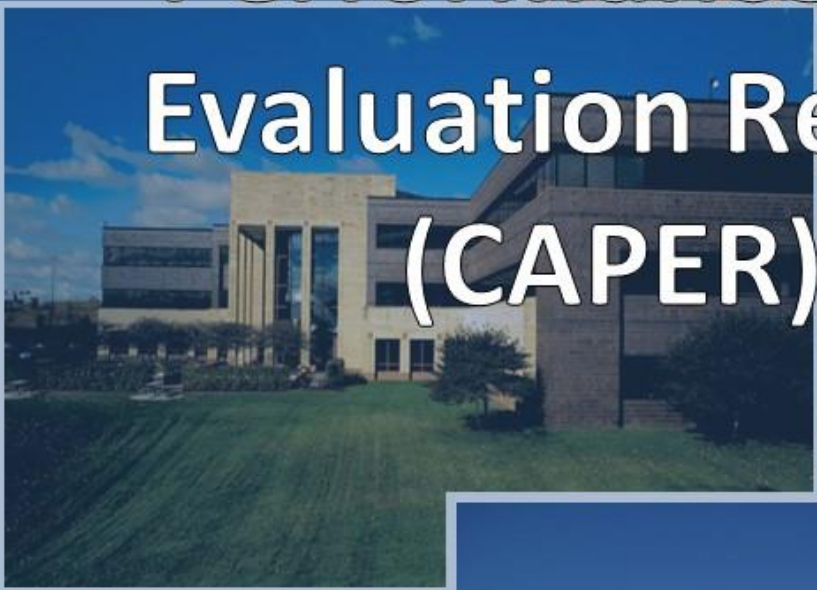


Dakota County Program Year 2022 Consolidated Annual Performance and Evaluation Report (CAPER)



July 2022 to June 2023

To be submitted to HUD
on September 28, 2023

Prepared by the Dakota
County CDA



Executive Summary

Dakota County is a grantee designated to receive federal funding through the U.S. Department of Housing and Urban Development (HUD) for the following entitlement programs: Community Development Block Grant (CDBG); HOME Investment Partnerships (HOME); and Emergency Solutions Grant (ESG). Dakota County is designated as the lead agency for the Dakota County HOME Consortium (the Consortium) and assumes the role of monitoring and oversight of the HOME funds for the Consortium, which includes Anoka, Dakota, Ramsey, and Washington counties and the city of Woodbury. As the grantee of CDBG funds, Dakota County directly works with the various municipalities (municipal subrecipients) within the County to provide access to this funding stream.

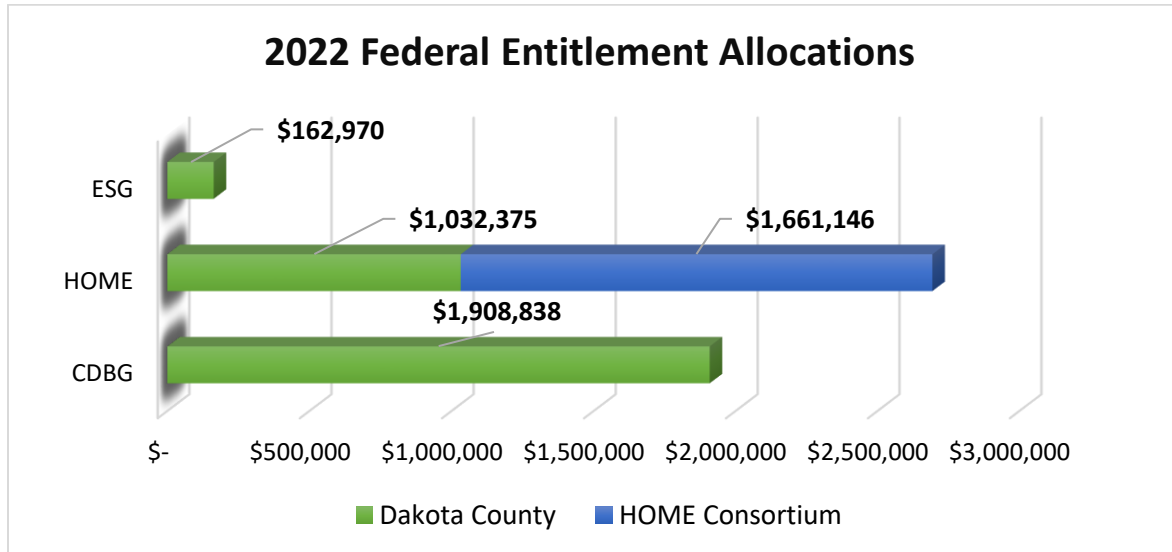
The Dakota County Community Development Agency (the CDA) has administered these federal funds on behalf of Dakota County since the County became an entitlement jurisdiction in 1984. Each of the three entitlement programs has eligible activities for which the funds can be utilized. The CDA directly partners with the municipalities, consortium members, and Dakota County Community Services and Physical Development departments to implement the programs. The CDA is charged with ensuring the rules and regulations are met and will continue to provide the administrative guardianship of the three programs through its agreement with Dakota County.

