

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2015-2019 Consolidated Plan describes community needs and determines local priorities for using public resources to assist low-and moderate-income residents of the City of North Mankato. It sets forth a five-year strategic plan consisting of goals and actions to address community needs.

The Consolidated Plan is augmented by annual Action Plans, which identify how the City will spend the public resources each year to meet the goals and priorities identified in the Consolidated Plan. This Action Plan covers the third year of the Consolidated Plan and formulates a plan to achieve many of the objectives and outcomes stated in the Consolidated Plan. Affordable housing, specifically the rehabilitation of existing single-family dwellings, continues to be a priority for the coming year.

2. Summarize the objectives and outcomes identified in the Plan

The goals and outcomes identified in this Action Plan are taken from the Consolidated Plan's Strategic Plan which describes how CDBG funds and other resources will be deployed and what other actions will be taken to address community development and affordable housing needs over the next five years. This year, goals are being carried out through projects that relate to housing rehabilitation.

The City proposes to complete 5 owner-occupied housing rehabilitation projects. The outcome of these projects will be an increase in the availability/accessibility to decent housing by providing owner occupied housing rehabilitation funds for four units.

This will be accomplished by providing 5 year 0% interest deferred loans to income qualified households to make improvements that make homes energy efficient, safe, habitable and accessible to physically challenged occupants.

3. Evaluation of past performance

The owner-occupied rehabilitation program has been effective in preserving the existing housing stock as well as improving the quality of life for low- to moderate-income homeowners. Much of North Mankato's housing stock (42%) is over 50 years old and demand for this program remains strong as does the need for continued investment for owner-occupied housing rehabilitation.

The 2015 Consolidated Annual Performance and Evaluation Report (CAPER) provided an evaluation of the first year of the Consolidated Plan. North Mankato made significant progress in meeting its first year

goals. Some notable accomplishments during the first years of the 2015-2019 Consolidated Plan include the following:

- Four low- to moderate-income households received grants through the Single-Family Residential Rehabilitation Program.
- Seventeen North Mankato residents participated in the Tapestry Project providing education to help orient new immigrants into the community.
- Accessibility improvements to the Municipal Building

4. Summary of Citizen Participation Process and consultation process

A public hearing was held on June 19, 2017 at a City Council meeting.

A draft of the 2017 Annual Action Plan was made available on the City's website and copies were also available for review at the North Mankato Municipal Building, located at 1001 Belgrade Avenue, North Mankato, MN 56003 during the office hours of 8:00 a.m. to 5:00 p.m.

5. Summary of public comments

One citizen spoke at the June 19, 2017 public hearing to express support for the use of CDBG funds for housing rehabilitation and recommended the program be well marketed.

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

7. Summary

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity 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	NORTH MANKATO	Community Development Department

Table 1 – Responsible Agencies

Narrative (optional)

The Community Development Department is the Lead Agency for the development of the Action Plan. The City of North Mankato worked closely with a number of public and private agencies in the development of this plan.

Consolidated Plan Public Contact Information

Michael Fischer, Community Development Director

1001 Belgrade Avenue

North Mankato, MN 56003

507-625-4141

michaelf@northmankato.com

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The main focus on consulting with other entities occurred during the development of the 2015-2019 Consolidated Plan. To develop the goals for the 2017 Action Plan, the City of North Mankato considered public comments received during focus groups to determine community need. The North Mankato Community Development Department works closely with many organizations to administer a spectrum of housing programs serving a variety of needs.

The provision of these programs requires the communication and coordination with a large array of local social service providers, homeless shelters, advocates for victims of domestic abuse, advocates for Veterans, lenders, market rate housing providers, health care professionals, religious organizations, employers, and credit counselors. Working together with these services provides the communication needed to assess community need and keep CDBG Action Plan goals relevant.

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 Community Development Department of the City of North Mankato has a strong working relationship with other supportive housing providers in the area. The Family Homeless Prevention and Assistance Program (FHPAP) is administered by Blue Earth County Human Services and Minnesota Valley Action Council (MVAC) and serves a nine county area including Nicollet County/North Mankato. Through the Housing Choice Voucher Program (HCV), staff communicates regularly with area property owners, social service providers, and assisted living facilities. The City owned Koppen Gardens is a 74-unit public housing unit accepting Section 8 vouchers through the SCMMCHRA.

