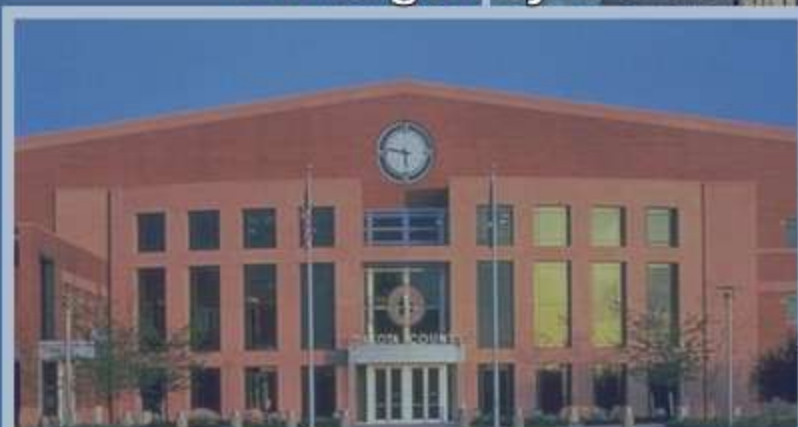


DAKOTA COUNTY ANNUAL ACTION PLAN Program Year 2026 Executive Summary

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) 2026 Annual Action Plan (Action Plan) is the second year of Dakota County's Consolidated Plan for Fiscal Years 2025-2029 (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 2026 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 city of Woodbury. As the grantee of CDBG funds, Dakota County works directly with the various municipalities (municipal subrecipients) within the County to provide access to this funding stream. The CDA provides 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 2025-2029 Consolidated Plan.

2025-2029 Consolidated Plan - Dakota County

Objective		Priority	Strategy		Outcome
6	Support planning efforts that address the housing, community and economic development needs of Dakota County, support fair housing choice, and continue to foster partnerships with community stakeholders.	1	Increase the affordable housing choices for low- and moderate-income households.	Reduce Homelessness	• 50 Households provided Rapid Re-housing Assistance • 50 Households assisted with Homelessness Prevention • 500 Persons assisted through Overnight Shelter
				Affordable Rental Housing	• 50 Rental Units constructed • 10 Rental Units rehabilitated
		2	Preserve and improve existing housing to maintain affordability.	Affordable Homeowner Housing	• 300 Homeowner Units rehabilitated • 1 Homeowner Unit (re)constructed • 3 Direct Financial Assistance to Homebuyers
				Community Development	• 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	• 13,000 Persons benefited from public services
				Neighborhood Revitalization	• 150 Households assisted
		4	Support community development that revitalizes neighborhoods and removes safety and blight hazards.	Economic Development	• Façade treatment/business building rehabilitation: 2 Businesses
		5	Support economic development that enhances the workforce and businesses.		

Planning and Administration
a. Support all of the goals and strategies with planning and administration

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 the 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 6, 2026, the Dakota County ratio was 1.47.

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 and adjustments are made as needed.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

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 21, 2025, and were required to be submitted to the CDA by January 16, 2026.

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 Consolidated Plan. Members of the Affordable Housing Coalition also reviewed and made comments on the ESG Written Standards.

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 2026 funding with the same application deadline as the municipalities. The County Board reviewed the staff-recommended 2026 Countywide activities on February 10, 2026.

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 2026-May 2026) – The Dakota County CDA presented a draft of the priorities and the established goals at the following venues:
 - The Affordable Housing Coalition reviewed the ESG activities at a regularly scheduled meeting (February 12).
 - The County Board reviewed the Action Plan at a regularly scheduled meeting (March 24).
2. Public Hearing and Comment Period (March 2026 – April 2026) – A 39-day public comment period was opened on March 13, 2026 and ran through April 20, 2026. Public notices were published in the *Dakota Tribune* and the *Star Tribune*, as well as on the websites of Dakota County, the Dakota County CDA, and the cities in Dakota County (only the public hearing notice was posted on cities' websites). A public hearing will be held on April 21, 2026 at the Dakota County Board of Commissioners meeting. The Dakota County HOME Consortium members each held 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.

The public hearing for the Dakota County Action Plan is April 21, 2026. The public comment period was open for a period of 39 days. No comments were received.

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

The public hearing is on April 21, 2026 and the public comment period ran from March 13 to April 20 for 39 days. No comments have been received so far as of the publishing of the draft Annual Action Plan.

7. Summary

Dakota County and the HOME Consortium members were allocated approximately \$4 million between CDBG, HOME and ESG for FY 2026. Dakota County is expected to receive slightly under \$3 million in grant allocations, with the largest being CDBG.

For the 2026 program year, Dakota County has set funding for 34 activities to take place either within a specified city or on a Countywide basis. The breakout is 26 activities are funded with CDBG, five activities are funded with ESG, and three activities are funded with HOME including program administration. The following activity statement and graphs detail the intended uses (activities) of CDBG, HOME and ESG funds for FY 2026.

The other members of the Dakota County HOME Consortium will work with their respective elected Boards for approval of the non-HOME funds.

