted and either switched at the interior side of the door, or the light will be controlled by a photoelectric cell. Motion activated security lighting will be installed at the rear and sides of properties where it will increase safety. All dwelling units will have at least one exterior, CFCI protected, electrical receptacle.

Replacement Standard: N/A

### INTERIOR ELECTRICAL DISTRIBUTION

Replacement Standard: Minimum Life: 15 Years

Comply with National Electric Code.

Exposed knob and tube shall be replaced. Every room will have a minimum of two (2) duplex receptacles, placed on separate walls and one (1) light fixture or receptacle switched at each room entrance. Where the source wiring circuit is accessible (i.e. first floor above basements, in

guttered rooms, etc.), receptacles will be grounded. All switch receptacles and junction boxes shall have appropriate cover plates. Wiring shall be free from hazard and all circuits shall be properly protected at the panel. Floor receptacles shall be removed and a metal cover plate installed.

### GROUND FAULT CIRCUITS

Replacement Standard: Minimum Life: 15 Years

Basement and kitchen receptacles within six (6) feet of a sink, all bath receptacles and at least one (1) exterior receptacle shall be protected by a GFCI.

### KITCHEN ELECTRIC DISTRIBUTION

Replacement Standard: 15 Years

Permanently installed stoves, refrigerators, freezers, dishwashers and disposals, washers and dryers shall have separate circuits sized to NEC. Two (2) separate 20-amp counter circuits are required within each kitchen area.

### STAIRWELL LIGHTING

Replacement Standard: Minimum Life: 15 Years

All common halls and stairways between living space must be well lighted with a fixture controlled by three-way switches at both ends of the hall or stairway.

### FIRE ALARM AND SPRINKLER SYSTEMS

Replacement Standard: Minimum life: 15 Years

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

Fire Alarm and Sprinkler Systems shall be inspected by City of Saint Paul Fire Code inspectors at Code required time intervals.

## **K. PLUMBING SYSTEM**

### WATER SUPPLY

Replacement Standard: Minimum Life: 30 Years

All fixtures must be supplied with 3 gallon/minute water flow. All inoperable or leaky main shut off valves shall be replaced. Lead pipe and exposed galvanized pipe shall be replaced with copper pipe.

### DRAIN AND WASTE VENT LINES

Replacement Standard: Minimum Life: 30 Years

Waste and vent lines must function without losing the trap seal.

PVC replacement lines shall be installed to Code

### PLUMBING MINIMUM EQUIPMENT

Every dwelling unit shall have a minimum of one single bowl sink with hot and cold running water in the kitchen, and at least one bathroom containing a sink, and a shower/tub unit, both with hot and cold running water and a toilet.

### PLUMBING FIXTURES

Replacement Standard: Minimum Life: 10 Years

All fixtures and faucets shall have all components working.

Include single lever, metal faucets and shower diverters with 5-year drip-free warranty.

Include ceramic toilets, double bowl stainless steel sinks, fiberglass tub surrounds and steel enameled 5' tubs.

### WATER HEATERS

Replacement Standard: Minimum Life: 10 Years

Design and install water heater system to provide for building size and number of units to comply with Code and meet energy efficiency standards.

## **L. HVAC**

### HEATING PLANT AND COMMON AREA MAKE UP AIR SYSTEMS

Replacement Standard: Minimum Life: 20 Years

Design and install a HVAC system to include a distribution system for forced air/hot water systems to provide for building size and number of units to comply with Code and meet energy efficiency standards. Include insulation on distribution systems to comply with energy efficiency standards.

### CHIMNEY REPAIR

Repair Standard: Minimum Life: 15 Years

Unsound chimneys shall be repaired or removed. When chimneys are to be used for combustion ventilation, they shall be relined.

Replacement Standard: Minimum Life: 20 Years

Fireplace flues may not be reconstructed in this program. Replacement furnace flues shall be metal double or triple walled to comply with code and recommendations of manufacturer.

### AIR CONDITIONING

Repair Standard: Minimum Life: 3 Years

Air conditioning shall be part of the building HVAC system to comply with Code and energy efficiency standards.

Window air conditioners shall meet energy efficiency standards.

## **M. ELEVATOR SYSTEMS**

### ELEVATORS

Repair/Replacement Standard: Minimum Life: 30 Years

Elevator systems shall be designed, installed and maintained to comply with Minnesota State Building Code Section 1307: Elevators

Elevator systems shall be designed to accommodate the number of units in a building.

Elevator systems shall be inspected by City of St. Paul DSI elevator inspectors at Code required time intervals.

### III. NEW CONSTRUCTION STANDARDS

New construction projects shall meet State and Local codes, ordinances, and zoning requirements. In the absence of an applicable State or Local code for new construction, HOME-assisted projects must meet the International Code Council's (ICC's) International Residential Code (IRC) or International Building Code (IBC), whichever is applicable to the type of housing being developed.

The following additional standards are incorporated or specified:

- Accessibility requirements as applicable, in accordance with Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and the Fair Housing Act.
- Disaster mitigation standards, in accordance with State and local requirements or as established by HUD, where they are needed to mitigate the risk of potential disasters (such as earthquakes, hurricanes, flooding, and wildfires).
- PJs shall improve project oversight for new construction. PJs must:
  - Review and approve written cost estimates, construction contracts, and construction documents.
  - Conduct construction progress and final inspections to ensure that work is done in accordance with the applicable codes, the construction contract and other constructions documents.

The following new construction standards involving site design, building design, mechanical and electrical systems, and building components shall be adhered to if receiving City assistance for new construction:

#### H. SITE DESIGN

Site improvements shall comply with all State and Local codes, ordinances, and zoning requirements associated with grading/drainage, parking, garages, sidewalks, play equipment/area, signage, and landscaping.

#### I. BUILDING DESIGN

The building design shall be reasonably appropriate for the intended site, resident population, and anticipated market and shall be in compliance with all State and Local codes, ordinances, and zoning requirements.

#### J. MECHANICAL AND ELECTRICAL SYSTEMS

Housing shall have plumbing, mechanical, sprinkler, elevator, and electrical systems that comply with all State and Local codes, ordinances, and zoning requirements.

#### K. BUILDING COMPONENTS

City encourages the advancement of green/sustainable building strategies designed in accordance with the 2015 Enterprise Green Communities Criteria.

**L. SCHEMATIC DESIGN CONCEPT**

The Borrower is required to develop a reasonable schematic design concept and cost estimate which conforms to all applicable City regulations

**IV. ACQUISITION**

When HOME funds are used to purchase existing rental housing, such housing must be in good condition or it must be rehabilitated to ensure that the housing is in standard condition at the time of project completion.

DRAFT

**CITY OF SAINT PAUL, MINNESOTA**  
**RESIDENTIAL ANTI-DISPLACEMENT**  
**AND RELOCATION ASSISTANCE PLAN**

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

The City will take the following steps to minimize the displacement of families and individuals from their homes and neighborhoods as a result of any activities assisted with Community Development Block Grant (CDBG) and HOME Investments Partnership Program (HOME) funding:

- (A) Consider at the feasibility of rehabilitation before pursuing the demolition of unsafe, dilapidated properties.
- (B) Consider alternate locations for new development that requires the demolition of properties and relocation of families and individuals.

**2. Relocation Assistance:**

Each displaced person is entitled to choose to receive either assistance at the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) levels (49 CFR part 24), or the following relocation assistance:

- (A) Advisory services at the levels described in 49 CFR part 24, subpart C. Tenants shall be advised of their rights in such a manner that will provide a choice between relocating within their neighborhood and other neighborhoods.
- (B) Payment for moving expenses at the levels described in 49 CFR part 24, subpart D.
- (C) The reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit, and for credit checks required to rent or purchase the replacement dwelling unit.
- (D) Interim living costs. The City shall reimburse a person for the actual reasonable out of pocket costs incurred with temporary relocation if the person must relocate temporarily, including moving expenses and increased housing costs.
- (E) Replacement housing assistance. Persons are eligible to receive one of the following two forms of replacement housing:
  - (1) Rental assistance equal to 60 times the amount necessary to reduce the monthly rent and estimated average monthly cost of utilities for a replacement dwelling to the Total Tenant Payment. All or a portion of this assistance may be offered through a certificate or housing voucher for rental assistance. If a certificate or voucher is provided to a person, the City must provide referrals to comparable replacement units where the owner is willing to participate in the Section 8 Program. To the extent that cash assistance is provided, it will be provided in installments.

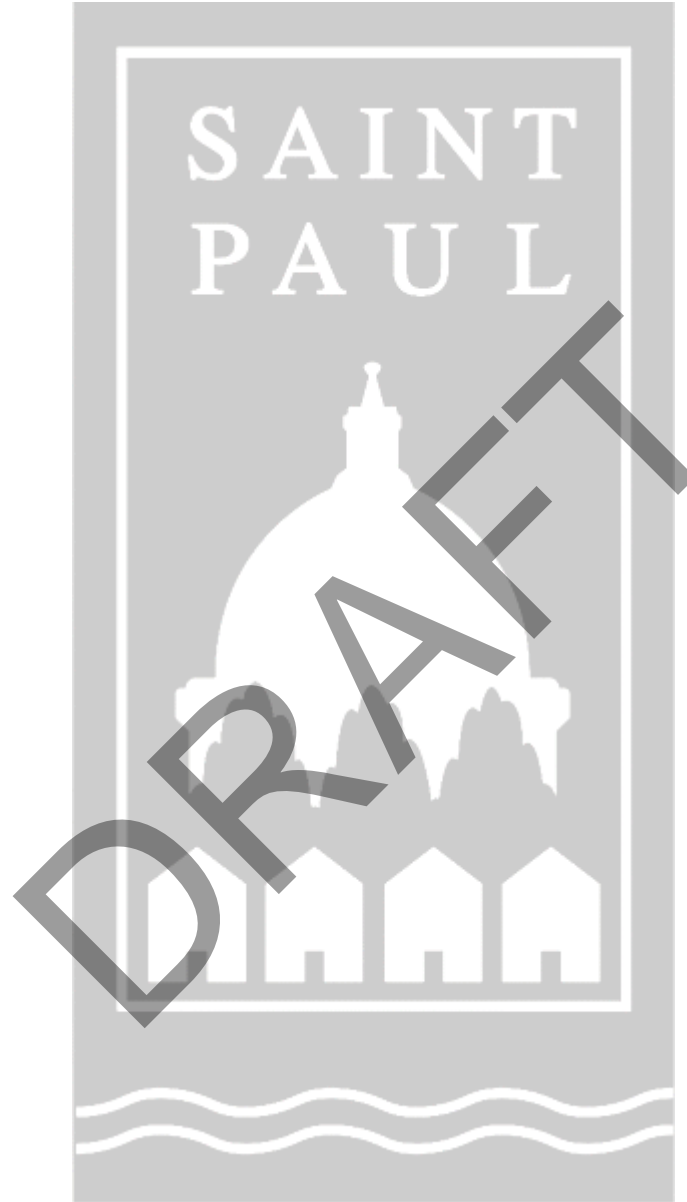
- (2) If the person purchases an interest in a housing cooperative or mutual housing association and occupies a decent, safe, and sanitary dwelling in the cooperative or association, the person may elect to receive a lump sum payment. The payment shall be equal to the capitalized value of 60 monthly installments of the amount that is obtained by subtracting the Total Tenant Payment from the monthly rent and estimated monthly cost of utilities at a comparable replacement dwelling unit. To compute the capitalized value, the installments shall be discounted at the rate of interest paid on passbook savings deposits by a Federally-insured Bank or Savings and Loan institution conducting business in the City.