Each grantee must prepare a Consolidated Plan and subsequent Annual Action Plans to receive this federal funding which helps further affordable housing and community development activities. As a follow up to these plans, each grantee must also prepare a Consolidated Annual Performance and Evaluation Report (CAPER) detailing the progress the grantee has made towards achieving the goals and meeting the objectives outlined in the Annual Action Plan. This CAPER covers the 2022 Action Plan, the third year of the approved 2020-2024 Consolidated Plan for Dakota County. The 2020-2024 Consolidated Plan covers Program Years 2020 (July 1, 2020-June 30, 2021) through Program Year 2024 (July 1, 2024-June 30, 2025).

The 2020-2024 Consolidated Plan and the 2022 Action Plan identified objectives, priorities, strategies, and outcomes to achieve the housing and community development needs of the residents of Dakota County. The accomplishments of Dakota County for Program Year 2022 (July 1, 2022 through June 30, 2023) are listed in the report.

Allocations

The chart below details the federal funding allocated to Dakota County for Program Year (PY) 2022.



The Dakota County HOME Consortium was allocated \$2,693,521. Dakota County’s share of this allocation was 38.3 percent or \$1,032,375.

Priorities and Outcomes

Below are the priorities established by Dakota County in its Consolidated Plan and the anticipated outcomes the County expects to have achieved at the completion of the Five-year plan on June 30, 2025.

1) Reduce Homelessness

- a) 200 households provided Rapid Rehousing assistance
- b) 100 households provided Homelessness Prevention funds

2) Affordable Rental Housing

- a) 360 rental units constructed
- b) 20 rental units rehabilitated

3) Affordable Homeowner Housing

- a) 300 homeowner units rehabilitated
- b) Six (6) rental units (re) constructed

4) Public Facilities

- a) 13,000 persons benefited from a public facility or infrastructure improvement