Dakota County FY 2026 CDBG/HOME/ESG Activity Statements

Final CDBG Budget with 6.46% (\$122,310) increase from FY 2025

Final HOME Budget with 2.85% (\$64,399.73) increase from FY 2025

Final ESG Budget with 1.03% (\$1,722) increase from FY 2025

FY 2026 Dakota County CDBG Activity Statement

Small Cities and Townships:

City	Project	2026 Budget
Vermillion Township	Planning & Admin - 2050 Comprehensive Plan	\$ 36,997
	Total	\$ 36,997

Large Cities:

City	Project	2026 Budget
Apple Valley	Home Improvement Loan Program	\$ 150,243
	Public Service - DARTS Senior Chore Service	\$ 26,514
	Total	\$ 176,757

City	Project	2026 Budget
Burnsville	Home Improvement Loan Program	\$ 262,760
	Total	\$ 262,760

City	Project	2026 Budget
Eagan	Home Improvement Loan Program	\$ 185,469
	Public Service - Pre-School Program	\$ 4,232
	Public Service - Youth After School Programs	\$ 15,869
	Public Service - DARTS Senior Chore Services	\$ 5,290
	Public Service - Dakota Woodlands Youth	\$ 6,347
	Total	\$ 217,207

City	Project	2026 Budget
Farmington	Home Improvement Loan Program	\$ 48,072
	Public Service - Senior Services	\$ 5,341
	Total	\$ 53,413

City	Project	2026 Budget
Hastings	Assessment Abatement	\$ 46,542
	Total	\$ 46,542

City	Project	2026 Budget
Inver Grove Heights	Home Improvement Loan Program	\$ 94,656

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Total	\$ 94,656
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City	Project	2026 Budget
Lakeville	Home Improvement Loan Program	\$ 10,093
	ADA Compliance Improvements - Heritage Center	\$ 85,163
	Public Service - Senior Transportation	\$ 37,027
	Public Service - Senior Services	\$ 14,264
	Total	\$ 146,547

City	Project	2026 Budget
Mendota Heights	Home Improvement Loan Program	\$ 16,813
	Total	\$ 16,813

City	Project	2026 Budget
Northfield	Homeownership Assistance - Down Payment Assistance	\$ 50,002
	Planning & Admin - Land Development Code	\$ 5,556
	Total	\$ 55,558

City	Project	2026 Budget
Rosemount	Home Improvement Loan Program	\$ 51,698
	Total	\$ 51,698

City	Project	2026 Budget
South St. Paul	Home Improvement Loan Program	\$ 73,054
	Total	\$ 73,054

City	Project	2026 Budget
West St. Paul	Home Improvement Loan Program	\$ 90,062
	Total	\$ 90,062

Countywide	Project	2026 Budget
Dakota County	Home Improvement Loan Estimated Revolving Loan	\$ 350,000
	Countywide Home Improvement Loan	\$ 314,381
	Public Service - Housing Counseling	\$ 126,307
	Planning & Admin - CDA General Grant Administration	\$ 253,000
	FY2026 CDBG Countywide	\$ 440,688
	FY2026 CDBG Grant Administration	\$ 253,000
	FY2026 CDBG Total Final Budget	\$ 2,015,752
	FY2026CDBG Final Budget w/ Estimated RL	\$ 2,365,752

FY 2026 Dakota County HOME Consortium Activity Statement

Participating Jurisdiction	Project	2026 Budget
Anoka County 24.62%	Affordable Rental Housing	\$ 416,982.00
	Affordable Rental Housing - Program Income	\$ 416,269.79
	Affordable Rental Housing - Program Income (from Woodbury)	\$ 379.10
	Affordable Homeowner Housing - Program Income	\$ 150,000.00
	Community Housing Development Organization - Rental	\$ 83,396.00
	Grant Administration	\$ 41,698.00
	Grant Administration - Program Income	\$ 47,189.15
	Total	\$ 1,155,914.04

Participating Jurisdiction	Project	2026 Budget
Dakota County 36.24%	Affordable Rental Housing	\$ 284,867.58
	Affordable Rental Housing – Program Income	\$ 44,050.84
	Affordable Homeowner Housing	\$ 328,918.42
	Community Housing Development Organization - Rental	\$ 122,757.00
	Grant Administration	\$ 117,834.07
	Grant Administration – Program Income	\$ 20,284.37
	Total	\$ 918,712.28

Participating Jurisdiction	Project	2026 Budget
Ramsey County 22.84%	Affordable Homeowner Housing	\$ 386,835.00
	Affordable Homeowner Housing – Program Income	\$ 120,076.86
	Rental - Community Housing Development Organization	\$ 77,367.00
	Grant Administration	\$ 38,683.00
	Grant Administration – Program Income	\$ 10,006.42
	Total	\$ 632,968.28

Participating Jurisdiction	Project	2026 Budget
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Washington County 11.86%	Affordable Homeowner Housing	\$ 200,869.00
	Community Housing Development Organization - Rental	\$ 40,174.00
	Grant Administration	\$ 20,087.00
	Total	\$ 261,130.00

Participating Jurisdiction	Project	2026 Budget
City of Woodbury 4.44%	Affordable Rental Housing	\$ 55,417.85
	Affordable Rental Housing - Program Income	\$ 3,925.60
	Affordable Homeowner Housing	\$ 19,781.15
	Community Housing Development Organization - Rental	\$ 15,041.00
	Grant Administration	\$ 7,520.00
	Total	\$ 101,685.60

Consortium Totals	Project	2026 Budget
	HOME Projects:	
	Affordable Rental Housing	\$ 757,267.43
	Affordable Homeowner Housing	\$ 936,403.57
	Community Housing Development Organization - Rental	\$ 338,735.00
	Grant Administration	\$ 225,822.07
	Prior Year Program Income	\$ 812,182.13
	Total Grant	\$ 2,258,228.07
	Total Grant and Program Income	\$ 3,070,410.20

FY 2026 Dakota County ESG Activity Statement

Countywide	Activity	2026 Budget
	Emergency Shelter Operations	\$ 99,848
	Rapid Re-Housing	\$ 46,730
	Homelessness Prevention	\$ 2,529
	Data Collection (HMIS)	\$ 4,826
	Grant Administration	\$ 12,481
	2026 Emergency Solutions Grant Total	\$ 166,414