**3. One-for One Replacement Units:**

- (i) All occupied and vacant occupiable low/moderate-income units that are demolished or converted in connection with a CDBG- or HOME-funded activity must be replaced with low/moderate-income units.
- (ii) The replacement units may be provided by any government agency or private developer, and must meet the following requirements:
  - (A) The units must be located within the City of Saint Paul, and to the extent feasible, the units shall be located within the same neighborhood as the units being replaced.
  - (B) The units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units being demolished or converted. The number of occupants who could have been housed in units shall be determined by the City occupancy codes. The City may not replace the units with smaller units unless it is consistent with the needs analysis in the Consolidated Plan.
  - (C) The units must be provided in standard condition.
  - (D) The units must be made available for occupancy at any time beginning one (1) year before the City submits its replacement plan to HUD and ending three (3) years after the commencement of demolition or conversion.
  - (E) The units must be designed to remain low/moderate-income units for at least 10 years from the date of initial occupancy.
  - (F) Replacement units may include public housing or existing housing receiving Section 8 project-based assistance.
- (iii) Before the City enters into a contract for the demolition or conversion of low/moderate-income dwelling units, the following information must be made public and submitted to the local HUD Field Office:
  - (A) A description of the proposed activity to be assisted with CDBG funding.

## ATTACHMENT G

- (B) The location on a map and number of low/moderate-income dwelling units by size (number of bedrooms) that will be demolished or converted as a result of the assisted activity.
  - (C) A time schedule for the commencement and completion of the demolition or conversion.
  - (D) The location on a map and the number of dwelling units by size that will be provided as replacement dwelling units. If this information is not available at the time of the submission, the general location and approximate number of dwelling units by size shall be identified. The specific location and exact number of dwelling units shall be submitted and made public as soon as the information is available.
  - (E) The source of funding and a time schedule for the provision of the replacement low/moderate dwelling units.
  - (F) The basis for concluding that each replacement unit will remain a low/moderate-income dwelling unit for at least ten (10) years from the date of initial occupancy.
  - (G) Information demonstrating that any replacement of units with smaller units is consistent with the City's Consolidated Plan.
- (iv) The one-for-one replacement requirement does not apply to the extent the local HUD Field Office determines that there is an adequate supply of vacant low/moderate-income dwelling units in standard condition available on a nondiscriminatory basis within the City, or an area larger than the jurisdiction of the City. The City must submit a request for this determination to the local HUD Field Office, and also make the request public and inform the public that they have thirty (30) days to provide HUD additional information supporting or opposing the request.



## CITY OF SAINT PAUL HUD PY 2021-22 EMERGENCY SOLUTIONS GRANT PROGRAM – ACTION PLAN

**OVERVIEW:** Beginning PY 2020, The City of Saint Paul has a Joint Powers Agreement with Ramsey County to allocate its Emergency Solutions Grant (ESG) funds consistent with recommendations of the Ramsey County Continuum of Care (CoC). For HUD PY 2020-21, Ramsey County will allocate City ESG funds to agencies that provide homeless prevention services, emergency shelter facilities, transitional housing, rapid rehousing services, counseling services, street outreach services, and data collection. The ESG funds will be awarded after the proposals are reviewed by Ramsey County's Continuum of Care Ranking Committee with consultation from the CoC Coordinator, Ramsey County CoC Governing Board, and City staff. In general, approximately 18 community agencies that serve Saint Paul citizens who are homeless or at-risk of being homeless apply annually for ESG funds for which City Council considers for final approval. For HUD PY 2020-21, ESG funding allocations take into consideration: 1) services to be provided to homeless adults, families, youth, and underserved populations such as new Americans, refugees, and veterans; 2) the supplemental funding needs of CoC programs (fills gaps); 3) risk rating and prior performance of ESG sub-recipients; 4) national HUD housing and homeless objectives; and 5) City housing and homeless objectives and priorities.

During HUD PY 2020-21, the City will continue to partner with Ramsey County to implement the County's Continuum of Care program which provides transitional housing, rapid re-housing, permanent supportive housing, and supportive services to homeless single adults, homeless families, and homeless youth. Furthermore, the City will participate with the Ramsey County CoC Governing Board and Ramsey County FHAP Committee to implement *Heading Home Ramsey* – a comprehensive plan to end homelessness in Ramsey County.<sup>1</sup>

At the same time, the City will continue to own the Saint Paul Residence which provides 120 units of support housing, including 60 units for late stage alcoholic residents desiring to live in a sober environment.

Throughout the HUD program year, the City will support innovative programs that serve homeless citizens with mental illness. First, the Saint Paul Police Department now has a mental health unit in addition to its partnership with RADIAS Health to develop police services responsive to homeless citizens with mental illness. Second, the Saint Paul Central Library was sponsoring weekly community meeting space in which homeless citizens can meet with community agencies.

---

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

Due to COVID-19 this has been relocated to the Saint Paul Opportunity Center. The City is currently restructuring its street outreach program from an enforcement-based approach to a service-based approach to strategically address the needs of those experiencing homelessness. In coordination with Ramsey County and other service providers, the new approach aligns City and County resources to ensure that every individual can be connected to services. The program includes a new response strategy to receiving calls and managing homeless encampments and increased coordination among service agencies to provide assessments, support, and resources. The City, Ramsey County, and partner organizations continue to look for better ways to work collaboratively and efficiently and align their strategies to comprehensively approach outreach and service gaps.

The City supports the participation of homeless citizens on various issues and projects, such as the Ramsey CoC and the Family Homelessness Prevention Assistance Program (FHPAP) Committee, which as of January 2021 is now one Governing Board. It is encouraging to see some formerly-homeless citizens become more empowered by their ongoing participation with these committees.

Finally, it should be noted that the City also allocates CDBG funds to the Block Nurse Program and Neighborhood Non-Profit programs that provide assistance for residents experiencing homelessness and persons with special needs. Moreover, Minnesota Community Care, a FQHC (Federally Qualified Health Center), provides 18 clinical care sites, including a public housing clinic, 9 school-based clinics and two clinics embedded in emergency shelters. These clinics are part of the Health Care for the Homeless program at Minnesota Community Care. They are both embedded in emergency shelters at the new Downtown Clinic at the Saint Paul Opportunity Center and Union Gospel Mission. The clinics offer primary care, behavioral health, complementary care, dental, optometry and supportive services to support patients in moving forward and working towards stable housing. In addition, staff teams go out two mornings per week to meet with unsheltered residents to provide care and build positive rapport for future care opportunities. Catholic Charities coordinates a Medical Respite program that takes referrals from the downtown hospitals of homeless patients discharging from inpatient stays.

### **HUD PY 2020-21 ESG § 576.100 General provisions and expenditure limits.**

For HUD PY 2020-21, the City of Saint Paul's ESG funds five program components including street outreach, emergency shelter operations, homelessness prevention, rapid re-housing assistance, HMIS data collection and administrative activities. These five (5) ESG program components and the eligible activities that may be funded under each are set forth in 24 CFR §576.101 through §576.107. Eligible administrative activities are set forth in 24 CFR §576.108.

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

- (1) 60 percent of the recipient's fiscal year grant totaling \$594,358;
- (2) The amount of Fiscal Year 2010 ESG grant was \$350,982.

- (3) The City will allocate up to 60% of its fiscal year grant to street outreach and emergency shelter activities.

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

#### **HUD PY 2020-21 ESG STREET OUTREACH COMPONENT**

Pursuant to C.F.R. §24 576.102, the City's ESG may fund street outreach services if provided to homeless youth or homeless single adults who live outside and have mental health challenges. The maximum allocation for street outreach is approximately \$40,500 for HUD PY20. The *Street Outreach Standards Manual*, approved by the CoC in March 2019, establishes a consistent definition and minimum standards for all current and future Street Outreach (SO) projects within the Heading Home Ramsey Continuum of Care (HHR), Ramsey County's homelessness response continuum.

Sub recipients that request ESG funds for street outreach must comply with C.F.R. §24 576.101, as follows:

- (a) *Eligible costs.* Subject to the expenditure limit in §576.100(b), ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term "unsheltered homeless people" means individuals and families who qualify as homeless under paragraph (1)(i) of the "homeless" definition under §576.2. The eligible costs and requirements for essential services consist of:
  - (1) *Engagement.* The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs. Eligible costs include the cell phone costs of outreach workers during the performance of these activities.
  - (2) *Case management.* The cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Eligible services and activities are as follows: using the centralized or coordinated assessment system as required under § 576.400(d); conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining

## ATTACHMENT H

Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability. (3) *Transportation*. The transportation costs of travel by outreach workers or other service providers are eligible, provided travel occurs during the provision of eligible services. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible.