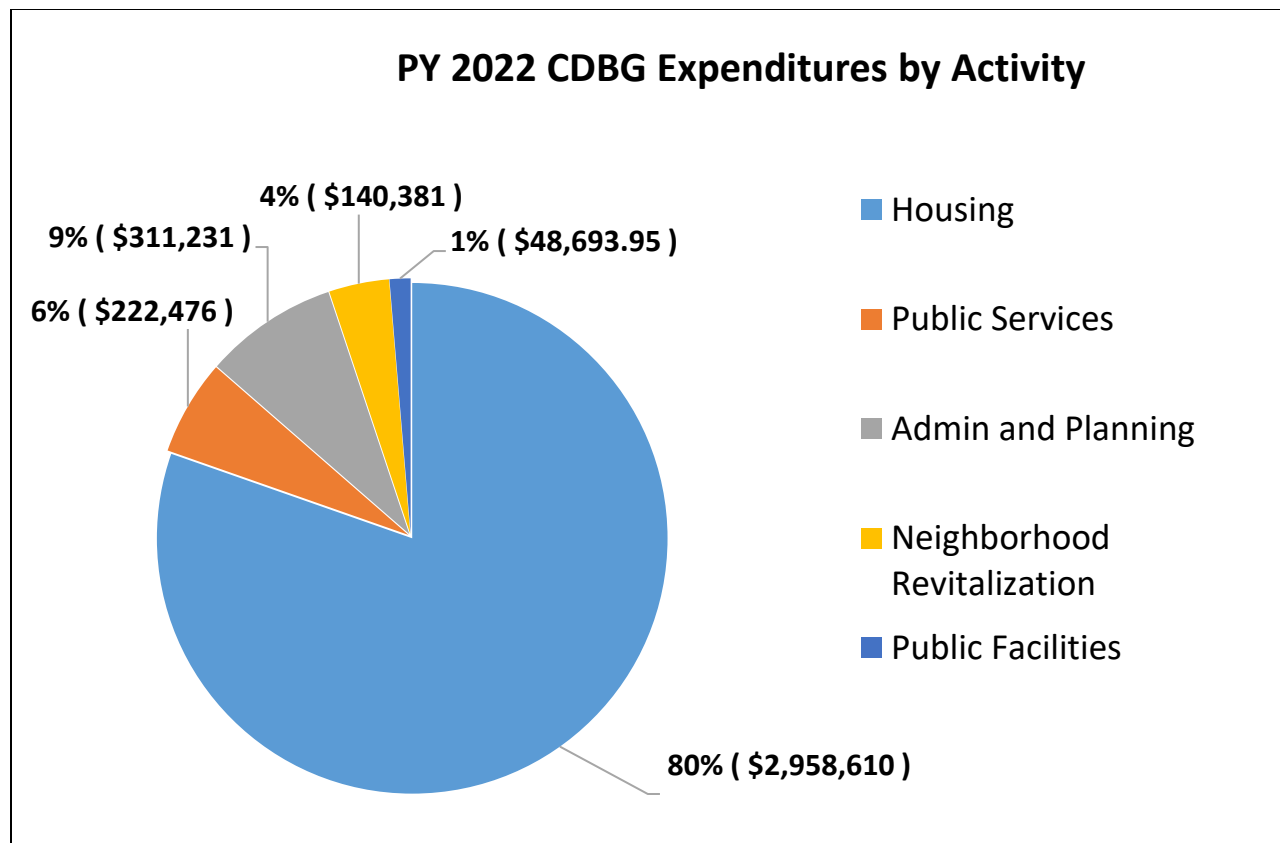
- 5) **Public Services**
 - a) 15,000 persons benefited from public services
- 6) **Neighborhood Revitalization**
 - a) 150 households assisted
 - b) Three (3) buildings demolished
- 7) **Economic Development**
 - a) 20 workforce trainees served
- 8) **Planning and Administration**

Expenditures by Program

Community Development Block Grant (CDBG)

Dakota County’s CDBG allocation for Program Year (PY) 2022 was \$1,908,838. In PY 2022, the CDA received \$565,866.84 in program income, which was generated primarily from the CDA-administered Home Improvement Loan program. The combined total available from the PY 2022 allocation and program income was \$2,474,704.84. The total expenditure for PY 2022 was \$3,681,392.83.