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.

North Mankato is part of the Southeast Minnesota Regional Continuum of Care. The City of North Mankato understands the importance of helping extremely low- and low-income families who are at imminent risk of becoming homeless. The City will continue to analyze updated data, work with local organizations, and explore ways to help these families, households, and individuals. Currently there are several programs to address the needs of the long-term homeless that have been endorsed by the Continuum of Care. Beginning in April of this year, The CoC began participation in the Southeast Minnesota River Valleys Continuum of Care Coordinated Entry System (CES), for housing and support services for the homeless.

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

North Mankato is a part of the Southeast Minnesota Continuum of Care covering 20 counties in the southeast region of Minnesota. Members of the Continuum represent the agencies that provide homeless services in the region. Meetings are held monthly in various locations around the region and participants work together to develop performance standards and outcome evaluation protocols that are then used to rank projects for continued funding. Peer review is an important part of the evaluation process. Continuum members regularly discuss policies and procedures for the administration of the HMIS system and its use for reports and as a possible coordinated entry platform.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Partners for Affordable Housing
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	PAH provides shelter for homeless families and individuals and helps them to secure economically viable long-term housing. The agency offers a number of programs including The Welcome Inn Transitional Center (emergency and short-term housing), The Welcome Home Transitional Housing Program (long-term transitional housing), Liberty Homes and Apartments Program (permanent, affordable housing for low income individuals with special needs), RentWise Tenant Education, and Home Stretch Home Buyer Education.

2	Agency/Group/Organization	Minnesota Valley Action Council Inc
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-homeless Services-Employment Child Welfare Agency Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Development Department contracts with MVAC to provide financial literacy education for first time home buyers, and to provide rehabilitation project management. MVAC develops resources and opportunities that empower people in low-wage work to secure affordable housing, viable transportation, employment, training for employment, and educational opportunities. Programs include Fuel Assistance, Section 8, Rehab Loan Program, and Fix Up Fund Loans.
3	Agency/Group/Organization	Continuum of Care - Southeast Region
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	As a member of the Continuum of Care, staff participate in the decision making involved in ranking projects that serve the homeless in the Southeast region of Minnesota. Standards, policies and procedures are developed by the Continuum of Care staff and are approved by the Continuum of Care members. Representatives of the Continuum of Care have provided input in the CDBG planning process.
4	Agency/Group/Organization	MN Council of Churches
	Agency/Group/Organization Type	Services-Education Services-Employment Regional organization
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Serves the Immigrant Community
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff and the North Mankato Department of Public Safety work closely with the local office of the Council of Churches to provide resources and education to new Americans living in our community. The major effort is the provision of the Tapestry Program that educates newly arrived immigrants in local resources such as public transportation, library services, and the role of the fire and police departments. Input from the MN Council of Churches resulted in CDBG funding for the Tapestry Program in the 2016 funding year.
5	Agency/Group/Organization	VINE Faith in Action
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Regional organization Services - Immigrants
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Transportation

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	VINE attended the focus groups and provided comments. The organization offers the People to Jobs Program which provides employment related transportation for single parents, immigrants, and other low-income workers. VINE also provides chore services, meals on wheels and services to the elderly in our community.
6	Agency/Group/Organization	South Central Minnesota HRA
	Agency/Group/Organization Type	Housing Services - Housing Services-Elderly Persons Services-Persons with Disabilities Other government - Federal Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Housing Choice Voucher Program
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The South Central Minnesota Multi-County HRA attended the focus groups and provided comments. SCMMCHRA operates the public housing programs for the counties of Martin, Nicollet, Sibley, Waseca, and Watonwan thereby benefiting the residents of North Mankato.

Identify any Agency Types not consulted and provide rationale for not consulting

All community service providers were invited to participate in the focus groups that took place during the consolidated planning process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
City of North Mankato Comprehensive Plan	City of North Mankato	The City of North Mankato’s Comprehensive Plan identifies the need for ongoing commercial and housing rehabilitation of existing buildings.