- (4) *Services for special populations*. ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs (a)(1) through (a)(5) of this section. The term victim services means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.
- (b) *Minimum period of use*. Sub-recipients must provide services to homeless individuals and families for the period during which ESG funds are provided.
- (c) *Maintenance of effort*. The City's ESG funds will not be used to replace funds the local government provided for street outreach and emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit.

### HUD PY 2020-21 - ESG EMERGENCY SHELTER COMPONENT

Recognizing local needs, the City's ESG places a high priority on paying emergency shelter operational costs for homeless adults, homeless families, and homeless youth. During the COVID-19 pandemic the City has experienced a sharp rise in single adults experiencing homelessness and the need for more shelter beds and day shelter services. The City ESG also funds transitional housing operational costs for homeless women and homeless families. Therefore, the City does not allocate ESG funds for rehabilitations, conversions or building renovations. Sub-recipients requesting ESG funds for emergency shelter and essential services must comply with C.F.R. §24 576.102, as follows:

- (a) *General*. Subject to the expenditure limit in §576.100(b), ESG funds may pay for essential services to homeless families and individuals residing in emergency shelters as well as operating costs emergency shelters, including transitional housing.
- (b) *Essential services* may include case management, including using the centralized or coordinated assessment system that has been developed by Ramsey County and community agencies to recognize HUD national objectives. Subject to funding availability, this coordinated assessment process includes screening, initial evaluation, diversion, and referrals. As necessary, coordinated assessment includes more intensive evaluations in order to provide referrals to emergency shelter or other community services. Eligible activities could include:

## ATTACHMENT H

- (1) Conducting the initial evaluation required under §576.401(a), including verifying and documenting eligibility;
  - (2) Counseling;
  - (3) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
  - (4) Monitoring and evaluating program participant progress;
  - (5) Providing information and referrals to other providers;
  - (6) Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
  - (7) Developing an individualized housing and service plan, including planning a path to permanent housing stability.
- (c) *Shelter operations.* For HUD PY 2020-21, Saint Paul ESG funds may pay eligible operating costs of emergency shelters or transitional housing, such as building maintenance costs, facility rent, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the emergency shelter operations. Since the ESG-Emergency Shelter Program Component is essential to the Heading Home Ramsey Plan, the City, in consultation with Ramsey County Continuum of Care Governing Board, places a high priority of allocating ESG funds for emergency shelter operations. In addition, as a result of the COVID-19 pandemic the City has experienced a sharp increase in single adults experiencing homelessness.
- As part of the ESG – Emergency Shelter Component, Saint Paul ESG may also pay for the transportation costs of a program participant's travel for medical care, employment, childcare, or other eligible essential services. Transportation costs may include cost of a program participant's travel on public transportation; service worker's transportation costs to visit program participants; or operating costs, such as cost of gas, insurance, taxes, and maintenance for the vehicle as necessary to transport program participants and/or staff serving program participants. Additionally, transportation costs may include costs to transfer shelter beds and equipment to faith-based institutions that participate with Interfaith Action's Project Home which provides overnight shelter beds for homeless families.
- Prohibition against involuntary family separation.* The age of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses Emergency Solutions Grant (ESG) funding or services and provides shelter to families with children under age 18.
- (d) *Non-funded costs for Saint Paul ESG.* In response to local needs, the City's ESG funds will not pay for costs incurred for day care, education services, employment assistance, job training, outpatient health services, life skills training, mental health services, mental health services, or substance abuse treatment services.

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

### **HUD PY 2020-21 ESG HOMELESSNESS PREVENTION ASSISTANCE**

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

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

In general, Saint Paul ESG funds – Homelessness Prevention Component will be used for rental default payments, utility default payments, first month's rent payment, rental deposits, storage costs, or legal costs provided by Legal Aid as necessary to prevent evictions or building condemnations which could result in homelessness.

The costs of homelessness prevention activities are only eligible to the extent that homelessness prevention assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing and stabilization services requirements in C.F.R. §24 576.105, the short-term and medium rental assistance in C.F.R. §24 576.106, and the written standards and procedures established under C.F.R. §24 576.400.

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

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

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

## ATTACHMENT H

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

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

*At risk of homelessness* means.

(a) An individual or family who:

- (1) Has an annual income below 30 percent of median family income for the area median income (AMI) area as determined by HUD;
- (2) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in this section; and
- (3) Meets one of the following conditions:
  - (A) Has moved because of economic reasons two or more times during the sixty (60) days immediately preceding the application for homelessness prevention;

## ATTACHMENT H

- (B) Is living in the home of another because of economic hardship;
  - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
  - (D) Lives in a hotel or motel and the cost of the hotel and motel stay is not paid or living situation will be terminated within 21 days after the date of application for assistance;
  - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons per room, as defined by U.S. Census Bureau;
  - (F) Is existing a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
  - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.
- (2) A child or youth who does not qualify as "homeless" under this definition, but qualifies under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637(11) of the Head Start Act (42, U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), Section 330(h)(5)(A) of the Public Health Services Act (42 U.S.C. 254(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7, U.S.C 2012(m)), section 17(b)(15) of the Child Nutrition Act of 1966 (42. U.S.C. 1786(b)(15)).
  - (3) A child or youth who does not qualify as "homeless" under this definition but qualifies under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a (2)), and the parent(s) or guardian(s) of the child or youth if living with him or her. OR
  - (4) An individual or family who will imminently lose their primary nighttime residence, provided that:
    - (i) The primary nighttime residence will be lost within 14 days of the date of the application for homeless assistance;
    - (ii) No subsequent residence has been identified; and
    - (iii) The individual or family lacks the resources or support networks, e.g. family, friends, faith-based or other social networks needed to obtain other permanent housing;

(5) Any individual or family who:

- (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence against the individual or family member, including a child is fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- (ii) Has no other residence; and
- (iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

### **ELIGIBLE ACTIVITIES**

- (a) The City's ESG funds may pay for homelessness prevention assistance, such as short-term rental assistance (one month's rent), rental application fees, rental arrears costs (one month's rent, and related fees), unlawful detainer court fees, rental payment late fees, security deposits, utility deposits, utility payment assistance, reasonable moving costs, storage costs, case management costs, and related costs of sub-recipients to provide such services (if not paid under other subsections).
- (b) Sub-recipients must not make payments directly to program participants, but only to third parties, such as landlords or utility companies.

### **HUD PY 20120-21 - ESG RAPID RE-HOUSING ASSISTANCE COMPONENT**

ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible from an emergency shelter into permanent housing and achieve stability in that housing. This rapid re-housing assistance may be provided to program participants who meet the criteria under paragraph (1) of the "homeless" definition in §576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition.

The rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization services requirements in §576.105, the short- and medium-term rental assistance requirements in §576.106, and the written standards and procedures established under §576.400.

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

For HUD PY 2020-21, ESG rapid re-housing assistance may assist extremely low-income adults, families, and youth/young adults who meet the criteria of "homeless" as defined in CFR 24, §576.2, as follows:

## ATTACHMENT H

- (a) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - (1) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport or camping ground;
  - (2) An individual or family living in a supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, hotels, and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
  - (3) An individual who is exiting an institution where he or she resided for ninety (90) days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
- (b) An individual or family who will imminently lose their primary nighttime residence, provided that
  - (1) The primary nighttime residence will be lost within 14 days of the date of the application for homeless assistance; and
  - (2) No subsequent residences have been identified; and
  - (3) The individual or family lacks the resources or support networks (i.e. family, friends, faith-based or social networks, needed to obtain other permanent housing.
- (c) Unaccompanied youth under 25 years of age, or families with children and youth who do not otherwise qualify as homeless but who:
  - (1) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42, U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), Section 330 (h) of the Public Health Services Act (42 U.S.C. 254(h)), section 3 of the Food and Nutrition Act of 2008 (7, U.S.C 2012), section 17(b) of the Child Nutrition Act of 1966 (42. U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
  - (2) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - (3) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - (4) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment,

which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

(d) Any individual or family who:

- (1) Is fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- (2) Has no other residence; and
- (3) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

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

See applicable provisions under §576.400.

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

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

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

ESG funds may be used to provide housing relocation and stabilization services, short term rental assistance and/or medium rental assistance as necessary to assist homeless individuals or homeless families move as quickly as possible out of emergency shelters into permanent housing.

Rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization service requirements in 24 CFR § 576.105, the short-term rental assistance and medium rental assistance in 24 CFR § 576.106; and the written standards and procedures in 24 CFR § 576.400.

The *Rapid Re-Housing Standards Manual* establishes a consistent definition and minimum standards for all current and future Rapid Re-housing Supportive Housing (RRH) projects within the Heading Home Ramsey Continuum of Care (HHR) and includes policies that addresses the rental assistance contribution to a client's rent and utility payment.

### **Ineligible and Prohibited Activities**

- (a) Financial assistance may not pay for any mortgage costs or costs needed by homeowners to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable.
- (b) ESG funds may not pay any of the following items: construction or rehabilitation; credit card bills or other consumer debt; car repair or transportation costs (not related to going to community referrals); travel costs; food; medical or dental care and medicines; clothing and grooming; home furnishings; pet care; entertainment activities; work or education related materials; and cash assistance to program participants. ESG may not be used to develop discharge planning programs in mainstream institutions such as hospitals, jails, or prisons. Finally, while training for case managers and program administrators is an eligible administrative cost as long as it is directly related to ESG Rapid Re-Housing program operations, ESG may not be used to pay for certifications, licenses, and general training classes.
- (c) Programs may not charge fees to program participants.
- (d) Any ESG funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are funds eligible to be issued directly to program participants.

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

Pursuant to C.F.R. §24 576.103 and C.F.R. §24 576.104, ESG funds may be used for Housing Relocation and Stabilization Services. Sub-recipient will provide housing relocation and stabilization activities under 24.CFR §576.105. ESG funds may pay services that assist program participants with housing stability and placement, such as:

- (a) Financial Assistance costs: Subject to the general conditions under 24 C.F.R. §576.104, ESG funds may pay housing owners, utility companies, and other third parties for the following costs.
  - (1) *Rental Application fees*: ESG funds may pay for the rental housing application fee that is charged by the owner to applicants.
  - (2) *Security Deposits*: ESG funds may pay for a security deposit that is equal to no more than two (2) months' rent or an amount that sub-recipient has determined reasonable given the existing tight rental market.
  - (3) *Last month's rent*: If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not

## ATTACHMENT H

exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period.

