

Request for Board Action Details

File #:	2023-210	Status:	Passed
Type:	Administrative Item	In control:	Housing and Redevelopment Authority
On agenda:	5/9/2023	Final action:	5/9/2023
Title:	2023-24 Community Development Block Grant - HOME Investment Partnership Act Action Plan/Proposed Use of Funds		
Sponsors:	Community & Economic Development		
Indexes:			
Code sections:			
Attachments:	1. Narrative Project Descriptions, 2. CDBG and HOME Public Notice and Affidavit, 3. Resolution, 4. Resolution		

Date	Ver.	Action By	Action	Result
5/9/2023	1	Housing and Redevelopment Authority	approved	Pass

Sponsor: Community & Economic Development

Title
2023-24 Community Development Block Grant - HOME Investment Partnership Act Action Plan/Proposed Use of Funds

Recommendation

1. Approve the 2023-24 Community Development Block Grant - HOME Investment Partnerships Act Action Plan/Proposed Use of Funds.
2. Authorize the County Manager to accept the Program 2023-24 Entitlement Award of \$1,202,421 of Community Development Block Grant Funds and \$593,806 of HOME Investment Partnerships Act Funds.
3. Authorize the County Manager to execute documents with the U.S. Department of Housing and Urban Development, related to the submission and execution of the 2023-24 Community Development Block Grant-HOME Investment Partnerships Act Program Action Plan/Proposed Use of Funds.
4. Authorize the County Manager to execute and amend agreements in a form approved by the County Attorney's Office, provided the amounts are within the budget of the approved plan.

Background and Rationale

Ramsey County has received Community Development Block Grant (CDBG) funding as an "urban county" for more than 25 years. The U.S. Department of Housing and Urban Development (HUD) provides these annual grants to "develop viable urban communities by providing decent housing, a suitable living environment, and by expanding economic opportunities, principally for low and moderate-income persons". The Dakota County Consortium is the "participating jurisdiction" for Ramsey County's receipt of HOME Investment Partnerships Act Program Funds (HOME), which are limited to projects providing affordable housing. The Consortium consists of Anoka, Dakota, Ramsey and Washington Counties, as well as the city of Woodbury.

The Consolidated Plan, required by HUD, guides the investment of entitlement CDBG and HOME Funds over

a five-year period. The Consolidated Plan is designed to help states and local jurisdictions assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for community members and organizations to provide input and identify housing and community development priorities that align and focus funding. The Consolidated Plan is carried out through Annual Action Plans, which provide a summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified in the consolidated planning process. Ramsey County reports on accomplishments and progress towards Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report. The 2023-24 Annual Action Plan will be the fourth annual plan of the current five-year Consolidated Plan.

The 2023-24 Annual Action Plan/Proposed Use of Funds addresses needs of low and moderate-income persons in the suburban Ramsey County service area. Overall priorities for the use of funds, including countywide housing rehabilitation, public services related to housing instability and investment in affordable multi-family housing development and preservation, are after consultation with suburban municipalities, which participate in the Ramsey County Entitlement Program and community partners each year. The plan addresses the statutory requirements for receiving annual entitlement funds from HUD and is consistent with department strategies to foster prosperity and access to opportunities.

Projects recommended for funding in HUD's Fiscal Year 2023 (July 1, 2023-June 30, 2024) are consistent with the current Consolidated Plan. Ramsey County anticipates receiving a 2023 allocation of \$1,202,421 in CDBG funding and \$593,806 in HOME funding from HUD. In addition, Ramsey County has \$283,219 in unspent HOME funds from prior years and \$91,829 in HOME program income. The total available HOME funding is \$968,854.

Summary of Proposed Distribution of CDBG Funds

Twin Cities Habitat for Humanity, A Brush With Kindness- City of Roseville-wide	\$10,000
Twin Cities Habitat for Humanity, Acquisition Rehab- suburban countywide	\$150,000
MN One Stop for Communities, Program Services- suburban countywide	\$40,000
Hammer Residences, Home Revitalization- scattered sites suburban countywide	\$148,000
HOME Line, Tenant Hotline- suburban countywide	\$39,936
HousingLink, Rental Housing Search- suburban countywide	\$19,000
Slipstream Inc., Manufactured Homes Critical Repair- suburban countywide	\$225,000
MN One Stop for Communities, Acquisition- suburban countywide	\$90,000
Community Action Partnership of Ramsey and Washington Counties, Single-Family Home Critical Repair and Rehab Activities- suburban countywide	\$150,000
Hearts and Hammers, housing rehab activities- suburban countywide	\$10,000
Open Arms of Minnesota, Nutrition Program- suburban countywide	\$20,000
White Bear Area Foodshelf, Food Support- suburban countywide	\$20,000
Keystone Food Services, Food Support- suburban countywide	\$20,000
Interfaith Action of Greater Saint Paul, Department of Indian Work Food Shelf- suburban countywide	\$20,000
Administration and Planning	\$240,484
Total	\$1,202,421

