

DAKOTA COUNTY ANNUAL ACTION PLAN Program Year 2019 Executive Summary DRAFT

Community Development Block Grant (CDBG)
HOME Investment Partnerships Program
(HOME)
Emergency Solutions Grant (ESG)



Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

In order to receive federal funding from the U.S. Department of Housing and Urban Development (HUD), Dakota County is required to prepare a Consolidated Plan, as well as subsequent Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPERs), for the following entitlement programs: Community Development Block Grant (CDBG); HOME Investment Partnerships Program (HOME); Housing Opportunities for Persons with AIDS (HOPWA) and Emergency Solutions Grant (ESG). Currently, Dakota County does not receive any HOPWA funds.

The Fiscal Year (FY) 2019 Annual Action Plan (Action Plan) is the fifth year of Dakota County's Consolidated Plan for Fiscal Years 2015-2019 (Con Plan) as ratified by the Dakota County Board of Commissioners and approved by HUD.

The Con Plan lays out the objectives, priority goals and outcomes Dakota County has established to provide decent affordable housing, suitable living environments, and expand economic opportunities principally for low-and moderate-income households over the next five-year period. In the Action Plan, Dakota County identifies the proposed programs and projects to be undertaken during the 2019 program year to achieve the objectives and outcomes established in the Con Plan.

The CDA has administered the federal funds on behalf of Dakota County since the County became an entitlement jurisdiction in 1984. Each of the three entitlement programs has eligible activities in which the funds can be utilized. The CDA is charged with ensuring the requirements are met and will continue to provide the administrative guardianship of all three programs through its agreement with the County.

Dakota County is designated as the lead agency for the Dakota County HOME Consortium and assumes the role of monitoring and oversight of the HOME funds for the Consortium, which includes the counties of Anoka, Dakota, Ramsey, and Washington, and the cities of Woodbury and Coon Rapids. As the grantee of CDBG funds, Dakota County directly works with the various municipalities (municipal sub-recipients) within the County to provide access to this funding stream. The CDA provides the managerial oversight of the numerous activities implemented with HOME, CDBG, and ESG resources.

2. Summarize the objectives and outcomes identified in the Plan

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

With the outcomes established by Congress in mind and guided by the mission statements of Dakota County and Dakota County CDA, the following objectives were identified to achieve the housing and community development needs of Dakota County communities and its residents.

1. Increase the affordable housing choices for low-and moderate-income households.
2. Preserve and improve existing housing to maintain affordability.
3. Increase access and quality of living by providing public services and supporting public facilities.
4. Support community development that revitalizes neighborhoods and removes safety and blight hazards.
5. Support economic development that enhances the workforce and businesses.
6. Support planning efforts that address the housing, community and economic development needs of Dakota County and continue to foster partnerships with community stakeholders.

The priority goals and the strategies to achieve the desired outcomes of decent housing, suitable living environments and economic opportunity were then formulated to serve the broad range of households, and to provide benefit to as many persons possible given the parameters of the funding programs.



The following chart details the strategies from the 2015-2019 Consolidated Plan.