- (4) *Utility deposits.* ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in paragraph (5) of this section.
  - (5) *Utility payments.* ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.
  - (6) *Moving costs.* ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance under paragraph (b) of this section and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.
  - (7) *Hotel or motel rental costs:* ESG funds may pay short-term hotel or motel costs when necessary to assist homeless families prior to securing stable housing.
- (b) *Services costs.* Subject to the general restrictions under §576.103 and §576.104, ESG funds may be used to pay the costs of providing the following services:
- (1) *Housing search and placement.* Services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
    - (i) Assessment of housing barriers, needs, and preferences;
    - (ii) Development of an action plan for locating housing;
    - (iii) Housing search;
    - (iv) Outreach to and negotiation with owners;
    - (v) Assistance with submitting rental applications and understanding leases;
    - (vi) Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness;
    - (vii) Assistance with obtaining utilities and making moving arrangements; and
    - (viii) Tenant counseling.

## ATTACHMENT H

- (2) *Housing stability case management.* ESG funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. Component services and activities consist of:
- (i) Using the centralized or coordinated assessment system as required under §576.400(d), to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance;
  - (ii) Conducting the initial evaluation required under §576.401(a), including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid re-housing assistance;
  - (iii) Counseling;
  - (iv) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
  - (v) Monitoring and evaluating program participant progress;
  - (vi) Providing information and referrals to other providers;
  - (vii) Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
  - (viii) Conducting re-evaluations required under §576.401(b).
- (3) *Mediation.* ESG funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.
- (4) *Legal services.* ESG funds may pay for legal services, as set forth in §576.102(a)(1)(vi), except that the eligible subject matters also include landlord/tenant matters. Legal services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides.
- (5) *Credit repair.* ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.
- (i) *Maximum amounts and periods of assistance.* The recipient may set a maximum dollar amount that a program participant may receive for each type of financial assistance under paragraph (a) of this section. The recipient may also set a

maximum period for which a program participant may receive any of the types of assistance or services under this section. However, except for housing stability case management, the total period for which any program participant may receive the services under paragraph (b) of this section must not exceed 24 months during any 3-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

- (ii) *Use with other subsidies.* Financial assistance under paragraph (a) of this section cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period of time covered by the URA payments.

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

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

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

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

### Homelessness Prevention Program and Rapid Re-housing Program

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

### Homelessness Prevention Program:

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

### Rapid Re-Housing Programs:

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

- (1) For the purpose of this section, medium-term rental assistance is defined as up to 12 months.
  - (2) For FY 2017, monthly rent assistance will be up to \$400 for 1 bedroom; up to \$600 for a 2 bedroom; and up to \$800 for a three bedroom or larger, or an amount deemed sufficient to secure stable housing within the existing tight rental market.
  - (2) Program participants must be evaluated for eligibility for medium-term rental assistance after every three 3 months.
  - (3) Rapid Re-Housing assistance should be “needs-based,” meaning that case manager should determine the amount of assistance based on the minimum amount needed to assist homeless resident secure housing.
  - (5) Case Manager and program participant must develop an agreed-upon case management plan.
- (c) *Use with other subsidies.* Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may

## ATTACHMENT H

not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

- (d) *Rent restrictions.* (1) Rental assistance cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.

For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.

- (e) *Rental assistance agreement.* The recipient or sub-recipient may make rental assistance payments only to an owner with whom the recipient or sub-recipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the recipient or sub-recipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.
- (f) *Late payments.* The recipient or sub-recipient must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The recipient or sub-recipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.
- (g) *Lease.* Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks. For program participants living in housing with project-based rental assistance under paragraph (i) of this section, the lease must have an initial term of one year.
- (h) *Tenant-based rental assistance.* (1) A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.

- (1) The recipient may require that all program participants live within a particular area for the period in which the rental assistance is provided.
- (2) The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:

## ATTACHMENT H

The program participant moves out of the housing unit for which the program participant has a lease; (ii) The lease terminates and is not renewed; or (iii) The program participant becomes ineligible to receive ESG rental assistance.

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

- (j) *Changes in household composition.* The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

### **Ineligible and Prohibited Activities**

- (a) Financial assistance may not pay for any mortgage costs or costs needed by homeowners to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable.
- (b) ESG funds may not pay any of the following items: construction or rehabilitation; credit card bills or other consumer debt; car repair or transportation costs (not related to going to community referrals); travel costs; food; medical or dental care and medicines; clothing and grooming; home furnishings; pet care; entertainment activities; work or education related materials; and cash assistance to program participants. ESG may not be used to develop discharge planning programs in mainstream institutions such as hospitals, jails, or prisons. Finally, while training for case managers and program administrators is an eligible administrative cost as long as it is directly related to ESG Rapid Re-Housing program operations, ESG may not be used to pay for certifications, licenses, and general training classes.
- (c) Programs may not charge fees to program participants.
- (d) Any ESG funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are funds eligible to be issued directly to program participants.

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

*HMIS Data Collection:* Pursuant to 24 CFR §576.107, sub-recipients will administer HMIS as required to implement ESG. For 2017, the City will work with Ramsey County CoC and ESG sub-recipients to comply with future HUD guidance relating to HMIS operations. The sub-recipient may use ESG funds to pay the costs of contributing data to HMIS. HMIS costs will be limited to three (3) percent of the grant.

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

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

- (a) *Eligible costs.* The City of Saint Paul may use up to 7.5 percent of its ESG grant for the payment of administrative costs related to the planning and execution of ESG activities. This does not include staff and overhead costs directly related to carrying out activities eligible under §576.101 through §576.107, because those costs are eligible as part of those activities. Eligible administrative costs include:

## ATTACHMENT H

- (1) *General management, oversight, and coordination.* Costs of overall program management, coordination, monitoring, and evaluation include, but are not limited to, necessary expenditures for the following:
  - (A) Salaries, wages, and related costs of the recipient's staff, the staff of sub-recipients, or other staff engaged in program administration. In charging costs to this category, the recipient may either include the entire salary, wages, and related costs allocable to the program of each person whose *primary* responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes *any* program administration assignments. The recipient may use only one of these methods for each fiscal year grant. Program administration assignments include the following:
    - (i) Preparing program budgets and schedules, and amendments to those budgets and schedules;
    - (ii) Developing systems for assuring compliance with program requirements;
    - (iii) Developing interagency agreements and agreements with sub recipients and contractors to carry out program activities;
    - (iv) Monitoring program activities for progress and compliance with program requirements;
    - (v) Preparing reports and other documents directly related to the program for submission to HUD;
    - (vi) Coordinating the resolution of audit and monitoring findings;
    - (vii) Evaluating program results against stated objectives; and
    - (viii) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph (a)(1)(i)(A) through (G) of this section.
  - (B) Travel costs incurred for monitoring of sub-recipients;
  - (C) Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and
  - (D) Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
- (2) *Training on ESG requirements.* Costs of providing training on ESG requirements and attending HUD-sponsored ESG trainings.

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

### **§ 576.109 INDIRECT COSTS.**

- (a) *In general.* ESG grant funds may be used to pay indirect costs in accordance with OMB Circular A-87 (2 CFR part 225), or A-122 (2 CFR part 230), as applicable.
- (b) *Allocation.* Indirect costs may be allocated to each eligible activity under §576.101 through §576.108, so long as that allocation is consistent with an indirect cost rate proposal developed in accordance with OMB Circular A-87 (2 CFR part 225), or A-122 (2 CFR part 230), as applicable.
- (c) *Expenditure limits.* The indirect costs charged to an activity subject to an expenditure limit under §576.100 must be added to the direct costs charged for that activity when determining the total costs subject to the expenditure limit.

### **Subpart E - Program Requirements**

#### **§ 576.400 Area-wide systems coordination requirements**

- (a) *Consultation with Continuums of Care.* The City of Saint Paul and Ramsey County have entered into a Joint Powers Agreement to administer the ESG program in partnership with Ramsey County Continuum of Care. City staff and Ramsey County consults with Ramsey County Continuum of Care that serves the City of Saint Paul in determining how to allocate ESG funds each program year; develop performance standards for and evaluate the outcomes of projects and activities assisted by ESG funds; and develop funding, policies, and procedures for the administration and operation of the HMIS.
- (b) *Coordination with other targeted homeless services.* The City of Saint Paul and its sub-recipients coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area. In addition to funding affordable housing opportunities in Saint Paul, the City recognizes these below-mentioned federal programs and may allocate funds to some of the programs:

## ATTACHMENT H

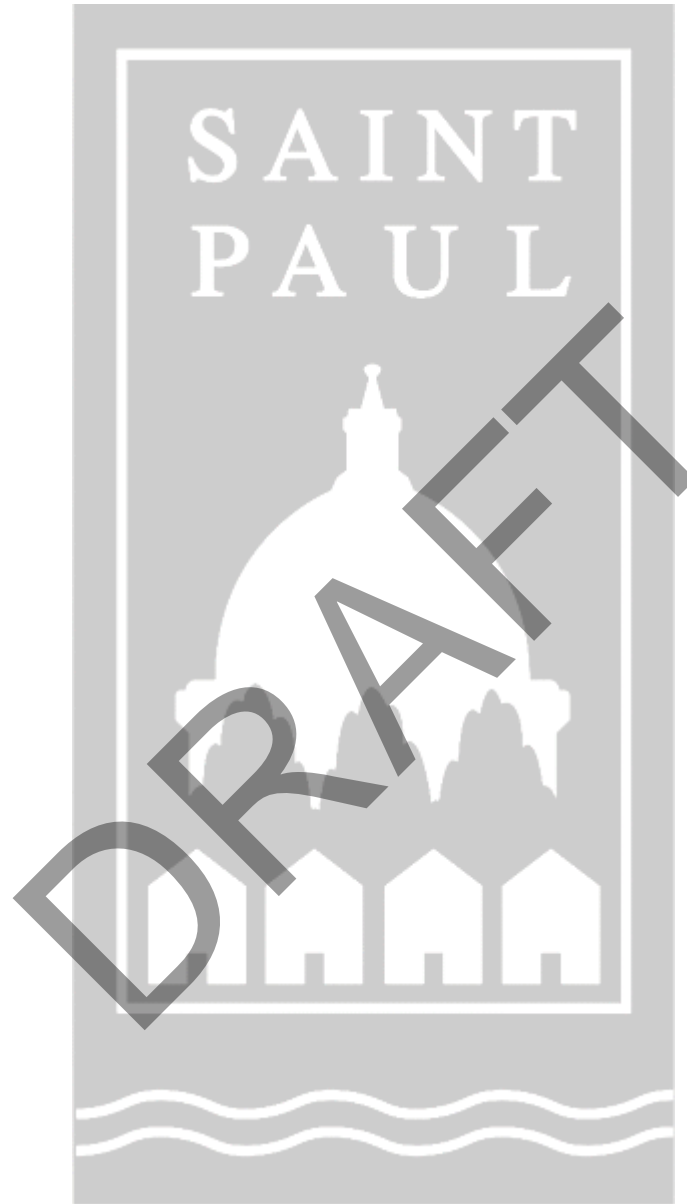
- (1) Shelter Plus Care Program (24 CFR part 582); such as the Shelter Plus Care Program at Saint Paul Residence, owned by the City and operated by Catholic Charities;
  - (2) Supportive Housing Program (24 CFR part 583);
  - (3) Section 8 Moderate Rehabilitation Program for Single Room Occupancy Program for Homeless Individuals (24 CFR part 882);
  - (4) HUD - Veterans Affairs Supportive Housing (HUD-VASH) (division K, title II, Consolidated Appropriations Act, 2008, Pub. L. 110-161 (2007), 73 FR 25026 (May 6, 2008). The City consults with Saint Paul Public Housing Agency regarding the use of VASH vouchers for homeless veterans in Saint Paul;
  - (5) Education for Homeless Children and Youth Grants for State and Local Activities (title VII-B of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 *et seq.*). In this regard, the City has a working relationship with the Homeless Liaison for the Saint Paul School District;
  - (6) Healthcare for the Homeless (42 CFR part 51c) – The City allocates ESG funds to the Healthcare for the Homeless Program in the City of Saint Paul;
  - (8) Programs for Runaway and Homeless Youth (Runaway and Homeless Youth Act (42 U.S.C. 5701 *et seq.*); The City allocates ESG fund to Ain Dah Yung, Lutheran Social Services, and SafeZone – to assist runaway and homeless youth; and
  - (9) Supportive Services for Veteran Families Program (38 CFR part 62) – Minnesota Assistance Council for Veterans is a grant recipient for this program which can serve Saint Paul veterans.
- (c) *System and program coordination with mainstream resources.* The City of Saint Paul and its sub-recipients coordinate and integrate, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible. Examples of these programs include:
- (1) Public housing programs assisted under section 9 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g) (24 CFR parts 905, 968, and 990);
  - (2) Housing programs receiving tenant-based or project-based assistance under section 8 of U.S. Housing Act of 1937 (42 U.S.C. 1437f) (respectively 24 CFR parts 982 and 983);
  - (3) Supportive Housing for Persons with Disabilities (Section 811);
  - (4) HOME Investment Partnerships Program (24 CFR part 92);
  - (5) Temporary Assistance for Needy Families (45 CFR parts 260–265);

- (d) *Centralized or coordinated assessment.* The Continuum of Care has developed a centralized assessment system or a coordinated assessment system homeless families, homeless individuals, and homeless youth seeking emergency shelter. Therefore, each ESG-funded program, as appropriate, must use that assessment system. The City and sub-recipients must continue to work with the Continuum of Care to ensure the screening, assessment and referral of program participants are consistent with the written standards required by HUD. The *Coordinated Entry for Everyone Policy Manual*, approved by the CoC in November 2019, lists the prioritization for people going through Coordinated Entry and seeking transitional housing, rapid rehousing, or permanent supportive services. It also includes the prioritization of people at risk of homelessness.

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

All program participants will pay 30% of their income toward rent. If household income increases after three months, then ESG payment will decrease. The Rapid Re-Housing Standards Manual establishes a consistent definition and minimum standards for all current and future Rapid Re-housing Supportive Housing (RRH) projects within the Heading Home Ramsey Continuum of Care (HHR) and includes policies that addresses the rental assistance contribution to a client's rent and utility payment. Utilities are taken into consideration for housing costs/assistance in the RRH process. Clients may also be referred to utility assistance programs available in the community.

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

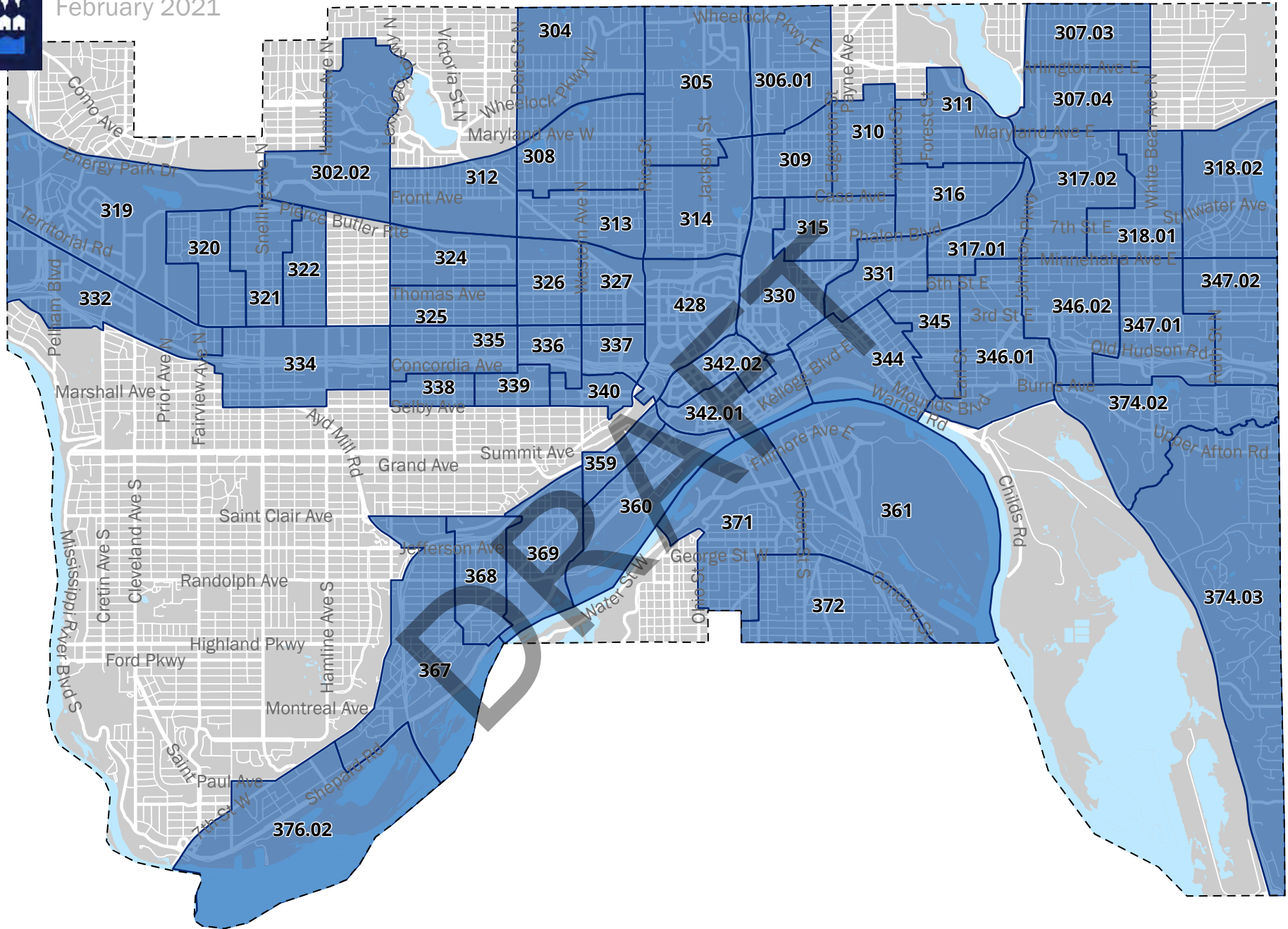




# CDBG-Qualified Census Tracts

February 2021

ATTACHMENT I



# ATTACHMENT I

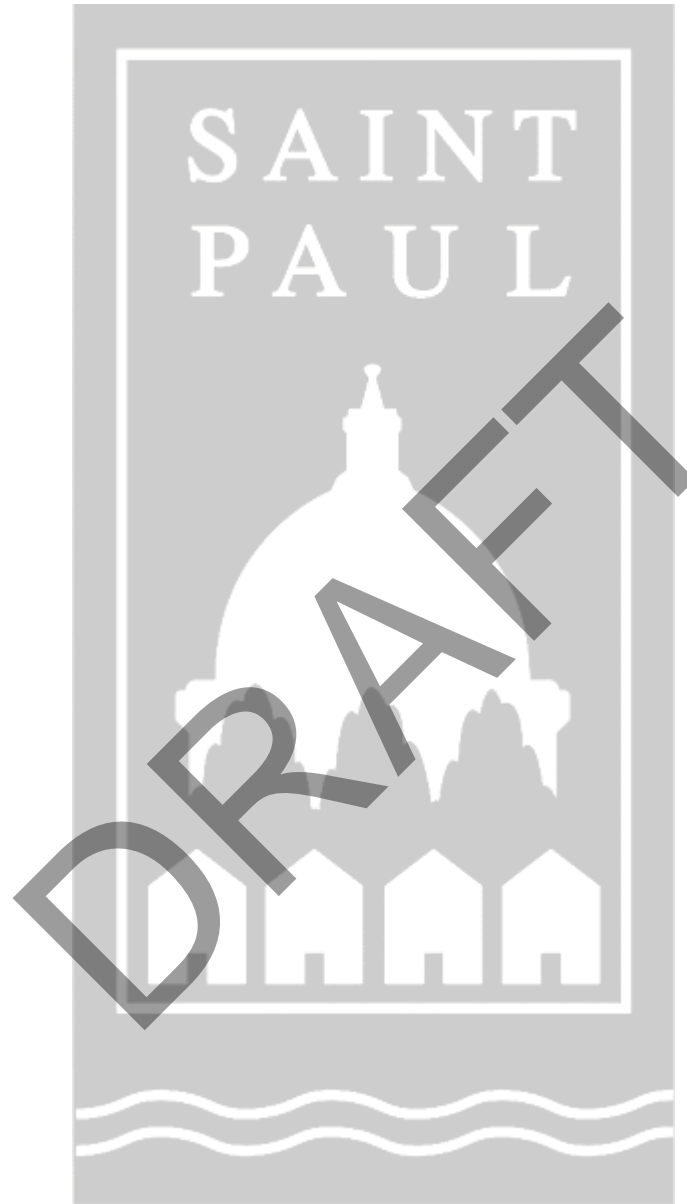
## CITY OF SAINT PAUL, MINNESOTA CDBG Eligible Census Tracts