Table 3 – Other local / regional / federal planning efforts

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The citizen participation process for the overarching Consolidated Plan set the goals and priorities for the five-year period. City staff utilized the City of North Mankato 2015-2019 Consolidated Plan to guide the goals of the 2017 Action plan. The first step taken in creating the 2015-2019 Consolidated Plan was the implementation of the Citizen Participation Plan. The City of North Mankato developed and followed the detailed plan which provides for, and encourages, citizen participation and which emphasizes participation by persons of low or moderate income, particularly residents of predominantly low and moderate income neighborhoods.

As part of the 2017 Action Plan, on June 6, 2017 the City published the Notice of Public Hearing for a public hearing to be held on June 19, 2017. After the public hearing, a 14-day public comment period occurred from June 20, 2017 to July 3, 2017. Copies of the 2017 Action Plan were available at the North Mankato Municipal Building, located at 1001 Belgrade Avenue, North Mankato, MN 56003 during the office hours of 8:00 a.m. to 5:00 p.m.

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 reasons	URL (if applicable)
1	Public Hearing	Non-targeted/broad community	One citizen attended the public hearing	Support for housing rehab program with marketing		

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

A variety of funding sources will complement and leverage CDBG funds to meet established goals. These resources include matching funds from property owners participating in the rehabilitation programs. The City will consider all possible resources, including any future programs for affordable housing, to assist with meeting community needs.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder 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	71,389	5,500	11,548	88,437	212,000	Funds will be used to complete six owner occupied rehabilitation projects and administer the program.

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.

Not applicable

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Residential Rehabilitation	2015	2019	Affordable Housing	North Mankato	Single Family Residential Rehabilitation	CDBG: \$71,389	Homeowner Housing Rehabilitated: 6 Household Housing Units

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Residential Rehabilitation
	Goal Description	Six units of owner-occupied housing will be rehabilitated in 2017.

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

It is estimated that affordable housing will be provided to six low- to moderate-income families in the form of a grant/loan for rehabilitation of their home to address deficiencies.

AP-35 Projects – 91.220(d)

Introduction

The projects planned for the 2017 program year are based on identified community needs and include rehabilitation assistance for single-family owner occupied housing.

#	Project Name
1	Administration
2	Single-Family Housing Rehabilitation

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were made based on input received as to needs in the community. Affordable housing has been identified as one of the highest priorities in needs assessments for North Mankato, so the majority of CDBG funding is allocated to help increase affordable housing through rehabilitation of existing units.

The largest obstacle in addressing underserved needs is the lack of available funds. It is difficult to address the needs of low to moderate income households with the existing budget.

Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	Administration
	Target Area	
	Goals Supported	Residential Rehabilitation
	Needs Addressed	Single Family Residential Rehabilitation
	Funding	CDBG: \$6,000
	Description	Funds will be used to administer the housing rehabilitation program.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	It is anticipated that six low- to moderate-income households will benefit from the proposed activity.
	Location Description	
	Planned Activities	Cover the administration costs for the Single-Family Residential Rehabilitation Program.
2	Project Name	Single-Family Housing Rehabilitation
	Target Area	
	Goals Supported	Residential Rehabilitation
	Needs Addressed	Single Family Residential Rehabilitation
	Funding	CDBG: \$71,389

Description	Funds will be provided in the form of a grant/loan to Low- to Moderate-Income individuals to make improvements to their home.
Target Date	
Estimate the number and type of families that will benefit from the proposed activities	It is anticipated that six low- to moderate-income households will benefit from the proposed activity.
Location Description	Specific addresses are not yet known.
Planned Activities	Planned activities include, but are not limited to remediation of lead based paint hazards, energy efficiency upgrades, exterior improvements, and other code compliance improvements to make homes safe, habitable and accessible to physically challenged occupants.

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

For 2017, the majority of CDBG funds will be allocated towards single-family housing rehabilitation in lower North Mankato and for any eligible person living in the City of North Mankato.