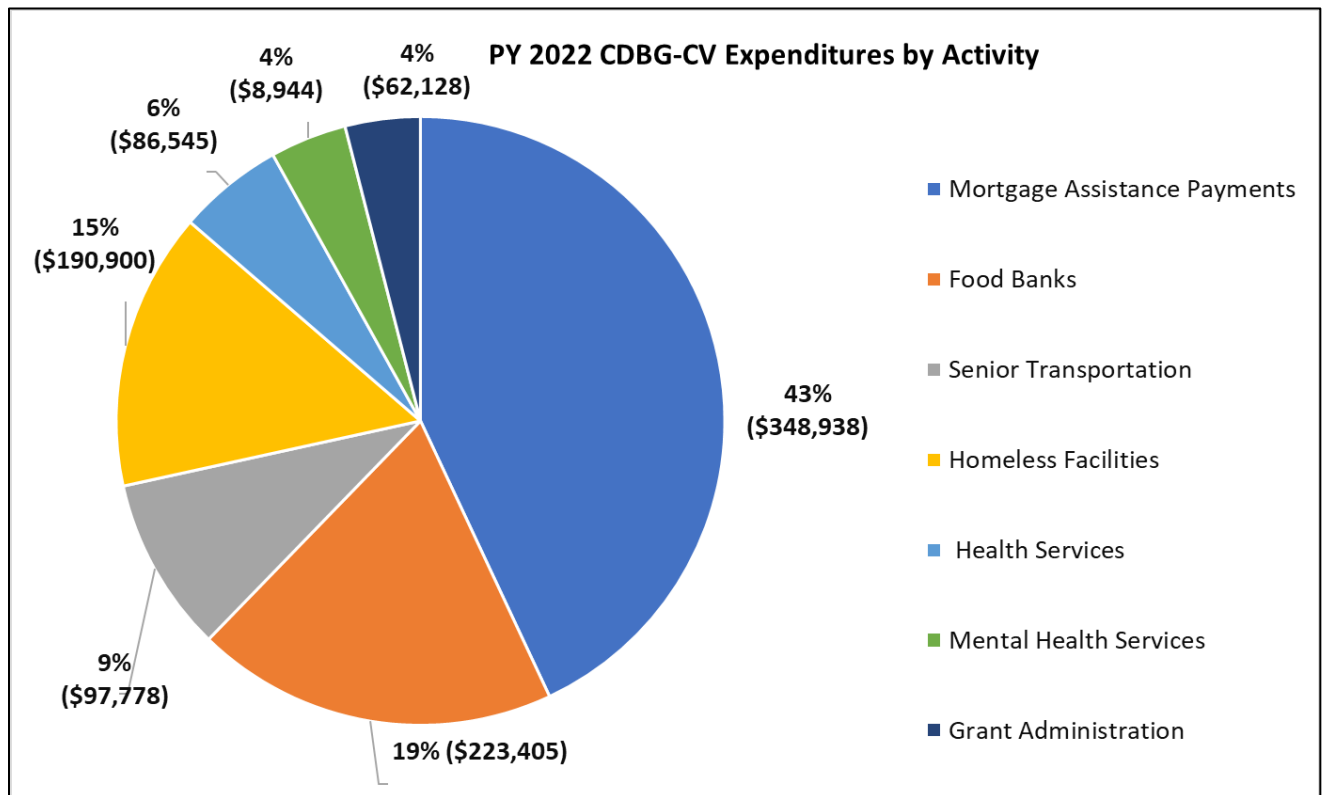
The chart below shows the percentages of those funds expended for each activity.



In 2020, Dakota County received an allocation of Community Development Block Grant Coronavirus (CDBG-CV) funds totaling \$2,913,485 to assist the County in responding to Covid-19. The County Board approved the use of the one-time CDBG-CV funds on the following activities:

CDBG-CV Activity	Activity Budget
Mortgage Assistance Payments	\$ 1,006,417.25
Food Banks	\$ 715,927.44
Senior Transportation	\$ 361,982.71
Homeless Facilities	\$ 396,771
Health Services	\$ 164,656.95
Mental Health Services	\$ 65,668.37
Grant Administration	\$ 202,061.28
TOTAL	\$ 2,913,485