Geo ID	Census Tract	Low-Income Population in Tract	Total Population in Tract	% Low-Income
27123030202	30202	1190	2115	56.26%
27123030400	30400	4900	6620	74.02%
27123030500	30500	4445	5500	80.82%
27123030601	30601	4600	6005	76.60%
27123030703	30703	2400	3835	62.58%
27123030704	30704	3070	4360	70.41%
27123030800	30800	3710	5195	71.41%
27123030900	30900	2815	3715	75.77%
27123031000	31000	3175	4245	74.79%
27123031100	31100	2755	3945	69.84%
27123031200	31200	1780	3095	57.51%
27123031300	31300	1890	2410	78.42%
27123031400	31400	2380	2990	79.60%
27123031500	31500	2015	2605	77.35%
27123031600	31600	3255	4660	69.85%
27123031701	31701	2315	3010	76.91%
27123031702	31702	5115	6405	79.86%
27123031801	31801	3430	4760	72.06%
27123031802	31802	2260	3645	62.00%
27123031900	31900	1505	2135	70.49%
27123032000	32000	2375	3360	70.68%
27123032100	32100	1365	2475	55.15%
27123032200	32200	1385	2405	57.59%
27123032400	32400	1700	2745	61.93%
27123032500	32500	3415	4190	81.50%
27123032600	32600	2800	3620	77.35%
27123032700	32700	2125	2635	80.65%
27123033000	33000	985	1295	76.06%
27123033100	33100	1160	1375	84.36%
27123033200	33200	1580	2740	57.66%
27123033400	33400	1960	2480	79.03%
27123033500	33500	2785	3740	74.47%
27123033600	33600	1575	1605	98.13%
27123033700	33700	1270	1350	94.07%
27123033800	33800	1625	2190	74.20%

# ATTACHMENT I

## CITY OF SAINT PAUL, MINNESOTA CDBG Eligible Census Tracts

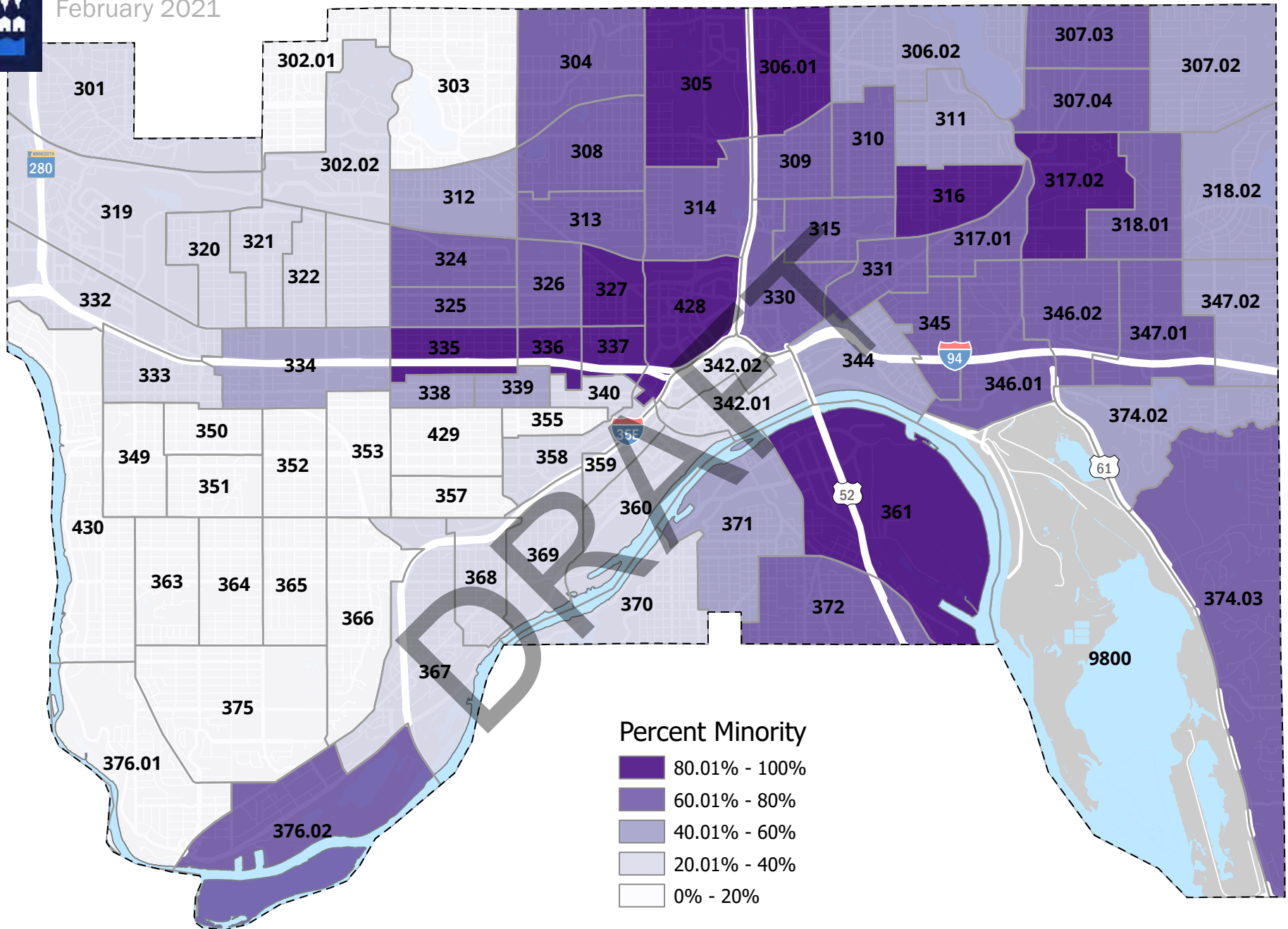
Geo ID	Census Tract	Low-Income Population in Tract	Total Population in Tract	% Low-Income
27123033900	33900	1030	1665	61.86%
27123034000	34000	870	1525	57.05%
27123034201	34201	1280	2045	62.59%
27123034202	34202	2995	5030	59.54%
27123034400	34400	1675	2090	80.14%
27123034500	34500	3155	4470	70.58%
27123034601	34601	3370	4895	68.85%
27123034602	34602	3015	4465	67.53%
27123034701	34701	2985	4620	64.61%
27123034702	34702	2430	3865	62.87%
27123035900	35900	535	715	74.83%
27123036000	36000	1185	2270	52.20%
27123036100	36100	1375	1595	86.21%
27123036700	36700	2770	4865	56.94%
27123036800	36800	1190	2280	52.19%
27123036900	36900	1205	1930	62.44%
27123037100	37100	3580	4950	72.32%
27123037200	37200	4265	5895	72.35%
27123037402	37402	2220	4125	53.82%
27123037403	37403	3315	6575	50.42%
27123037602	37602	4040	5680	71.13%
27123042800	42800	1970	2320	84.91%





# Percent Minority Population per Census Tract

February 2021



# ATTACHMENT I

## CITY OF SAINT PAUL, MINNESOTA

### Census Tracts with Minority Concentration

Geo ID	Census Tract	% Minority	% Low-Income
27123030100	301	21.80%	41.74%
27123030201	302.01	19.40%	41.12%
27123030202	302.02	33.40%	56.26%
27123030300	303	17.80%	27.09%
27123030400	304	71.20%	74.02%
27123030500	305	80.50%	80.82%
27123030601	306.01	85.30%	76.60%
27123030602	306.02	42.90%	46.56%
27123030702	307.02	53.30%	46.83%
27123030703	307.03	63.90%	62.58%
27123030704	307.04	69.20%	70.41%
27123030800	308	70.20%	71.41%
27123030900	309	74.20%	75.77%
27123031000	310	75.90%	74.79%
27123031100	311	54.10%	69.84%
27123031200	312	41.80%	57.51%
27123031300	313	77.80%	78.42%
27123031400	314	75.10%	79.60%
27123031500	315	76.50%	77.35%
27123031600	316	80.70%	69.85%
27123031701	317.01	77.60%	76.91%
27123031702	317.02	86.60%	79.86%
27123031801	318.01	70.50%	72.06%
27123031802	318.02	57.50%	62.00%
27123031900	319	32.90%	70.49%
27123032000	320	36.40%	70.68%
27123032100	321	34.30%	55.15%
27123032200	322	22.50%	57.59%
27123032300	323	30.60%	37.04%
27123032400	324	66.80%	61.93%
27123032500	325	73.20%	81.50%
27123032600	326	78.80%	77.35%
27123032700	327	83.40%	80.65%
27123033000	330	74.10%	76.06%
27123033100	331	65.50%	84.36%
27123033200	332	31.10%	57.66%