2015-2019 Consolidated Plan - Dakota County							
Objective		Priority	Strategy	Outcome			
6	Support planning efforts that address the housing, community and economic development needs of Dakota County and continue to foster partnerships with community stakeholders.	1	Increase the affordable housing choices for low-and moderate-income households.	Homelessness	a. Support the implementation and operation of coordinated access entry sites for families, youth and singles b. Support housing stabilization initiatives for homeless populations c. Support the operation of emergency shelter facilities d. Create additional permanent supportive housing units e. Support creation or renovation of shelter facilities for homeless	Planning and Administration a. Support all of the goals and strategies with planning and administration	• 100 Households provided Rapid Rehousing Assistance • 50 Homeless Prevention
			Affordable Rental Housing	a. Assist households to secure housing through new construction b. Improve energy efficiency of rental units c. Rehabilitate and preserve affordability in multifamily units d. Provide rental assistance to families and singles e. Support fair housing activities	• 350 Rental Units constructed • 100 Rental Units rehabilitated • 60 Households Assisted with rental assistance		
		2	Preserve and improve existing housing to maintain affordability.	Affordable Homeowner Housing	a. Assist households to become homeowners b. Increase supply of affordable homeowner housing c. Improve energy efficiency of owner occupied housing units d. Rehabilitate and preserve affordability in single family units e. Provide homeowner counseling and short-term assistance f. Support fair housing activities		• 600 Homeowner Units rehabilitated • 500 Direct Financial Assistance to Homebuyers • 15 Homeowner Units (re)constructed
				Community Development	a. Assist in the development of centers and recreational parks b. Assist LMI homeowners with street assessments c. Assist LMI homeowners with water/sewer improvements d. Improve sidewalk accessibility and safety e. Beautification		• 1,500 Persons benefited from public facility or infrastructure improvement
		3	Increase access and quality of living by providing public services and supporting public facilities.	Public Services	a. Support programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless b. Support programs for youth c. Support programs for seniors d. Support transportation services		• 17,000 Persons benefited from public services
				Neighborhood Revitalization	a. Address vacant or substandard properties that may or may not be suitable for rehab b. Address water and sanitation hazards c. Address contamination clean up issues d. Historic Rehabilitation		• 150 Households assisted • 5 Buildings demolished • 1 Historic Property Rehabilitation
		4	Support community development that revitalizes neighborhoods and removes safety and blight hazards.	Economic Development	a. Support work initiatives that assist residents to access living wage jobs b. Support initiatives that help low-income people gain work skills, jobs and employment history c. Support businesses to start up or expand d. Provide financial assistance to businesses		• 5 Direct Financial Assistance to Businesses • 5 Façade treatment/business building rehabilitation
					5		Support economic development that enhances the workforce and businesses.

3. Evaluation of past performance

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

Dakota County and the Dakota County HOME Consortium consistently perform well in the administration of the three grant programs discussed in this plan. In the CDBG program, one regulatory measure used by HUD to evaluate performance is the timeliness ratio test. This formula measures the amount of an entitlement community's unexpended funds 60 days prior to the start of its next program year in relation to the amount of funding it receives; the ratio cannot exceed 1.5. Dakota County's timeliness ratio is measured on May 2nd each year. On April 1, 2019, the Dakota County ratio was 1.51. It is anticipated that Dakota County will meet its timeliness ratio by May 2nd.

The HOME program uses commitment and expenditure deadlines to measure performance. Dakota County has met all deadlines.

The ESG program uses drawdown requirements to measure performance. Dakota County has made consistent drawdowns of ESG funds.

While these financial tests are required and are measurements of performance, it is also important that projects and programs carried out with these funds meet outcome expectations and benefit eligible persons. Reporting on outcomes and beneficiaries is made available each year in the Consolidated Annual Performance and Evaluation Report (CAPER). Dakota County and the CDA recognize that the evaluation of past performance is critical to ensuring the County and its subrecipients are implementing activities effectively and that those activities align with the overall strategies and goals listed in the Con Plan. The performance of programs and systems are evaluated on a regular basis.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The development timeline and process of the Action Plan was discussed at the annual CDBG workshops held on November 14 and 15, 2018. Each municipality is required to formally apply for CDBG funding and request funding for activities that would best serve their community needs. Applications were provided to city and township staff on November 16, 2018 and were due back to the CDA by January 18, 2019.

CDA staff regularly attend the monthly meetings held by the Affordable Housing Coalition and consulted the members of the coalition regarding the Annual Action Plan. The discussion and feedback were helpful to determine the actions needed to meet the goals of the Con Plan. Members of the Affordable Housing Coalition also reviewed and

made comments on the ESG Written Standards. These comments were incorporated into the Standards prior to the Action Plan public hearing on April 23, 2019.