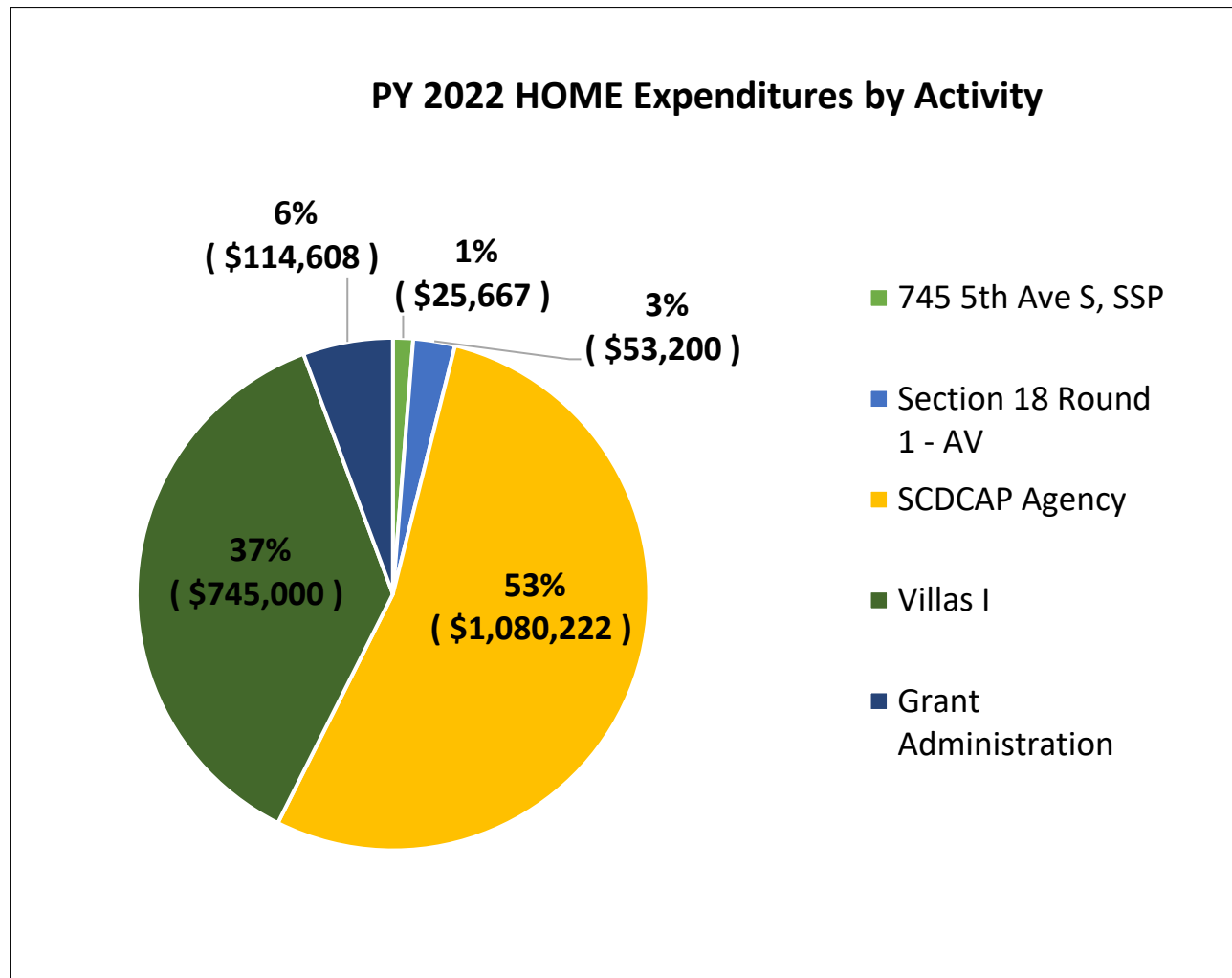
In PY 2022, \$1,393,834.46 of CDBG-CV funds were expended on the approved activities. The chart below details the expenditures.



HOME Investment Partnerships (HOME)