# ATTACHMENT I

## CITY OF SAINT PAUL, MINNESOTA

### Census Tracts with Minority Concentration

Geo ID	Census Tract	% Minority	% Low-Income
27123033300	333	24.20%	46.02%
27123033400	334	41.30%	79.03%
27123033500	335	80.20%	74.47%
27123033600	336	97.80%	98.13%
27123033700	337	82.00%	94.07%
27123033800	338	51.30%	74.20%
27123033900	339	57.50%	61.86%
27123034000	340	21.60%	57.05%
27123034201	342.01	37.90%	62.59%
27123034202	342.02	29.60%	59.54%
27123034400	344	48.60%	80.14%
27123034500	345	65.60%	70.58%
27123034601	346.01	70.50%	68.85%
27123034602	346.02	72.50%	67.53%
27123034701	347.01	66.30%	64.61%
27123034702	347.02	57.30%	62.87%
27123034900	349	6.90%	43.05%
27123035000	350	11.70%	44.68%
27123035100	351	18.10%	40.88%
27123035200	352	8.50%	33.49%
27123035300	353	14.80%	39.53%
27123035500	355	15.80%	45.09%
27123035700	357	7.10%	21.22%
27123035800	358	22.20%	49.34%
27123035900	359	32.90%	74.83%
27123036000	360	25.80%	52.20%
27123036100	361	87.60%	86.21%
27123036300	363	9.40%	22.44%
27123036400	364	14.90%	30.13%
27123036500	365	8.40%	30.19%
27123036600	366	9.00%	30.30%
27123036700	367	24.70%	56.94%
27123036800	368	27.50%	52.19%
27123036900	369	21.50%	62.44%
27123037000	370	25.00%	42.17%
27123037100	371	52.30%	72.32%

## ATTACHMENT I

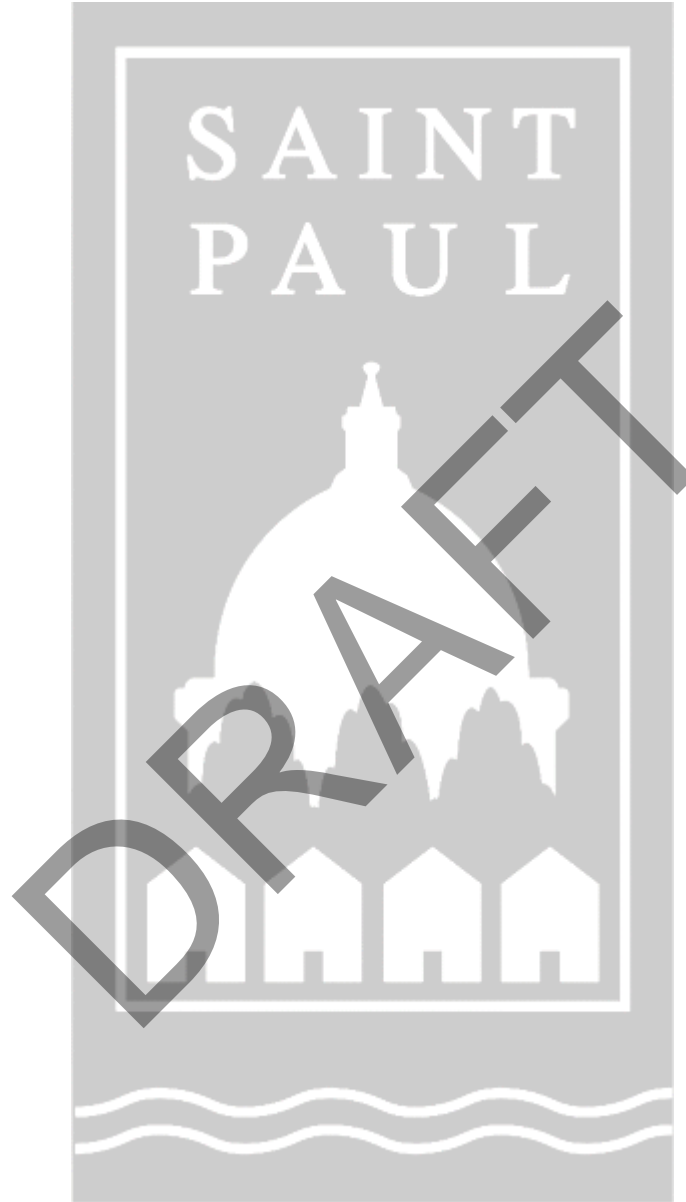
### CITY OF SAINT PAUL, MINNESOTA Census Tracts with Minority Concentration

Geo ID	Census Tract	% Minority	% Low-Income
27123037200	372	62.00%	72.35%
27123037402	374.02	51.00%	53.82%
27123037403	374.03	62.10%	50.42%
27123037500	375	19.80%	29.88%
27123037601	376.01	13.60%	33.33%
27123037602	376.02	62.80%	71.13%
27123042800	428	84.00%	84.91%
27123042900	429	18.00%	33.46%
27123043000	430	10.20%	24.85%
27123980000	9800	0.00%	0.00%

DRAFT

SF424s, Assurances, and Certifications

DRAFT



## GLOSSARY OF TERMS, ACRONYMS, AND ABBREVIATIONS

**4(d) Affordable Housing Incentive Program** – a program that preserves affordable housing by helping rental building owners obtain property tax reductions if they agree to keep a minimum percentage of their rental units affordable over a specified period of time. The program may also help owners make existing buildings greener through cost sharing for energy efficiency improvements and solar installations.

**ADA – Americans With Disabilities Act** - a civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and all public and private places that are open to the general public.

**ADU – Accessory Dwelling Unit** – a secondary dwelling unit, subordinate to a principal one-family dwelling, within or attached to a one-family dwelling or in a detached accessory building on the same zoning lot, with the property owner of record occupying either the principal dwelling unit or the accessory dwelling unit as their permanent and principal residence.

**Affordable Housing** – defined as housing where the occupant(s) is/are paying no more than 30% of his/her income for gross housing costs, including utilities.

**Annual Action Plan (AAP)** - annual plans for the period of time covered by the Consolidated Plan (typically three to five years) which provide a concise summary of the actions, activities, and specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified in the Consolidated Plan.

**Assisted Housing** – housing which is subject to restrictions on tenant income and rents because of one or more governmental subsidies.

**AFFH – Affirmatively Furthering Fair Housing** - a legal requirement that federal agencies and federal grantees further the purposes of the Fair Housing Act.

**AI – Analysis of Impediments to Fair Housing** - is a comprehensive review of an Entitlement jurisdiction's laws, regulations, and administrative policies, procedures, and practices how those laws, etc. affect the location, availability, and accessibility of housing, both public and private, and the affect on housing choice for all protected classes.

**ALP – Wilder Assisted Living Program** - brings supportive services to residents who live in two STPHA hi-rises.

**AMI – Area Median Income** - the midpoint of a specific region's income distribution – half of families earn more than the median and half earn less than the median. For housing policy, income thresholds set relative to the area median income — such as 80% of the area median income — identify households eligible to live in income-restricted housing units and the affordability of housing units to low-income households.

## ATTACHMENT K

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

**CDBG - Community Development Block Grant** - an annual entitlement grant of federal dollars, from HUD to the City of Saint Paul, used to fund activities that primarily benefit low/moderate-income citizens.

**CDC - Community Development Corporation** - a nonprofit, community-based organizations focused on revitalizing the areas in which they are located, typically low-income, underserved neighborhoods that have experienced significant disinvestment.

**CEYS - Coordinated Entry for Youth and Singles** - a standardized assessments for homeless individuals and youth to determine the most appropriate housing referral/housing alternatives.

**CFR - Code of Federal Regulations** - Federal regulations; HUD regulations are at 24 CFR.

**CHSP - Congregate Housing Services Program** - develops individualized services for elderly or disabled STPHA residents to maintain his/her independence.

**Conduit Revenue Bonds** - are tax-exempt revenue bonds issued by the HRA and are used for not-for-profit organization capital improvement projects.

**Consolidated Plan (Con Plan)** - a required strategic plan for any local unit of government receiving HUD funds which requires the jurisdiction to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions.

**CoC - Continuum of Care** - a comprehensive system designed to move individuals and families from homelessness to permanent housing by providing specialized assistance (e.g., job training, psychological counseling, budget counseling, education, etc.).

**CROP - Community Resource Outreach Project** - weekly outreach at the City's Central and Rondo Community Libraries to provide referrals to community services and resources.

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

**CWRC - Citywide Resident Council** - its purpose is to advocate for residents before STPHA and other agencies; evaluate physical and social conditions at respective developments or buildings; encourage programs and activities designed to promote leadership, self-sufficiency, safety, and education; and encourage good working relationships between residents and STPHA staff.

**DSI – Department of Safety and Inspections** – a City Department whose mission is to preserve and improve the quality of life in Saint Paul by protecting and promoting public health and safety for all through code compliance; building, property, and fire inspections; permits; zoning compliance; dog licensing, among other things.

**EEOC – Equal Employment Opportunity Commission** - a federal agency that administers and enforces civil rights laws against workplace discrimination. The EEOC investigates discrimination complaints based on an individual's race, children, national origin, religion, sex, age, disability, sexual orientation, gender identity, genetic information, and retaliation for reporting, participating in, and/or opposing a discriminatory practice.

**Elderly** – a person who is at least 62 years of age and older (applies to housing activities). A person who is at least 60 years of age and older (applies to non-housing Community Development Block Grant activities).

**Emergency Shelter** – any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or specific segments of the homeless population.

**Entitlement Community** – a community that receives funding directly from HUD and develops its own programs and funding priorities, for example, the City of Saint Paul.

**ESG – Emergency Solutions Grant** - provides funding to assist homeless individuals/families or prevent individual/families from becoming homeless.

**Extremely Low-Income** – persons/households whose income falls below 30% of the area median income.

**FHPAP – Family Homeless Prevention and Assistance** – a program which provides grants to encourage and support innovation at the county or regional level by establishing a comprehensive service system, including prevention services, for families, single adults, and youth who are homeless or at risk of becoming homeless.

**FHEO – Fair Housing and Equal Opportunity** - an agency within the U.S. Department of Housing and Urban Development. FHEO is responsible for administering and enforcing federal fair housing laws and establishing policies that make sure all Americans have equal access to the housing of their choice.