CDA staff consulted with following Dakota County departments and divisions: Community Services, Physical Development, Workforce Development, Environmental Resources, and the Office of Planning specific to the activities that could be potentially funded with CDBG funds. An internal e-mail was sent to various County Departments to apply for 2019 funding with the same application deadline as the municipalities. The Physical Development Committee of the Whole reviewed the staff-recommended 2019 Countywide activities on the regular agenda, which included discussion from County Commissioners, on February 12, 2019.

To continue the community engagement process once the proposed objectives and outcomes had been identified, CDA staff presented the plan to the community and its stakeholders in the following manner:

1. Presentations (February 2019-May 2019) – Dakota County CDA presented a draft of the priorities and goals established to the following:
 - Economic Development Management Group – comprised of the municipal community & economic development directors for Dakota County municipalities (March 14);
 - Affordable Housing Coalition meeting (February 28).
 - The Physical Development Committee of the Whole (March 19) reviewed the material at a regularly scheduled meeting.
2. Public Hearing and Comment Period (March 2019 – April 2019) – A 35-day public comment period was opened March 15, 2019 and ran through April 18, 2019. Public notices were published in the *Dakota County Tribune*, *South-West Review*, the *Northfield News*, the *Hastings Star Gazette*, as well as on the websites of Dakota County, the Dakota County CDA, and the cities in Dakota County. A public hearing will be held on April 23, 2019 at the Dakota County Board of Commissioners meeting. The Dakota County Consortium members each will hold their own public hearings.

5. Summary of public comments

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

To be determined. Any comments will be provided to the Dakota County Board of Commissioners at the public hearing on April 23, 2019.

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

To be determined. Any comments will be provided to the Dakota County Board of Commissioners at the public hearing on April 23, 2019.

7. Summary

At the time of the 2019 Action Plan was drafted, HUD had not released the funding allocations. Because the grant amounts were unknown, and in accordance with CPD Notice 19-01, Dakota County used the program budgets from Fiscal Year (FY) 2018 for planning purposes. Based on the FY 2018 funding levels, it is expected that Dakota County and the HOME Consortium members will be allocated approximately \$4.6 million between CDBG, HOME and ESG for FY 2019. Dakota County will receive approximately \$3.0 million in grant allocations, with the largest being CDBG. For the 2019 program year, Dakota County has set funding for 43 activities to take place either within a specified city or on a Countywide basis. The breakout is 38 activities are funded with CDBG, three activities are funded with ESG, and one activity is funded with HOME; this excludes the HOME program administration.

The other members of the Dakota County HOME Consortium have preliminarily designated approximately \$1,064,000 of the FY 2019 Entitlement allocation and \$20,000 of FY 2019 Program Income towards nine activities, excluding the administration activity. Remaining Consortium HOME funds are unallocated at this time. HUD requires at least 15 percent of HOME funds be allocated to Community Housing Development Organization (CHDO) activities. The Consortium has determined to allocate the required allotment for FY 2019 CHDO funds to the Scott-Carver-Dakota Community Action Partnership Agency (the CAP Agency). In addition, the Consortium will also allocate previous years' CHDO funding to the CAP Agency; the funds to be allocated are FY 2017 (\$210,809.20), FY 2018 (\$376,939.05) and FY 2019 (\$376,939.05). The CAP Agency will use the funds for housing rehab/acquisition activities at the following three sites:

- 1011 Bryant Avenue, South St. Paul (Dakota County)
- 541 12th Avenue, South St. Paul (Dakota County)
- 215 South Street, South St. Paul (Dakota County)

Because the FY 2019 funding amount is unknown, HUD requires a contingency plan for the funds. The contingency plan for the three programs is as follows:

- CDBG – For the CDBG program, the funding will be allocated proportionally for most subrecipients depending on any increase or decrease in program funding. However, the cities of Apple Valley, Eagan, Farmington, Rosemount will adjust the amounts dedicated of the Home Improvement Loan activities by the amount needed to meet the final funding allocation.