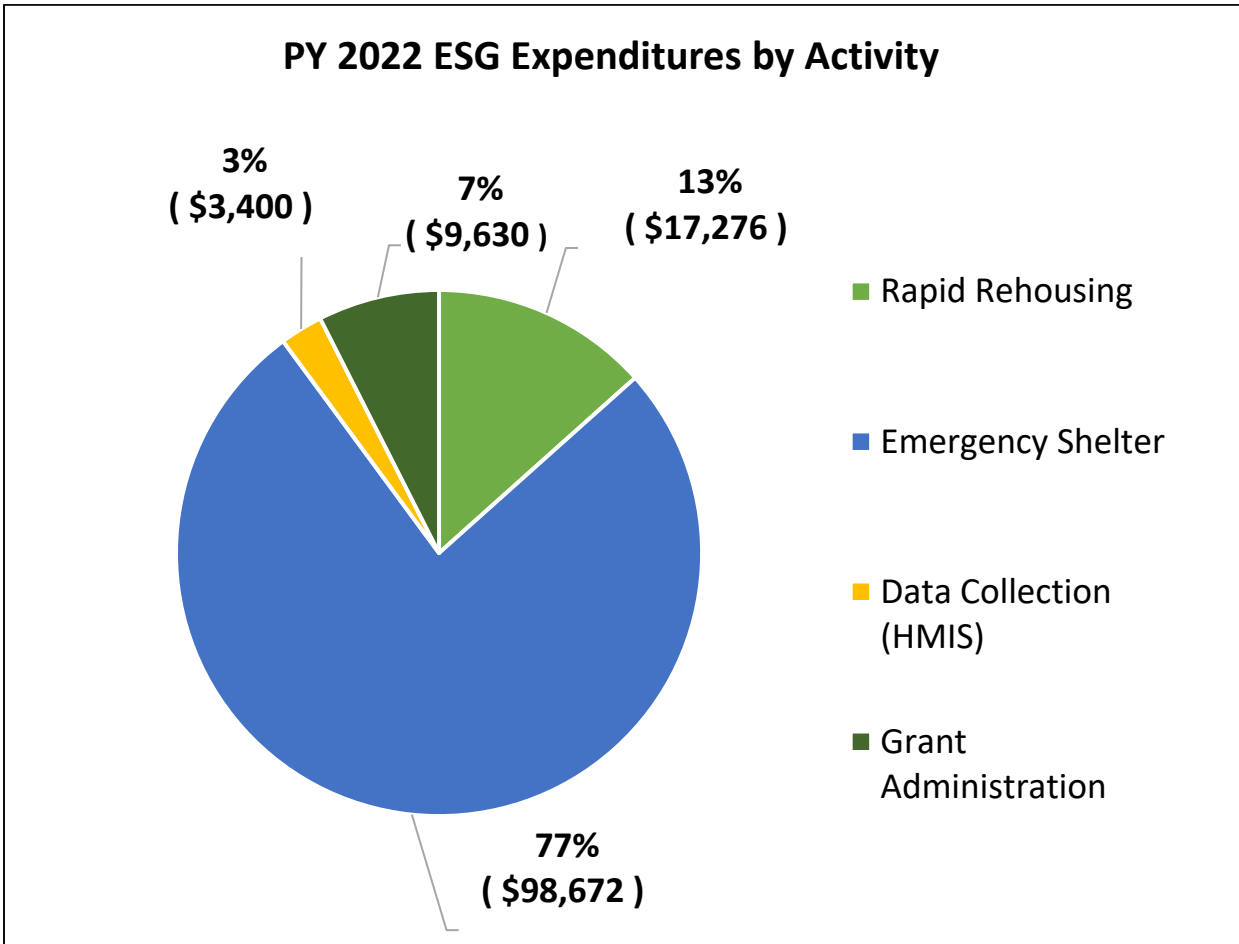
The majority of HOME funds were spent on the rehabilitation and preservation of eight units at 1011 Bryant Ave in South St. Paul, owned and operated by the Scott Carver Dakota Community Action Partnership Agency (SCDCAP). Additionally, \$745,000 was disbursed for the construction of Villas I, which is 150 units for seniors at 60% AMI. HOME funds were used for the rehabilitation of one single family home in Apple Valley and the new construction of a single-family home in South St. Paul with Twin Cities Habitat for Humanity (TCHFH). A total of \$114,608 was spent on Grant Administration.

The following chart shows the expenditures for the five HOME-funded activities in PY 2022.