**FHIC – Fair Housing Implementation Council** - a collaboration of local and county governments that recognize a regional approach is necessary to effectively eliminate impediments to fair housing and promote fair housing opportunities. The collaboration consists of: Saint Paul, the counties of Anoka, Dakota, Hennepin, and Washington; the Metro HRA (Metropolitan Council); the Community Development Agencies of Scott and Carver Counties; and the cities of Bloomington, Eden Prairie, Minneapolis, Minnetonka, Plymouth, Coon Rapids, and Woodbury.

## ATTACHMENT K

**FSS – Family Self-Sufficiency Program** – designed to enable families to improve their education and employment status and thereby achieve a great measure of economic independence self-sufficiency.

**HAP – Housing Assistance Program** – provides housing assistance for households under the Section 8 voucher program.

**HCV - Housing Choice Voucher** – the federal government's largest program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. The eligible renter pays no more than 30% of adjusted income toward rent and utilities, and the balance of the rent is paid by the public housing agency. Housing assistance is provided on behalf of the participant who are then able to find their own housing, including single-family homes, townhouses, and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. The program is administered locally by public housing agencies.

**HMIS – Homeless Management Information System** - a database to combine data on homeless populations served within a specific geographic area (e.g., St. Paul, Ramsey County).

**HOA – Home Ownership Alliance** - a statewide collaboration to eliminate Minnesota's homeownership gap.

**HOME Program – The HOME Investment Partnerships Program** - provides formula funding, from HUD to the City of Saint Paul, for a wide range of affordable housing activities for low-income people which can include rental, homeownership, and rehabilitation of existing housing.

**Household** – one or more persons occupying a given housing unit (Census Bureau). Occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Household Income** – the total income for all persons who occupy a housing unit.

**HRA – Housing and Redevelopment Authority** - a City of Saint Paul public entity which undertakes housing, commercial and business development activities. The HRA authorizes the acquisition of real estate, housing and commercial loans and grants, and the issuance of bonds.

**HTF – Housing Trust Fund** - an affordable housing production program that complements existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low- income households and may include homeless families. HTF funds are typically used for the production or preservation of affordable housing through the acquisition, new construction, reconstruction, and/or rehabilitation of non-luxury housing with suitable amenities.

## ATTACHMENT K

**HREEO - Human Rights and Equal Employment Opportunity** - a department at the City of Saint Paul serves to improve the inclusive contracting practices and workforce development strategies of the City.

**HUD - United States Department of Housing and Urban Development** - the federal agency from which the City receives its CDBG, HOME program, and ESG funding.

**IDIS - Integrated Disbursement and Information System** - a nationwide database that provides HUD with current information on the status of HUD-funded activities.

**Inclusionary Zoning** - an affordable housing tool that links the production of affordable housing to the production of market-rate housing. It either requires or encourages new residential developments to make a certain percentage of the housing units affordable to low- or moderate- income residents.

**Inspiring Communities** - a City of Saint Paul housing redevelopment strategy providing focused investment in neighborhoods most impacted by foreclosure and vacancy. The program funds assist developers with development gap financing for construction of new housing on vacant lots or rehabilitation of vacant structures.

**JPA - Joint Powers Agreement** - a formal, legal agreement between the City of Saint Paul and Ramsey County for the administration of the City's annual formula allocation of Emergency Solutions Grant funding from the U.S. Department of Housing and Urban Development.

**LIHTC - Low-Income Housing Tax Credits** - a program provides tax incentives, written into the Internal Revenue Code, to encourage developers to create affordable housing. These tax credits are provided to each State based on population and are distributed to the State's designated tax credit allocating agency. In turn, these agencies distribute the tax credits based on the State's affordable housing needs with broad outlines of program requirements from the federal government. Tax credit subsidies provide a moderate level of affordability through rent restrictions. Tax credits may be combined with additional sources of federal or state funding

**LBP - Lead-Based Paint.**

**LEP - Limited English Proficiency** - individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English.

**LMI (or low/mod)** - Low- and/or Moderate-Income - generally refers to individuals and/or households with incomes at or below 80% of area median income.

**LOTH** - Length of Time Homeless.

**Low-Income** - households/persons whose income is at or below 50% of the area median income.

**Mainstream Program - Mainstream Housing Opportunities for Persons with Disabilities** - provides vouchers to through Public Housing Agencies that enable persons

with disabilities (elderly or non-elderly) to access affordable private housing of their choice. Also assists PHAs and nonprofit disability organizations in providing housing choice vouchers (HCVs) for any group identified in a community as having the worst housing need, i.e., very low-income persons with a disability.

**MBE – Minority-owned Business Enterprise** - business owned by at least 51% minority individuals.

**MHFA – Minnesota Housing Finance Agency** (a.k.a. Minnesota Housing or MN Housing) - the state's housing finance agency that provides access to safe, decent and affordable housing and to build stronger communities across the state by providing funding for homebuyers.

**MHU – Mental Health Unit** - Specialized SPPD officers who conduct proactive and reactive services citywide in an effort to connect citizens in need of mental health services with available community resources.

**MNHOC – Minnesota Homeownership Center** - provides homebuyer services through classes and one-on-one counseling, and helps homeowners facing foreclosure stay in their homes.

**Moderate-Income** – households/persons whose income is from 51% and 80% of the area median income.

**Multifamily Housing** – A building with 4 or more residential units, including apartments, condominiums. Multifamily units are generally attached and share a common lot. Housing type should not be confused with ownership; multi-family units may be owner-occupied or renter-occupied.

**NOAH – Naturally Occurring Affordable Housing** - refers to residential rental properties that maintain low rents without federal subsidy. It is the most common affordable housing in the U.S.

**OFE – Office of Financial Empowerment** - seeks to directly address the root causes of poverty and inequity in Saint Paul. Creation of the OFE will connect low-income residents to financial education and counseling, help them establish savings and build credit, and provide them with tools to achieve financial stability.

**OZ – Opportunity Zones** - a new community development program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income and urban communities nationwide.

**PBV – Project Based Voucher** - helps pay for rent in privately owned rental housing, but only in specific privately-owned buildings or units (see PBRA). The voucher holder does not get to choose the unit as is done with an HCV.

**PHA** – Saint Paul Public Housing Agency.

**PI – Program Income** - income directly generated from a CDBG or HOME program funded activity (e.g., loan repayments).

**PIT – Point-In-Time Count** – a count of all sheltered and unsheltered people in a specific community. Outreach workers and volunteers canvas a community to count the people who appear to be living in places not meant for human habitation. During a PIT count, communities identify whether a person is an individual, a member of a family unit, or an unaccompanied youth. In addition, communities also identify if a person is chronically homeless, indicating long-time or repeated homelessness, and if a person has a disability.

**PJ – Participating Jurisdiction** - a state or local government, for example, the City of Saint Paul, designated by HUD to receive funding through the HOME Program.

**POHP – Publicly Owned Housing Program** – Through Minnesota Housing Finance Agency, assistance is provided to PHAs that provide public housing to individuals and families (households with children) to rehabilitate and preserve public housing units.

**PSH - Permanent Supportive Housing** – Housing with supportive services; an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people.

**RAB – Resident Advisory Board** - provides the PHA and the residents with a forum for sharing information about the Agency's Annual Plan, developing and/or making any significant modifications or amendment to the plan. PHAs are required to establish one or more RABs as part of the PHA Plan process and is comprised of individuals who reflect and represent the residents assisted by the PHA.

**RAD – Rental Assistance Demonstration Program** - allows public housing agencies (PHAs) and owners of other HUD-assisted properties to convert units from HUD rental assistance to project-based Section 8 contracts. The primary benefit is that properties are able to private sources of capital financing for owners to address deferred maintenance issues.

**RRH – Rapid Re-Housing** - an intervention designed to help individuals and families that do not need intensive and ongoing supports to quickly exit homelessness and return to permanent housing.

**RUSH - Re-directing Users of Shelter to Housing** - a group of Ramsey County community partners that aims to move all frequent users of emergency shelters into stable housing.

**S.A.F.E. – Stable, Accessible, Fair and Equitable** – a set of five (5) tenants protections for rental housing, implemented in March 2021, in the City of Saint Paul.

**SBE - Small Business Enterprise** - a business that meets specific economic criteria and is owned, operated, and controlled by one or more persons.

**Section 3 Program** - requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting, and other economic

opportunities to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.

**Single-family Housing** – A residence which includes conventional stand-alone housing units as well as patio homes, townhomes, duplexes, or structures with up to four units, one of which is occupied by the owner.

**SPPD** – Saint Paul Police Department.

**SPPS** – Saint Paul Public Schools, Independent District #625.

**SRO – Single Room Occupancy** - a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single eligible individual. The unit need not, but may, contain food preparation or sanitary facilities, or both.

**STAR Funds – Sales Tax Revitalization** - funds are derived from a City of Saint Paul half-cent sales tax levy for capital improvements to further residential, economic, and commercial development.

**Supportive Housing** – Housing that includes planned supportive services.

**TBRA – Tenant-Based Rental Assistance** - a rental subsidy that helps make up the difference between what a renter can afford to pay and the actual rent for a home or apartment.

**TIF – Tax Increment Financing** - a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects.

**TPV – Tenant Protection Vouchers** (also referred to as **Enhanced Vouchers**) – are meant to ensure there is no displacement of low-income residents occurs as a result of various actions resulting in a loss of subsidy assistance. In other words, tenants may be displaced when a property in which the tenant lives is no longer subject to income restrictions, but the tenant does not have a voucher to ensure continued affordability. These tenants would receive a voucher to ensure affordability and protection from potential rent increases.

**Transitional Housing** – a project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months.

**VASH – Veterans Affairs Supportive Housing** - combines HUD HCV rental assistance for homeless veterans and their families with case management and clinical services provided by the Department of Veterans Affairs at its medical centers and in the community.

**Very Low-Income** – households/persons whose income falls below 30% of the area median income.

## ATTACHMENT K

**VOP - Vendor Outreach Program** - a City of Saint Paul business assistance program aimed at helping WBE, MBE, and SBE have greater access to contracting opportunities with the city.

**WBE - Woman-owned Business Enterprise** – a business where at least 51% is owned and controlled by a female.

DRAFT