- HOME – Funding amounts for the proposed activities Two Rivers Community Land Trust (TRCLT) Scattered Site (Washington County), Cobble Hill Rental Rehab (City of Woodbury) and Prairie Estates (Dakota County) will be adjusted along with any increase or decrease in FY 2019 allocation. CHDO funds will be adjusted to remain at the required 15 percent of the overall grant amount. Any undesignated funds will be adjusted as they are allocated to specific projects.
- ESG – Any change in the ESG allocation will be applied to the Rapid Re-housing component.

The above Contingency Plan was applied with the following allocations: CDBG - \$1,941,521, HOME - \$2,512,927, and ESG - \$160,273.

The following activity statement and graphs detail the intended uses (activities) of CDBG, HOME and ESG funds for Program Year 2019.

2019 Dakota County CDBG Activity Statement

Small Cities and Townships:

City/Township	Project	2019 Budget
Castle Rock Twp.	Township Buildable Site Inventory	\$ 10,000
	Total	\$ 10,000

City/Township	Project	2019 Budget
Miesville	Zoning Ordinance Update	\$ 10,000
	Total	\$ 10,000

City/Township	Project	2019 Budget
Nininger Twp.	Zoning Ordinance Update	\$ 10,000
	Total	\$ 10,000

City/Township	Project	2019 Budget
Ravenna Twp.	Planning & Admin - Evergreen Terrace Waterway Study	\$ 13,000
	Township Ordinance Revision	\$ 10,000
	Total	\$ 23,000

Large Cities:

City	Project	2019 Budget
Apple Valley	Home Improvement Loan	\$ 152,624
	Public Service - DARTS Senior Chore Service	\$ 18,000
	Total	\$ 170,624

City	Project	2019 Budget
Burnsville	Home Improvement Loan	\$ 120,477
	Burnsville Remodel Grant	\$ 22,000
	Public Service - 360 Communities	\$ 9,500
	Public Service - Burnsville Youth Collaborative	\$ 53,000
	Public Service - Senior Services	\$ 52,000
	Planning & Admin - City Grant Administration	\$ 12,000
	Total	\$ 268,977

2019 Dakota County CDBG Activity Statement Cont'd.

City	Project	2019 Budget
Eagan	Home Improvement Loan	\$ 177,579
	Public Service - Pre-School Program	\$ 5,500
	Public Service - Youth After School Programs	\$ 22,000
	Public Service - Dakota Woodland Youth	\$ 5,500
	Public Service - Senior Services	\$ 2,000
	Total	\$ 212,579

City	Project	2019 Budget
Farmington	Home Improvement Loan	\$ 21,718
	Public Service - Senior Services	\$ 5,000
	Commercial Building Rehab	\$ 13,961
	Total	\$ 40,679

City	Project	2019 Budget
Hastings	Home Improvement Loan	\$ 37,100
	Assessment & Abatement	\$ 37,100
	Total	\$ 74,200

City	Project	2019 Budget
Inver Grove Heights	Home Improvement Loan	\$ 143,118
	Total	\$ 143,118

City	Project	2019 Budget
Lakeville	Home Improvement Loan	\$ 92,123
	Planning & Admin - Economic Development Plan	\$ 7,500
	Public Service - Senior Transportation	\$ 25,000
	Public Service - Senior Services	\$ 10,863
	Total	\$ 135,486

City	Project	2019 Budget
Mendota Heights	Home Improvement Loan	\$ 22,161
	Total	\$ 22,161

2019 Dakota County CDBG Activity Statement Cont'd.

City	Project	2019 Budget
Northfield	Manufactured Home Rehab	\$ 63,352
	Total	\$ 63,352

City	Project	2019 Budget
Rosemount	Home Improvement Loan	\$ 11,475
	Public Facilities - Parks ADA Improvements	\$ 51,000
	Total	\$ 62,475

City	Project	2019 Budget
South St. Paul	Home Improvement Loan	\$ 101,301
	Total	\$ 101,301

City	Project	2019 Budget
West St. Paul	Home Improvement Loan	\$ 115,436
	Total	\$ 115,436