Emergency Solutions Grant (ESG)

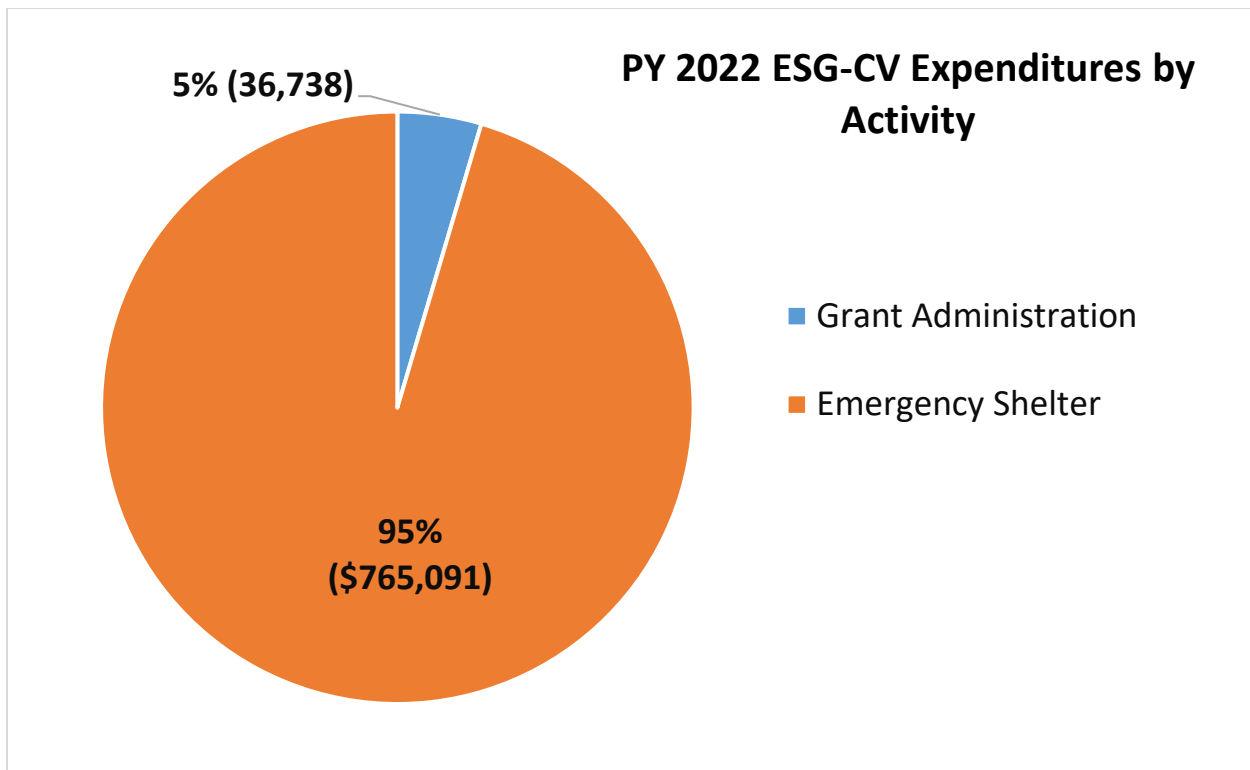
Funds expended in PY 2022 for the ESG program were dedicated to rapid rehousing, data collection (Homeless Management Information System or HMIS), emergency shelter and grant administration costs. A total of \$128,978.74 was expended on eligible ESG activities with \$17,276 expended on rapid rehousing, which includes on-going rental assistance payments as well as one-time payments for security deposits and first month's rent, and \$98,672 on emergency shelter operations. The following chart details the ESG expenditures by activity.



In 2020, Dakota County received an allocation of Emergency Solutions Grant Coronavirus (ESG-CV) funds totaling \$2,109,564 to help address the needs of individuals or families who are homeless or are at risk of homelessness because of the coronavirus; and to support those eligible activities that mitigate the impacts of Covid-19. The County Board approved the use of the one-time activities on the following activities:

ESG-CV Activity	Activity Budget
Emergency Shelter Operations	\$ 2,013,481
Homeless Management Information System	\$ 19,127
Grant Administration	\$ 76,956
TOTAL	\$ 2,109,564

Since the funds were allocated, Dakota County has spent \$1,886,573. In PY 2022, \$801,829 of ESG-CV funds were expended on the approved activities. The chart below details the expenditures.