CDBG Sources of Funds

Anticipated Fiscal Year 2023 Allocation	\$1,202,421
Total	\$1,202,421

Summary of Proposed Distribution of HOME Funds

Reuter Walton, Rice Street New Rental Construction, near Rice Street and Delmont Avenue, Little Canada, MN	\$831,822
Subtotal New Construction Rental Housing	\$831,822
Community Housing Development Organization (CHDO) Set Aside	\$91,355
Administration and Planning (less Dakota County admin)	\$45,677
Total	\$968,854

HOME Sources of Funds

Anticipated Fiscal Year 2023 Allocation (less Dakota County admin)	\$593,806
Program Income on Hand	\$91,829
Previously unspent or unallocated	\$283,219
Total	\$968,854

County Goals (Check those advanced by Action)

☒ Well-being ☒ Prosperity ☒ Opportunity ☒ Accountability

Racial Equity Impact

In Ramsey County, Black/African American, American Indian and other residents of color are more likely to be renters than White residents. Renters of color and American Indian residents are more likely to be cost-burdened by housing costs than White residents. According to the Mapping Prejudice Project and the Economic Competitiveness and Inclusion Plan, Ramsey County also has one of the largest homeownership gap between White residents and Black residents in the nation. Strategic investments in affordable rental and owner-occupied housing by the county can help reduce these racial disparities in housing. Furthermore, HOME-funded units are 100% affordable and subject to rigorous fair housing requirements. This prohibits discrimination by direct providers of housing, such as landlords and real estate companies, whose practices make housing unavailable to persons because of race or color, religion, sex, national origin, familial status or disability.

Community Participation Level and Impact

Goals and objectives for CDBG and HOME funds are set during the consolidated planning process, following the community outreach and participation strategies required by that plan. As required two public meetings were held to gather community input and the recommended projects and a public notice was given in the local newspaper. The meetings occurred on February 7, 2023 and May 8, 2023. Additionally, projects were selected through the 2023 Housing Development and 2023 CDBG Public Services, Programs and Facilities Solicitations, which was designed with input from community providers and governmental partners. The engagement findings and recommendations are laid out in the associated Deeply Affordable Housing Initiative Engagement Report.

☒ Inform ☒ Consult ☒ Involve ☐ Collaborate ☐ Empower

Fiscal Impact

Community & Economic Development, in partnership with the County Attorney's Office and Finance, solicited for eligible activities through two competitive solicitations. The 2023 Housing Development Solicitation was open to projects that expanded or preserved the supply of affordable housing and the 2023 CDBG Public

Services, Programs and Facilities Solicitation. The process for selection included a review for eligibility and completeness, an interdepartmental scoring team and independent financial analysis for housing development projects. All projects included in the Annual Action Plans/Proposed Use of Funds were selected through this process. Future CDBG processes will be informed by procurement modernization efforts which aim to create countywide policies and procedures for grant processes.

The total amount of CDBG funding available for the 2023-24 HUD fiscal year is \$1,202,421, a decline of \$12,948 from the previous year's entitlement grant. No additional CDBG program income or unspent funds from previous years were available for the 2023-24 Annual Action Plan. The total amount of HOME funding available for the 2023-24 HUD fiscal year is \$968,854 including program income and unspent funds from previous years. This is a decline of \$220,848 from the previous year due to less available program income. 2023-24 CDBG and HOME funding become available through HUD and the Dakota County HOME Consortium on July 1, 2023.

Last Previous Action

On May 10, 2022, the Housing Redevelopment Authority approved the 2022 Community Development Block Grant-HOME Investments Partnerships Act Annual Action Plan/Proposed Use of Funds (Resolution H2022-007).

Attachments

1. Narrative Project Descriptions
2. CDBG and HOME Public Notice and Affidavit