Countywide	Project	2019 Budget
Dakota County	Home Improvement Loan Estimated Revolving Loan	\$ 400,000
	Planning & Admin - CDA General Grant Administration	\$ 191,500
	Countywide Home Improvement Loan	\$ 234,133
	Planning & Admin - Fair Housing Activities (Landlord training - \$3,750; AI report - \$13,750)	\$ 17,500
	Well Sealing Grants	\$ 35,000
	FY 2019 CDBG Total Budget	\$ 1,941,521
	FY 2019 CDBG Small Cities/Townships	\$ 53,000
	FY 2019 CDBG Countywide	\$ 478,133

Dakota County HOME Consortium 2019 Activity Statement

Participating Jurisdiction	Project	2019 Budget
Anoka County <i>25.4% Share</i>	TC Habitat Scattered Site Acquire & Rehab	\$ 100,000.00
	Uncommitted Funds	\$ 378,712.00
	SCDCAP Rehab - CHDO	\$ 95,743.00
	Uncommitted Program Income	\$ 4,470.75
	Grant Administration	\$ 47,871.00
	Grant Administration – Program Income	\$ 372.56
	Total	\$ 627,169.31

Participating Jurisdiction	Project	2019 Budget
Dakota County <i>35.6% Share</i>	Prairie Estates – Preservation of Affordable Multi-Family Rental (Inver Grove Heights)	\$ 670,952.00
	SCDCAP Rehab - CHDO	\$ 134,190.00
	Prairie Estates – Program Income - Preservation of Affordable Multi-Family Rental (Inver Grove Heights)	\$ 91,635.83
	Grant Administration	\$ 129,918.00
	Grant Administration – Program Income	\$ 9,901.02
	Total	\$ 1,036,596.85

Participating Jurisdiction	Project	2019 Budget
Ramsey County <i>22.3% Share</i>	Common Bond Communities	\$ 50,000.00
	Lauderdale Affordable Senior	\$ 320,287.00
	Edison	\$ 50,000.00
	SCDCAP Rehab - CHDO	\$ 84,057.00
	Lauderdale Affordable Senior – Program Income	\$ 29,713.00
	Loden SV Phase II - Program Income	\$ 162,969.77
	Grant Administration	\$ 42,029.00
	Grant Administration – Program Income	\$ 11,890.24
	Total	\$ 750,946.01

Participating Jurisdiction	Project	2019 Budget
Washington County <i>13.3% Share</i>	Habitat for Humanity - Generation Acres	\$ 120,000.00
	TRCLT Scattered Site	\$ 130,665.00
	TRCLT Scattered Site - Program Income	\$ 17,999.90
	SCDCAP Rehab - CHDO	\$ 50,133.00
	Grant Administration	\$ 25,066.00
	Grant Administration – Program Income	\$ 1,500.00
	Total	\$ 345,363.90

Dakota County HOME Consortium 2019 Activity Statement Cont'd.

Participating Jurisdiction	Project	2019 Budget
City of Woodbury <i>3.4% Share</i>	Cobble Hill - Rental Rehab	\$ 68,988.00
	Cobble Hill Rental Rehab - Program Income	\$ 2,186.26
	Grant Administration	\$ 1,500.00
	SCDCAP Rehab - CHDO	\$ 12,816.00
	Total	\$ 85,490.26

Consortium Totals	Project	2019 Budget
	Grant Administration	\$ 246,384.00
	Community Housing Development Organization	\$ 376,939.00
	Prior Year Program Income	\$ 332,639.33
	FY 2019 HOME Total Grant	\$ 2,512,927.00
	FY 2019 HOME Total Grant and Program Income	\$ 2,845,566.33

2019 Dakota County ESG Activity Statement

Dakota County	Activity	2019 Budget
	Rapid Re-Housing/Stabilization Services	\$ 122,253
	Emergency Shelter Operations	\$ 26,000
	Grant Administration	\$ 12,020
	FY 2019 ESG Total Budget	\$ 160,273