Accomplishments by Priority

Reduce Homelessness

ESG funds are one resource available to people experiencing homelessness. Dakota County Social Services and Hearth Connection, a private social services provider, deliver direct service to individuals and families referred through the Coordinated Entry system.

In PY 2022, Dakota County served five households through rapid rehousing and emergency shelter. In addition to providing rental assistance payments, the rapid rehousing component assists ESG participants with first month’s rent, security deposits, and application fees. Dakota County has identified rapid rehousing as the most efficient and effective use of ESG funds, and the bulk of ESG funds are used for this activity.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Rental Assistance/Rapid Rehousing	Households Assisted	200	57	29%	40	5	12%
Homelessness Prevention	Persons Assisted	100	0	0.00%	20	0	0.00%

Affordable Rental Housing

Dakota County added eight HOME Rental Units in PY 2022. This was completed through rehab of eight units.

The following chart breaks down the progress on the Affordable Rental Housing priority.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Rental Units Constructed	Household Housing Unit	360	44	12%	110	0	0%
Rental Units Rehabilitated	Household Housing Unit	20	270	1,350%	2	8	400%

Affordable Homeowner Housing

Affordable Homeowner Housing is the focal point of Dakota County's CDBG program with homeowner rehabilitation being the main activity of the program. In 2022, \$2,113,576.72 (58 percent) of CDBG funds were expended on homeowner rehabilitation. The CDA completed 72 homeowner rehabilitation projects, and closed on 69 loans, which will be expended in PY 2023. The City of Northfield completed nine homeowner rehabilitation projects using CDBG funds.

One homebuyer was assisted through Ramsey County's down payment assistance (DPA) program. HOME funds were also used to add two units of affordable homeowner housing through new construction. HOME funds were also used to add three units of affordable homeowner housing through acquisition, rehabilitation, and sale to qualified homebuyers.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Homeowner Housing Rehabilitated	Household Housing Unit	300	202	67%	50	84	168%
Homeowner Units Constructed	Households Assisted	6	9	183%	9	2	22%
Direct Financial Assistance to Homebuyers	Households Assisted	1	13	1,300%	0	1	100%

Public Facilities

No public facilities activities were completed in PY 2022.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit Homelessness Prevention	Persons Assisted	13,000	208	1%	6,000	0	0%

Public Services

The cities of Apple Valley, Burnsville, Eagan, Farmington, and Lakeville allocated funding to a variety of public services in PY 2022. Public Services provided by these communities include senior services, youth services, and senior transportation services. The CDA also provided Housing Counseling as a public service activity.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Public Service Activities Other than LMI Housing Benefit	Persons Assisted	15,000	10,638	71%	2,000	3,241	162%

Neighborhood Revitalization

One of the strategies of Dakota County's Neighborhood Revitalization is to address water and sanitation hazards. As part of this strategy, the Dakota County Environmental

Services Division has sealed 10 abandoned residential wells and repaired five septic tanks to protect against groundwater contamination. Additionally, assessment abatement was provided to 22 households in Hastings.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Households Assisted	Household Housing Unit	150	112	75%	20	37	185%
Buildings Demolished	Buildings	3	0	0%	0	0	0%

Economic Development

In PY 2022, no eligible applications were received for economic development activities. These funds are available for use in PY 2023.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2022 Expected	2022 Actual	% Complete
Workforce Trainees	Workforce Trainees	20	0	0.00%	0	0	0.00%

Administration and Planning

Marshan Township and the City of Mendota both used CDBG funds for updates to their zoning codes. The City of Randolph completed a water supply plan.

Indicator	Unit of Measure	5-Year Expected	5-Year Actual	% Complete	2022 Expected	2022 Actual	% Complete
Other	Other	10	8	80%	6	3	50%