Geographic Distribution

Target Area	Percentage of Funds
North Mankato	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Although the Single-Family Rehabilitation Program is available to any qualified household city-wide, it is in lower North Mankato where the largest concentration of low- to moderate-income households and the oldest housing/building stock is located and where most rehabilitation projects will be completed.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The rehabilitation of 5 existing single-family homes is planned for the coming year. CDBG dollars will be spent on administration of the program through a third party and provided in the form of a grant/loan to low- to moderate-income households.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	6
Special-Needs	0
Total	6

Table 11 - 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	0
Rehab of Existing Units	6
Acquisition of Existing Units	0
Total	6

Table 12 - One Year Goals for Affordable Housing by Support Type

AP-60 Public Housing – 91.220(h)

Introduction

The City of North Mankato owns and administers the 74 unit Koppen Gardens complex providing a critical housing resource for the City. Additional apartment complexes with subsidized/public housing units in the City of North Mankato include the Bell Tower Apartments, Colony Apartments, Medford Manor, Northridge Estates, Northway Townhomes, Page Apartments, and WSK Holdings.

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

The 2017 Action Plan does not propose to use CDBG funding for public housing activities.

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

Home Stretch first time homebuyer education, Housing Choice Voucher Program moving families to self-sufficiency and homeownership.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

While the proposed use of CDBG funds is not dedicated to homeless and other special needs activities, the City will continue to work with area providers who serve these populations.

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

Shelter + Care, VASH, and Bridges rental assistance programs are available programs that reach out to long-term homeless in the community.

Addressing the emergency shelter and transitional housing needs of homeless persons

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

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.

One year goals for the number of households to be provided housing through the use of HOPWA for:
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

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

Introduction

The Analysis of Fair Housing Impediments report completed in February 2015 found that North Mankato's current policies and procedures are in compliance with the Federal Fair Housing Guidelines and do not adversely affect citizen's housing choice. The study reported that the city has had no charge or finding of probable cause of housing discrimination made against it according to the Department of Housing and Urban Development and the Minnesota Department of Human Rights. The City has never been involved in a housing discrimination lawsuit with the Department of Justice, Minnesota Attorney General's Office, or any other private party. The City has also never received a complaint relating to fair housing practices or discrimination from a citizen.

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

The City of North Mankato fosters equal opportunity. Local land use policies, regulations, zoning ordinances, building codes, and site selection policies do not discriminate or limit the availability of fair housing. The following activities are being addressed in the Action Plan:

- Support efforts to provide funding for owner-occupied housing rehabilitation to low-income households
- Continue partnership with agencies who provide services and housing

AP-85 Other Actions – 91.220(k)

Introduction

Efforts will continue in the 2017 program year to address community needs, including increasing and maintaining affordable housing, providing safe living conditions, reducing the number of poverty level families and enhancing coordination of service providers.

Actions planned to address obstacles to meeting underserved needs

Continued support for community organizations serving the homeless and maintaining a membership with the Southeastern Continuum of Care.

Actions planned to foster and maintain affordable housing

The City's existing public housing will require continued maintenance. As turnover of units occurs, the housing units may be rehabilitated to assist with their maintenance in the future. Efforts to rehabilitate the stock of affordable housing will continue to be made a priority for future projects.

Actions planned to reduce lead-based paint hazards

Through the rehabilitation of single-family dwellings, lead hazards will be abated.

Actions planned to reduce the number of poverty-level families

Continued partnership and support for community organizations providing public services including medical care, transportation to work, meals on wheels, and other chore services that improve the lives of the extremely low-income citizens.

Actions planned to develop institutional structure

Continued coordination with community providers to meet the goals defined in the Consolidated Plan will ensure continued institutional structure.

Actions planned to enhance coordination between public and private housing and social service agencies

A strong partnership with the Minnesota Valley Action Council who administers our single-family rehabilitation program and also offers financial education to low-income individuals on home ownership. Continued coordination and support by the South Central Minnesota Multi-County HRA who distributes Section 8 Vouchers and operates public housing programs for five Counties and is located in North Mankato. Maintaining a membership with the Southeast Minnesota Continuum of Care and participating in decision making for projects that serve the homeless and other needs in the region.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(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	0
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
Total Program Income:	0

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.	100.00%